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Martin Brower UK: Gender Pay Statement and Narrative

As a business we have a passion for integrity – we strive to do the right thing, all the time and in every circumstance to enable us to achieve financial results, ensure a healthy future and create a world class organisation.

As a leading logistics services provider, our global business provides end-to-end supply chain management solutions, annually delivering over 733 million cases of food and service products to fast food restaurant chains in 19 countries.

We care for our people and recognise they are our greatest asset. We want to ensure our workforce is diverse and inclusive by creating an open, fair and inclusive workplace culture. We aim to attract, develop and retain the best talent available whilst being committed to building a company which leverages individuals' unique talents. We aim to provide opportunities to all employees, enabling us to deliver a superior service to our customers.

We recognise that mandatory gender pay gap reporting is an important step in terms of progression and transparency to encourage greater equality of opportunity for women in work.

We have a mean gender pay gap of **-5.67%** favouring females and a median gender pay gap of **7.97%** favouring males. These figures compare very favourably to the national figures reported by the Office of National Statistics and are evidence of the effort we have already invested in providing access to training and development opportunities to encourage and promote female progression into more senior roles.

Our Gender Pay Gap Report suggests that whilst we have improved in a number of areas, there are still advances we can make to further support gender equality. By continuing to scrutinise the detail behind the high-level numbers, we can further develop our action plans, programmes and activities.

Our first year initiatives included developing a recruitment microsite for our new distribution centre and proactively using social media to promote both female and male role models. Encouragingly, this led to a +6% female hire rate.

Our HR team actively supports our diversity message across the organisation by positively influencing and challenging our hiring managers to ensure they recognise how their individual behaviours and actions impact our overall ability to create an open, fair and inclusive workplace culture. We continue to ensure our HR policies encourage and support flexible working within the organisation.

We are continually looking at ways to encourage greater female representation across the organisation and are committed to maintaining the momentum we have experienced over the last year, as we strive towards a more gender balanced organisation. We aim to harness the power of inclusion to our strategic advantage - our global flexible workplace project will be influential in making strides towards making Martin Brower a truly inclusive organisation.







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Gender Pay Gap

Mandatory Gender Pay Gap Reporting applies to all private and voluntary sector employers in England, Wales and Scotland with at least 250 employees, as of the 5th of April 2018 snapshot date. Those organisations are required to publicly report their gender pay gap metrics as follows on the government-sponsored website, with the aim of eliminating the gender pay gap:

| Mean Gender Pay Gap | Median Gender Pay Gap | Gender Bonus Gap | |
|---|---|--|--|
| Difference between average hourly earnings of males and females | Difference between median hourly earnings | Proportion of male and female employees receiving bonus within the 12 month period | |
| | | | |
| Mean Gender Bonus Gap | Median Gender Bonus Gap | Pay Quartiles | |

As of the 5th April 2018 payroll, our mean gender pay gap stood at **-5.67%** favouring females, with our median gender pay at **7.97%**:

| | Median Hourly Pay Differences | Mean Hourly Pay Differences |
|---------|-------------------------------|-----------------------------|
| Female | £13.08 | £15.79 |
| Male | £14.22 | £14.95 |
| Pay Gap | 7.97% | -5.67 |

These are both significantly below the national mean (17.1%) and median (17.9%) (as reported by the Office of National Statistics, 2018), and are in line with the 5.72% mean pay gap for the Logistics and Transport Sector (as reported by Logistics Manager, April 2018).

The underlying reason behind the gap is predominantly due to the higher representation of men in more junior roles in our organisation. While we only have a small number of female employees, they are represented in higher-paid roles, often attracting higher bonus payments (which are factored into the hourly rate calculation).

The Logistics & Transportation industry is typically male-dominated and this is reflected in our organisation, from Warehouse Operators and Customer Service Drivers through to General Managers and Directors. We are confident that all our HR processes and practices ensure that men and women are paid equally for doing equivalent jobs across our business. We know that there is still more work to do to encourage more women to join our organisation as we strive towards being more gender balanced.

When we look at our internal structure of ten broad job grades across the company, encouragingly we see that five have a pay gap of less than 10%. Whilst females represent just 13% of our overall workforce, as of the snapshot date, our Extended Leadership Team consisted of 3 females and 4 males.







