

The logo for macphie, consisting of the word "macphie" in a white, lowercase, sans-serif font, centered within a solid red square.

macphie

Gender pay gap 2017 report

Message from Andy Underwood, Managing Director

The publication of gender pay gap reports marks a significant step forward for British business as a whole and Macphie is no exception. For the first time, all UK companies whether private, public or voluntary are required by law to publish their gender pay gap if they have over 250 employees.

The aim of the report is to enable businesses to understand what pay gaps exist in the employee organisation and develop long range plans to address them, whatever that looks like for the individual enterprise.

This may range from greater openness in how pay is set and managed within the business to encouraging more women to achieve their potential in typically under-represented areas such as engineering, manufacturing operations and senior management positions. It is important to understand that the gender pay gap is not the same as equal pay which focuses on men and women being paid the same for equal work although this is something which Macphie supports and delivers well.

Our results were always going to be challenging given that like many food manufacturers, two-thirds of our employee population are men and in our most senior positions, namely our leadership team, we have only two female heads of department and no female directors. That said, our overall results are positive, with our average (mean) pay gap sitting just below the UK average of 18.4% at 17.2%. Even more pleasing, the gap between men and women at the midpoint (median) is only 1.2% versus a UK average of 17.4%.

The analysis of the data and the publication of this report is only the beginning and we clearly have work to do. Moving forward as we undertake this analysis on an annual basis, I am hopeful that we will see this gap narrow as we fulfil the Macphie core values of Integrity, Togetherness and Achievement, setting out clear pathways for career fulfilment that attract more women into our business and the most influential roles.

I declare that the information and data reported is accurate and fully meets the UK government requirements in gender pay gap reporting.

Andy Underwood, Managing Director, Macphie Limited



The Six Measures

Mean gender pay gap

- The difference between the mean (average) hourly rate of pay of male full-pay employees and that of female full-pay employees

Median gender pay gap

- The difference between the median (mid point) hourly rate of pay of full-pay male employees and that of female full-pay relevant employees

Mean bonus gap

- The difference between the mean (average) bonus pay paid to male employees and that paid to female relevant employees

Median bonus gap

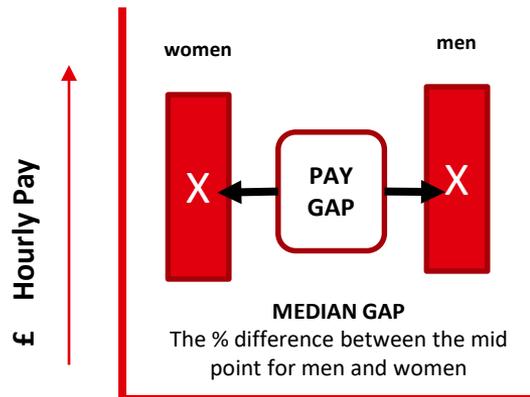
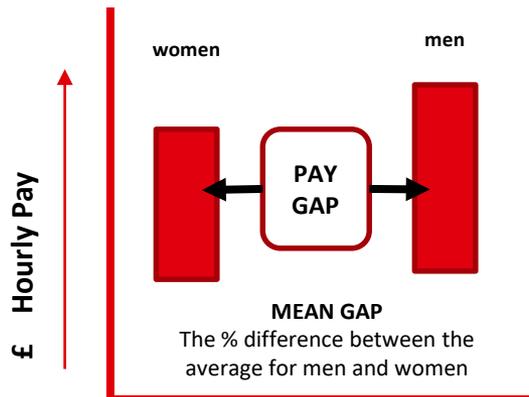
- The difference between the median (mid point) bonus pay paid to male relevant employees and that paid to female relevant employees

Bonus proportions

- The proportions of male and female relevant employees who were paid bonus pay during the relevant period

