

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.

Blue Arrow has an overall gender pay gap of 6.86%, which is an improvement on last year's figure of 7.74%, and considerably lower than the national average of 17.9%. Of the people included in the calculations, 96.5% are temporary workers whose pay is fixed by our customers.

In the interests of full disclosure, we have also chosen to provide an analysis of our 611 permanent UK employees. Among Blue Arrows' permanent employees, where pay is under our direct control, the median gender pay gap is 12.22%, an improvement on last year's gap of 14.54%.

We have made good progress with diversity and inclusion at Blue Arrow and understanding our gender pay gap drives us to do more. We have made significant progress on improving the gender balance of our senior managers with women now making up the greater population of senior management within Blue Arrow and with all promotion opportunities being advertised internally for anyone with the right skills, experience and qualifications encouraged to apply.

We continue to believe that education is an important part of creating an environment that both accepts and celebrates diversity which is why we continue to invest in annual Equality and Diversity training for all permanent employees via our e-learning platforms and through our management development programmes.

We are proud of the progress we have made in regards to diversity and inclusion and continue to invest in a range of initiatives to bring about change. This report outlines more detail about what we are undertaking as part of a broader focus on creating a more inclusive workplace, with Gender Pay Gap Reporting helping to bring attention to these issues that need to be addressed across our industry.

Fraser McLeod

Chief Executive Officer,
Blue Arrow Group



I confirm the information and data reported is accurate as of the snapshot date 5 April 2018.

A handwritten signature in dark ink, appearing to read 'Julia', with a long horizontal flourish extending to the right.

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 carrying out 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 payrolls at any one time.

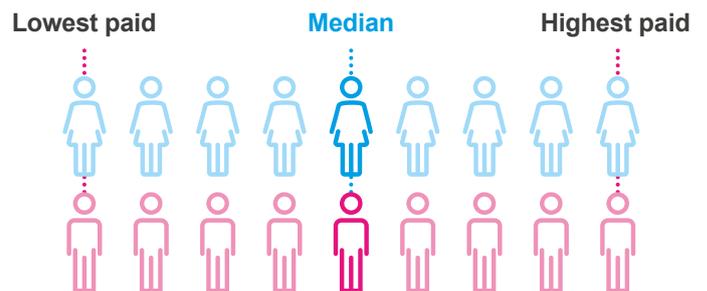
This number fluctuates depending on requirements from our clients, and typically the rate of pay that our temporary workers receive is decided by our clients. We have also reported on our permanent employees only and our temporary employees only.

Pay quartiles explained

A pay quartile is calculated by listing the hourly pay rates for everyone in the business then dividing them in to 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 Impellam standing in one line, from lowest paid per 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 2018

All UK employees, including temporary and permanent

Pay - hourly rate

Median

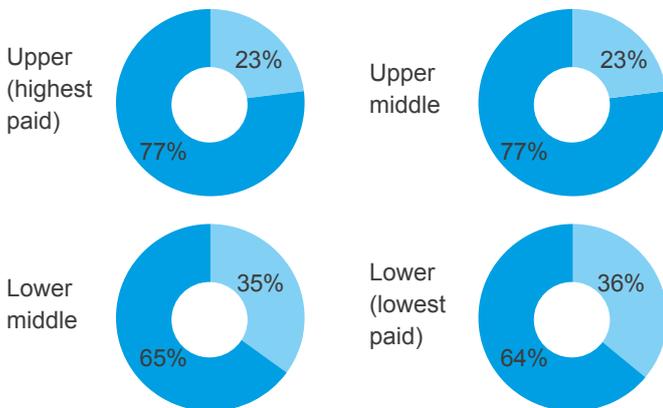
6.86%

Mean

3.10%

Proportion of employees according to quartile bands

● Male ● Female



Bonus pay difference between men and women

Median

-46.82%

Mean

-48.81%

Percentage of males / females receiving a bonus



Did you know?

- When including temporary workers, the overall median gender pay gap at Blue Arrow is 6.86%. 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.
- 69.08% 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 12.22%, slightly below the national average of 17.9%. We have a gap because we have more women than men in lower paid roles.

Permanent employees only

Median / mean hourly pay gap	12.22 / 14.92%
Median / mean bonus pay gap	46.76 / 43.86%
% males / females receiving a bonus payment	79.67 / 70.63%
Upper quartile (male / female %)	38.26 / 61.74%
Upper middle quartile (male / female %)	34.90 / 65.10%
Lower middle quartile (male / female %)	25.50 / 74.50%
Lower quartile (male / female %)	25.00 / 75.00%

Temporary employees only

Median / mean hourly pay gap	8.18 / 7.46%
Median / mean bonus pay gap	25.59 / 14.36%
% males / females receiving a bonus payment	6.12% / 5.85%
Upper quartile (male / female %)	82.65 / 17.35%
Upper middle quartile (male / female %)	76.29 / 23.71%
Lower middle quartile (male / female %)	66.69 / 33.31%
Lower quartile (male / female %)	63.29 / 36.71%

How we are building an inclusive and diverse business

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



National Gender Pay Gap for UK in 2018:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2018>