

Gender Pay Report 2018

Culina Group Statement



Since reporting our gender pay gap last year, Culina Group and its business units have had a conscious focus on driving greater gender balance in the group as well as being vocal about this externally. We know that our gender pay gap (and indeed our total gender earnings gap) is driven by a lack of females in senior leadership positions this imbalance is something we want to address, however we understand it will take time.

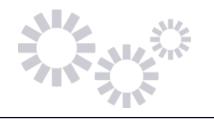
We know that programmes alone are not enough and we have thus focussed on ensuring that we always provide an inclusive working environment that is underpinned by respect at all times — one where everyone can thrive, develop and succeed which are embodied in our business values.

Culina Group is fully aligned with the UK government's commitment to inclusion, diversity and fairness. As per last year, we welcome the gender pay gap reporting requirements both as a means of creating greater transparency as well as reinforcing the importance of further action around gender equality. We have continued to work on initiatives to increase the representation of women within the business, and bring greater gender balance into our workforce at all levels across Culina Group.





Culina Group Statement



The gender pay gap reporting has brought all of this to the forefront, but the commitments and changes we are making are not because of the reporting. We are doing it because it's right for our employees, our business, and our customers. We want every single employee who is part of the Culina Group, whoever they are, to have the confidence to be their best and do their best work. We are committed to doing everything we can to make this happen. Having a diverse workforce enables us to field best-in-class teams to serve our clients and customers, this creates growth and development opportunities for our employees.

While we recognise our figures might not always show linear improvement, we remain committed to gender diversity and balance over the Culina Group and are working hard to narrow our gender pay gap. This report outlines our commitment to gender balance and diversity, and the steps we are taking to address this.

We are clear that, while we still have much to do, meaningful progress is being made.



Richard Berry

Group HR Director **CULINA GROUP | Gender Pay**

Gender pay gap reporting explained



The gender pay gap shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of the average male earnings. A gender pay gap can be driven by a number of factors including, crucially, a lack of females in senior positions. It is important to note that this is different to the issue of equal pay – namely the legal requirement to pay men and women the same for equal work – which is governed by the Equality Act.

Organisations must follow the <u>calculation methodology</u> set out by the Government Equalities Office to report their mean and median gender pay gap, bonus gap, and distribution across pay quartiles.

Median Pay Calculation Lowest Paid Median Highest Paid Paid Paid

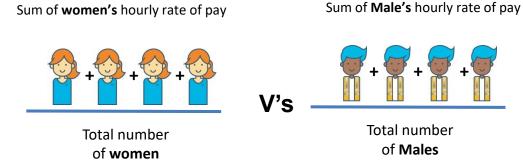
The median is the figure that falls in the middle of a range when the average hourly rate of all relevant employees are lined up from largest to smallest.

The median gender pay gap is calculated based on the difference between the middle employee in the range of male wages and the middle employee in the range of female wages.

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<u>Distinguishing between median and mean</u>

Mean Pay Calculation



The mean is calculated by adding up the wages of all relevant employees and dividing the figure by the number of employees. The mean gender pay gap is calculated based on the difference between mean male pay and mean female pay.



Our Results 2018



There are a few key factors that influence the top headline numbers – from the percentage of women in leadership positions, to the gender makeup of specific teams in the business...such as Operations, which is majority male, and customer service and finance, which are majority female. We are though confident that for equivalent roles, men and women are paid the same.

	Culina	Great Bear	CML	IPS	Warrens
Mean Gender Pay Gap	07.0%	03.3%	07.1%	17.0%	27.6%
Median Gender Pay Gap	12.8%	-5.2%	05.3%	05.3%	41.6%
% of Males Receiving Bonus	81.6%	20.5%	85.1%	09.0%	36.6%
% of Females Receiving Bonus	82.2%	40.8%	86.2%	04.3%	66.6%
Mean Bonus Gender Pay Gap	-23.1%	-124.2%	04.1%	87.9%	-68.9%
Median Bonus Gender Pay Gap	0%	09.4%	07.1%	09.9%	0%

	Cu	Culina		Great Bear		CML		IPS		Warrens	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
Upper Quartile	87.3%	12.6%	83.4%	16.5%	79.0%	20.9%	73.2%	26.7%	96.5%	03.4%	
Upper Middle Quartile	92.6%	07.3%	87.7%	12.2%	79.0%	20.9%	62.5%	37.4%	97.7%	02.3%	
Lower Middle Quartile	89.4%	10.5%	82.4%	17.6%	83.8%	16.1%	60.2%	39.7%	78.1%	21.8%	
Lower Quartile	72.3%	27.6%	74.5%	25.4%	64.5%	35.4%	48.9%	51.0%	62.5%	37.5%	



Explaining the numbers



The gender pay gap is influenced by the distribution of male and female employees across the organisation. A higher proportion of men in senior posts combined with a higher proportion of women in less senior posts will typically drive a gender pay gap within an organisation.

At Culina Group we recognise there are multiple factors that explain our gender pay gap, including:

- Role specialisation Within our business lines we have highly paid specialised roles which have traditionally been male dominated.
- Industry perception Logistics industry is a career option for a very specific type of person is a real challenge, it's hard to escape the impression that roles primarily involve moving and lifting
- Seniority There are more men than women in senior roles within the business. At the same time, we have more women than men in less senior roles.

We recognise that further improvement is necessary and we have strategies and programmes in place to help us ensure we recruit, develop, promote and reward more women to help achieve our diversity and inclusion goals. These include measures designed to address gender balance in all roles across all levels within the organisation, which will, over time, mitigate our gender pay gap.



Our commitment



We value the diversity of our employees as a genuine strength to our business an customers. The Culina Group brings together people from a wide range of cultural backgrounds all with different skills, experiences and viewpoints. We care about building an environment where all employees have access to the same opportunities and we as a business will continue our work towards this over several focal areas:

- Recruitment Ensuring we select the right person for the job, through fair and balanced processes.
- Development Opportunities We want to ensure that we put people at the heart of everything we do. By continually nurturing our talent, we provide the platform and opportunity for an amazing career across the group for all employees.
- Warehouse to Wheels (DNA) This scheme develops employees from warehouse operatives to HGV drivers, including support with attaining their HGV licence. The scheme is open to all warehouse employees, however as women are much better represented in warehouse roles compared to driving roles, our aim is to use the scheme to proactively increase the number of female drivers.
- Benchmarking Through extensive internal and external benchmarking, we have developed a set of pay bands for each grade. We have rules around starting salaries and ongoing pay increases, all of which require approval by the budget holder and HR. The pay bands are reviewed and adjusted annually in line with the benchmarking.





I confirm that the information reported is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Richard Berry

Group HR Director