



# Macfarlane Group UK Limited **Gender Pay Gap Report 2021**



# Statement

Macfarlane Group UK Limited (Company number 01630389) is in its fifth year of reporting our gender pay gap figures. As we focus on business growth, we also continue to drive our DEI (Diversity, Equity & Inclusion) agenda.

The Gender Pay Gap Report supports the identification of any pay inequalities within the business. Once calculated and externally audited we review the information to assess and monitor the levels of gender pay equality in our workplace. The balance of males or females employed at different levels is also considered as part of this report.

Positive progress on diversity is being made particularly in areas such as Logistics and Production. However, we are committed to make improvements throughout the business with key actions in place linked to reward, recruitment and succession planning.

This report has been produced for the legal entity Macfarlane Group UK Limited, which incorporates Macfarlane Packaging, Macfarlane Design and Manufacture, Network Packaging, Greenwoods Stock Boxes, GWP Holdings Limited (GWP) and any other acquisitions that were part of Macfarlane Group UK Limited on the 5<sup>th</sup> April 2021.

The Company internally collated and calculated the Gender Pay Gap Report. The information has been externally audited by Menzies Law. The snapshot date used for the data within this report is 5<sup>th</sup> April 2021.

I can confirm that the data reported is accurate and in accordance with the Equality Act 2010 (Gender Pay gap Information) Regulations 2017.



**Chief Executive Officer**





# Introduction

Macfarlane Group UK Limited, with over 250 employees, is required to report its Gender Pay Gap. The scope of individuals used for the calculation includes all employees who were employed on either a contract issued by Macfarlane Group UK Limited or by an acquisition prior to the point of transfer.

The following six calculations have been derived from the data collated. The calculations have been independently audited by Croner:

**The mean pay gap**

**The median pay gap**

**The proportion of male and female employees in each salary quartile band**

**The mean bonus pay gap**

**The median bonus pay gap**

**The proportion of males and females receiving a bonus payment**

The snapshot date used for the data in this report is 5th April 2021.

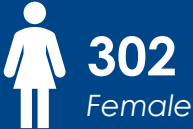


# Macfarlane Group UK Limited Gender Pay Data

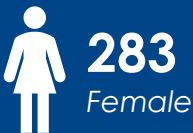
## 5<sup>th</sup> April 2021

### Macfarlane Group UK Limited Employees

#### Relevant Employees



#### Full Pay Relevant Employees



#### The Mean Pay Gap

The mean pay gap is **-3.2%**

#### Hourly Pay



#### The Median Pay Gap

The median pay gap is **-14.2%**

#### Hourly Pay



### The proportion of male and female employees in each salary quartile band

#### Lower



#### Lower Middle



#### Upper Middle



#### Upper





## Bonus Payments

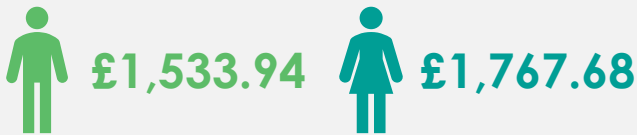
In 2020 Macfarlane Packaging Distribution, the largest employer of Macfarlane Group UK Ltd decided that due to the pandemic there was a need to adapt its bonus programme for the trading year ending 31<sup>st</sup> December 2020. This decision had an impact on the Bonus Pay Gap as the payments under the new scheme were made during the bonus pay period.

In previous years bonus payments had a direct link to the personal performance of an individual, with employees working within the Sales function receiving often higher and more regular payments than those in other areas. At the beginning of the pandemic a new approach to bonus for the year was taken, with the scheme for 2020 based on overall business performance, with everyone receiving similar payments if the business achieved set targets. The result of this approach are highlighted below.

### The Mean Bonus Pay Gap

The mean pay gap is **- 15.2 %**

#### Hourly Pay



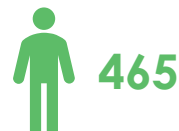
### The Median Bonus Pay Gap

The median pay gap is **4%**

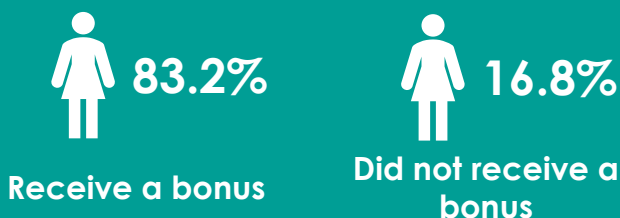
#### Hourly Pay



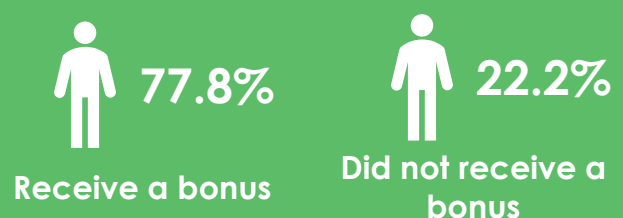
### Proportion of males and females receiving a bonus



#### Female Staff



#### Male Staff





## Comments

Macfarlane Group UK Limited recorded a Mean Pay Gap figure of -3.2% in 2021, over the five reporting years we have seen this figure fluctuate slightly, predominately as a result of acquisitions. This is true for the 2021 figures with GWP and Carters Packaging being included in the calculations for the first time.

It is worth mentioning that the snapshot date for the Gender Pay Gap 2020 was in a period of furlough (Coronavirus Job Retention Scheme), and as such the number of individuals included as Full Pay Relevant Employees (FPRE) were lower than in previous years. The 2021 figures were not affected by this scheme, however when reviewing year on year results 2020 did not represent the normal level of FPRE.

The most significant change in the Gender Pay Gap Report for 2021 is linked to the Bonus Pay Gap results, with historical mean results reported as -41.5% in 2019 and in 2021 recorded as 4%. This figure is a direct result of the change to the bonus structure for 2021, with all employees receiving a payment based on the overall company performance. The adapted structure also meant that over 77% of males received a bonus in 2021, against figures of 43% in 2019.

## Recommendations

There are clear policies and procedures in place to try and ensure that any decision made regarding recruitment, reward and career enhancement is made free from gender bias. However, it is recognised that further work is required to combat any unconscious bias that might be present in the organisation.

Further work is also being completed to improve our ability to attract a more diverse workforce in particular within the Logistics and Productions functions. As part of our EDI agenda key strategic actions are being continued during 2022 including training, enhanced employee engagement feedback and targeted recruitment.





## References

Equality and Human Rights Commission (EHRC) website

Gov.uk – Gender Pay Gap Guidance website.

ACAS - Managing Gender Pay Reporting February 2019.

CIPD – Gender Pay Gap Reporting