

blueArrow



Gender Pay Gap Report

Introduction



At Blue Arrow, we welcome the opportunity to share our gender pay gap as it will help us have more meaningful conversations with our people and our customers about equality, diversity and inclusion.

We have an overall median gender pay gap of 7.74% when including all of our permanent and temporary workers. Of the people included in the calculations, 97% are temporary workers whose pay is fixed by our customers. In the interests of full disclosure, we have chosen to also provide an analysis of our 639 permanent UK employees.

Among Blue Arrow's salaried employees our median gender pay gap is 14.54%, which is below the national average of 18.8%. Although our pay structure equally rewards men and women performing the same

roles, women make up the majority of our lower paid roles and are under-represented in senior management, which gives us a gender pay gap.

We are committed to improving the gender balance of our senior managers, which is key to tackling our gender pay gap.

We are investing in a range of initiatives to bring about change and this report outlines more about what we are undertaking as part of a broader focus on creating a more inclusive workplace, where all of our people are able to reach their full potential and do work which gives them fulfilment and a sense of purpose.

Fraser McLeod

Chief Executive Officer,
Blue Arrow Group

I confirm the information and data reported is accurate as of the snapshot date 5 April 2017.



Julia Robertson

Group CEO,
Impellam Group Plc

Understanding the gender pay gap

Gender pay vs equal pay

A gender pay gap shows the difference in average pay across all of the men and women in an organisation, industry or country as a whole. It can be driven by the differing number of men and women across all roles.

It is not the same as an equal pay comparison which looks at how much men and women are paid for doing the same role.

How we calculated our numbers

Under the UK Government's new Gender Pay Gap regulation, companies need to report their gender pay gap for all legal entities in Great Britain with more than 250 employees. We have provided data on all of our permanent and temporary employees, as required by the regulation.

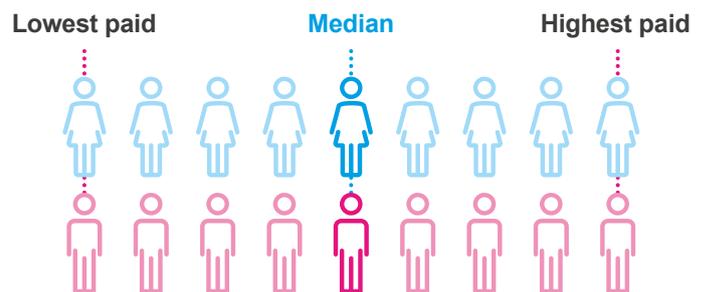
Given we are a staffing business, we have a very high number of temporary workers on our payroll at any one time. This number fluctuates depending on requirements from our clients, and typically the rate of pay that our temporary workers receive is decided by our clients. We have also reported separately on our permanent employees only and our temporary employees only.

Pay quartiles explained

A pay quartile is calculated by listing the hourly pay rates for everyone in the business then dividing them into four equal-sized groups. We then work out the percentage of men and women in each group.

Median and mean gaps explained

The figure used most regularly is the **median gender pay gap**. To help bring this to life, imagine all of the women at Blue Arrow standing in one line, from lowest paid by hour to highest, and all of the men doing the same in another line. The median gender pay gap is the percentage difference in hourly pay between the woman in the middle of the line and the man in the middle of the line. Hourly pay includes leave and any shift premiums, but not overtime.



The **mean gender pay gap** is the percentage difference in the average pay of men and women. This is calculated by adding up all of the hourly pay rates for all of the women in a business and dividing it by the number of women, then doing the same for the men and comparing the difference. The mean can be affected by different numbers of men and women in different roles. This is why we also report the number of men and women in different pay quartiles.

We also report the median and mean differences in bonus pay over a twelve month period, and the percentage of men and women who received a bonus.

A positive percentage shows a gap in favour of men; a negative percentage shows a gap in favour of women.