Quartile pay bands

- The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands



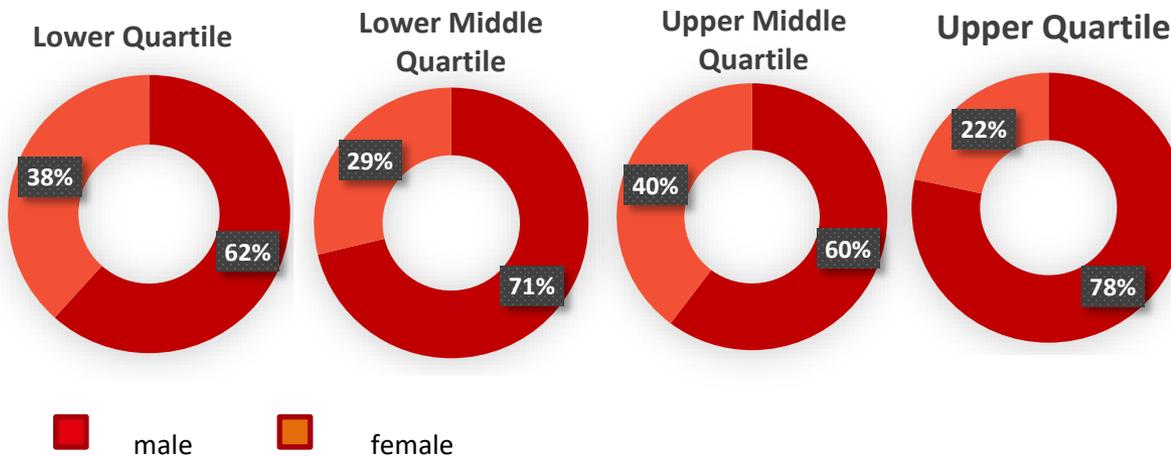
Our Results 2017

PAY – HOURLY RATE (The difference between men and women)

	MACPHIE	UK*
MEAN	17.2%	18.4%
MEDIAN	1.2%	17.4%

*based on estimates from ASHE Survey 2017

PAY QUANTILES (Proportion of male and female employees by quartile pay bands)



Macphie Bonus Payments

100% of both male and female employees eligible for a bonus received payment

Bonus pay difference between male and female employees

MEDIAN -17.6%
MEAN 34.4%

What our results show

The story told by the Macphie gender pay gap results is clear and encouraging.

Whilst the mean pay gap figure (the comparison of average pay between genders), is 17.2%, this is not surprising given the low percentage of women in the highest paid positions and is a challenge that is not unique to our business.

On the plus side however, the median pay gap figure (the comparison of mid point between genders) is only 1.2% showing that overall, our pay structure is equitable which is what we expected to see.

When compared to the estimated gender pay gap for the UK as a whole (based on the Annual Survey of Hours and Earnings (ASHE) Survey 2017), the Macphie result is - 1.2% below the UK mean figure and an exceptional -16.2% below the UK median figure which is very encouraging.

Reporting the gender pay gap also allows Macphie to demonstrate its commitment to fairness in sharing success through the various bonus schemes.

Every employee benefits from profit-related pay and this is a critical part of the spirit of our VITAL values.

Due to the “snapshot” data we were working with, and some anomalies in start dates/eligibility, the median bonus pay difference of -17.6% was in favour of women but again, in future years we would expect this to track the pay median.

The larger mean bonus pay difference of 34.4% is entirely attributable to the lack of female representation in the most senior roles.

Our commitments

- Through the process of sharing the gender pay gap report with all our employees we will be able to encourage feedback on what they themselves feel we could be doing as a business to encourage more women into this sector
- Undertake a review of our benefits and family friendly policies and consider how flexible and attractive they are to working mothers looking to develop in their roles and progress their career
- Strengthen existing relationships with our school and university partners to look at ways to encourage young women into under represented roles such as engineering and production
- Develop a clear career pathways programme which nurtures and supports talent. Use established managers as mentors and coaches to the next generation
- Continue to build on our key strengths of encouragement, openness and achievement and make the most of the diversity opportunities this will bring



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Macphie Ltd
Glenbervie
Stonehaven
Aberdeenshire
AB39 3YG

www.macphie.com