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Bonus Payments and Participation

Our mean bonus gap stood at **-51.57%** favouring females, with our median bonus gap favouring females at **-119.84%**. We have a higher proportion of female employees receiving a bonus:

| | Median Bonus | Mean Bonus | Number Receiving Bonus | Bonus Distribution |
|-----------|--------------|------------|---------------------------|--------------------|
| Female | £1,998.27 | £2,975.46 | 146 | 89.6% |
| Male | £908.95 | £1,963.09 | 878 | 81.0% |
| Bonus Gap | -119.84% | -51.57% | | |

The data set is skewed due to a much larger number of males receiving lower bonus payments relative to a much smaller female population receiving proportionally higher bonus payments.

Discretionary performance-related bonuses are awarded and paid on an annual basis via two bonus plans, taking account of individual performance. As an equal opportunities employer, all our permanent employees (irrespective of their position, age, gender or ethnicity) are eligible for bonus.





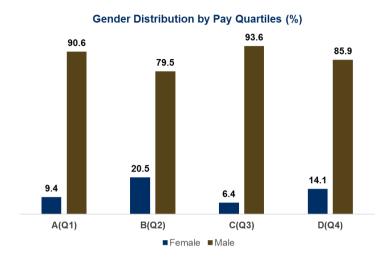


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Career Paths and Earnings

Our gender distribution by quartiles, as defined by the regulations, show us that female employees are underrepresented across all four quartiles:



We are committed to hiring the best talent for roles across our organisation, and as part of this, we continue to actively create an environment where everyone is motivated to develop and progress through innovative HR policies and practices and an encouraging environment.

While we continue to make real strides in this area, we recognise that we need to actively ensure our hiring managers reflect our strategic approach to diversity, and we acknowledge the need for our strategy to continue its evolution to facilitate the attraction of a higher proportion of females into our organisation.

The nature of some shift patterns for some roles can detrimentally impact the ability of parents to balance both family and career. In recognition of this, we have introduced new patterns to provide greater flexibility to our employees and we continue to ensure our HR policies and practices encourage and support flexible working within the organisation.

We recognise the motivational importance of positive senior role models to inspire confidence and success. As part of this, we run our LEAP (Leadership, Engagement, Action, Performance) programme for front line leaders. This is designed to equip them for success by enhancing their leadership skills. Over the last year we have incorporated unconscious bias training and insight profiling into the programme remit.

Our EDP (Executive Development Programme) aims to provide leaders with more positive behavioural skills and techniques that apply beyond their current roles, and to grow their potential. Programme graduates each have a Board level mentor to support them in taking better control of their careers. As of the 5th April 2018 snapshot date, 5 graduates of this programme had progressed on to become members of our ELT (Extended Leadership Team). Three of the seven members are female. These programmes collectively showcase our level playing field for engagement.

We actively encourage our employees to consider different role experiences as they progress their careers within our organisation. We have partnered with external bodies to develop industry insights and share best practice.







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Year on Year Comparison

We are pleased that we have achieved positive year on year trends in the form of a narrower mean gender pay gap continuing to favour females, with a marginal increase at the median continuing to favour males. We are also pleased to see a narrower mean and median bonus gap.

| | 2018 | 2017 | Percentage Difference |
|-------------------------|----------|----------|--------------------------|
| Mean Gender Pay Gap | -5.67% | -8.86% | 3.2% |
| Median Gender Pay Gap | 7.97% | 2.37% | 5.6% |
| Mean Gender Bonus Gap | -51.57% | -61.86% | 10.3% |
| Median Gender Bonus Gap | -119.84% | -126.99% | 7.1% |
| Males Receiving Bonus | 81.00% | 86.00% | -5.0% |
| Females Receiving Bonus | 89.57% | 92.00% | -2.4% |







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Closing Remarks

We are pleased with our positive year on year trends and we are committed to our journey towards a truly gender balanced workforce.

We constantly develop and improve our HR policies and practices to encourage and promote the development and progression of our employees. We will continue to leverage technology to help us identify areas of our organisation that need renewed focus to drive continuous improvement relating to gender equality.

Building on our values, we will continue to work with all of our employees, and regardless of age, disability, gender assignment, marriage and civil partnership, sexual orientation, gender, religion and belief, race, pregnancy and maternity, provide them with opportunities to build their confidence and help them in reaching their full potential.

We confirm that the information contained within this statement is accurate.

Ian Thomas

Managing Director

Martin Brower UK & Ireland

Anne-Marie Blanke

HR Director

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