Our figures for 2017

All UK employees, including temporary and permanent

Pay - hourly rate

Median

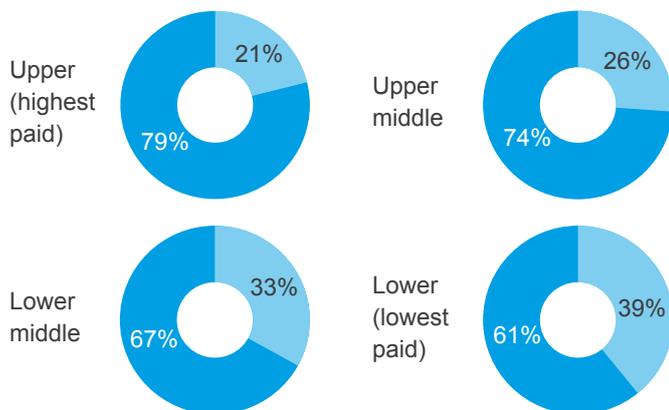
7.74%

Mean

4.75%

Proportion of employees according to quartile bands

● Male ● Female



Bonus pay difference between men and women

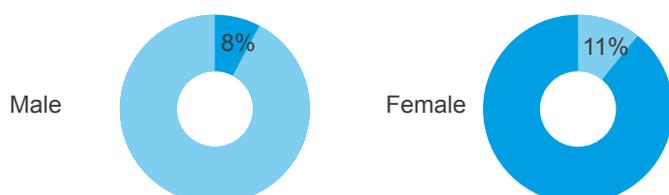
Median

-29.72%

Mean

-81.48%

Percentage of males / females receiving a bonus



Did you know?

- When including temporary workers, the overall median gender pay gap at Blue Arrow is 7.74%. Our pay quartiles show how we have more men than women across our workforce, because we operate in male dominated sectors such as warehousing and distribution.
- 66% of our salaried employees are female, and salaried employees tend to have the opportunity to earn a higher amount of bonus than temporary staff. For this reason, our gender bonus gap is strongly in favour of women when including temporary workers, and marginally in favour of women among our salaried employees.
- Among our salaried staff, we have a median gender pay gap of 14.54%, slightly below the national average of 18%. We have a gap because we have more women than men in lower paid roles.

Permanent employees only

Median / mean hourly pay gap	14.54 / 17.08%
Median / mean bonus pay gap	37.77 / 38.16%
% males / females receiving a bonus payment	74.77 / 77.78%
Upper quartile (male / female %)	43.13 / 56.88%
Upper middle quartile (male / female %)	31.25 / 68.75%
Lower middle quartile (male / female %)	32.50 / 67.50%
Lower quartile (male / female %)	27.67 / 72.33%

Temporary employees only

Median / mean hourly pay gap	9.65 / 8.84%
Median / mean bonus pay gap	15.53 / 2.81%
% males / females receiving a bonus payment	7.30 / 7.23%
Upper quartile (male / female %)	83.75 / 16.25%
Upper middle quartile (male / female %)	75.13 / 24.87%
Lower middle quartile (male / female %)	66.57 / 33.43%
Lower quartile (male / female %)	61.17 / 38.83%

How we are building an inclusive business

At Blue Arrow, we are committed to creating an inclusive and diverse business built on trust, and the following initiatives support our goals:

1. We support a Diversity and Inclusion Network

As part of the Impellam Group, we participate actively in the Diversity and Inclusion network which fosters an inclusive and diverse workforce by encouraging positive conversations that drive clear action.

2. We are building a culture of Virtuosity

We continue to invest in our Virtuoso programme which recognises that it is our managers who make the difference in building trust, relationships and better futures for our clients and our people. This focus on Virtuosity is central to our strategy and frees our managers from conventional thinking so they see new possibilities, enabling our people to realise their full potential and to thrive.

3. We address unconscious bias

All our people take and have access to training via our online learning system to help them understand, identify and address unconscious bias. We also offer this training to our customers as and when appropriate.

4. We facilitate conversations around flexible working

We are an inclusive business, and we encourage flexibility, including part-time work and home working. We hold conversations with managers through Open Blend, our coaching and development platform, which enables us to explore whether personal ambitions are being met, as well as business objectives. By addressing the whole person, we will create a more engaged, productive workforce that allows our people to be their authentic selves at work.

5. We recruit and reward people equally

We currently have a number of initiatives in place which ensure equal opportunities and recognition, irrespective of gender. These include, but are not limited to: ensuring our employees have holistic access to career progression paths and succession planning models based on skill, competencies and experience; having clear and consistent salary banding structures; giving employees ongoing training including professional development programmes and management qualifications, open to all employees; and creating a structured, two-tier interview process to ensure all hires are not influenced by unconscious biases.

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