

07 March 2019

Simarco Gender Pay Gap (GPG) 2018

Dear Colleague,

You may be aware that in 2016 the government brought in legislation that all “large” companies were required to publish details of any pay gap between female and male employees.

Simarco met the criteria of a large company in 2017 as it continued to grow and employed over 250 staff following the acquisitions that were made towards the end of that year.

Before analysing the figures, we would ask you to note the following areas that are fully supported by the Simarco management team

- Simarco is an equal opportunities employer at all levels of the organisation. We make no distinction between genders or race or disability when hiring or promoting staff.
- We aim to advertise internally all vacancies within the business and encourage all staff to apply for these positions and to advance within the company.
- We aim to position the best candidate into each role and will do so based solely on aptitude and attitude.
- Gender is not considered when we review our annual pay and we base any rises solely on merit.
- We aim to provide pay structures that are at or above the market level for our industry, although we recognize that there may always be some anomalies.
- We are committed to our apprentice programme which has brought 23 staff into the company over the last 3 years of which 19 remain within the business. Our aim is to bring young ambitious staff into the company, provide the necessary support and training and allow the staff to progress through the business.
- We are more than happy to support staff training that enhances the individual and the business and provides an additional path for staff advancement.

We are committed to the above actions and will continually work towards them in all areas of the business.

As a transport and logistics business our workforce of 302 staff is heavily skewed towards male staff – 223 – due in large part to the jobs involved and the historic make-up of the industry which in turn provides the background and experience for staff in more senior roles.

Furthermore, the GPG does **not** provide an indication that female or male employees are being paid differently for doing the same job. It simply provides an indication of the spread of the pay by gender throughout the business for all roles.

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The information that each company must publish is as below and a clear methodology is set out in the legislation to ensure that the data is comparable. The data is predominately based on the hourly pay of an employee so as to negate any differences there may be in working hours between roles.

- I) The Mean GPG** – this is the difference in the mean average hourly rate paid to female and male employees. This is based on adding up all the hourly rates for the female employees and dividing this by the number of female employees and comparing this to the same calculation for men.

Simarco result: the mean average GPG is 6.6% in favour of male employees

The average for the industry is 6.1%

The average for the country is 14.1% for 2018

So Simarco is in line with the industry but considerably better than the country as a whole.

- II) The Median GPG** – this is the difference in the middle hourly rate when listed lowest to highest paid between female and male employees.

Simarco result: the median average GPG is 6.6% in favour of female employees

The average for the industry is 3.2% in favour of male employees.

The average for the country is 6.7% for in favour of male employees.

So Simarco on this measure is going against the trend in the industry and the country by having an average median hourly salary higher for women than for men.

- III) Bonuses-** There are three measures:
Proportion of staff paid a bonus
Mean bonus variation
Median bonus

Simarco result:

All Simarco staff received a bonus in 2018, as in 2017 so there is no variance in participation.

The mean bonus was 39% in favour of male employees.

The median bonus was identical for all employees

For the industry and the country the payment of bonuses is extremely heavily skewed towards male employees.

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IV) Proportion of Staff by Quartile – this is a measure of the gender percentage of the staff that fall into the equally split quartiles of the hourly salary. What this does not do is measure what percentage of the total of each gender is in each quartile but simply what the percentage is in that quartile. As we have a tendency to a more male workforce due to our industry there will be a natural bias towards males in each quartile.

	Female Staff	%	Male Staff	%	Total
Upper	20	26%	56	74%	76
Upper Middle	24	32%	51	68%	75
Lower Middle	20	26%	56	74%	76
Lower	15	20%	60	80%	75

In summary on all measures Simarco is either statistically speaking at or above the industry standard in terms of the GPG, in some cases goes directly against the industry trend in a manner that is favourable to the female employees and in all cases provides more equal pay than the country as a whole.

Simarco takes the gender pay gap extremely seriously and will continue in our efforts to ensure that we provide an equal workplace for all our employees.

Regards

Simon Reed

CEO