

## Report Gender Pay Gap

At Distell we see transformation as a continuous journey integrated into all aspects of the business. We fully believe that our success relies on our employees and we are committed as an employer to ensure an inclusive and diverse representation of female and male employees at all levels.

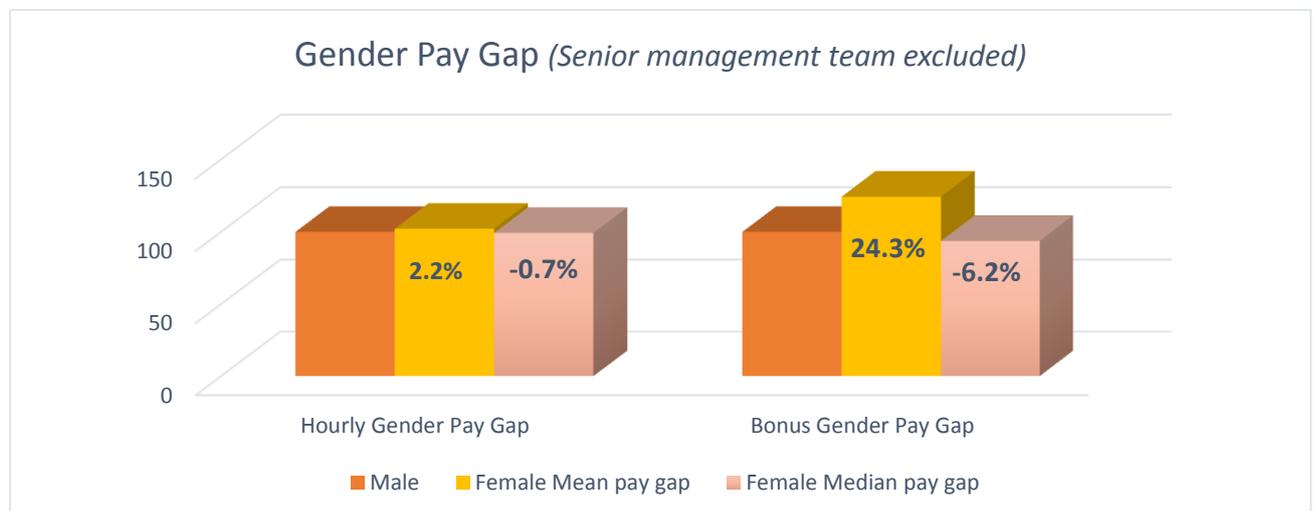
In April 2017 the UK government introduced a piece of legislation making statutory for organisations with more than 250 employees to report on their gender pay gap for the first time by the 31<sup>st</sup> March 2018 and then annually. Such report must be published both on the government and on organisations' website and based on the headcount as of 5<sup>th</sup> April 2017.

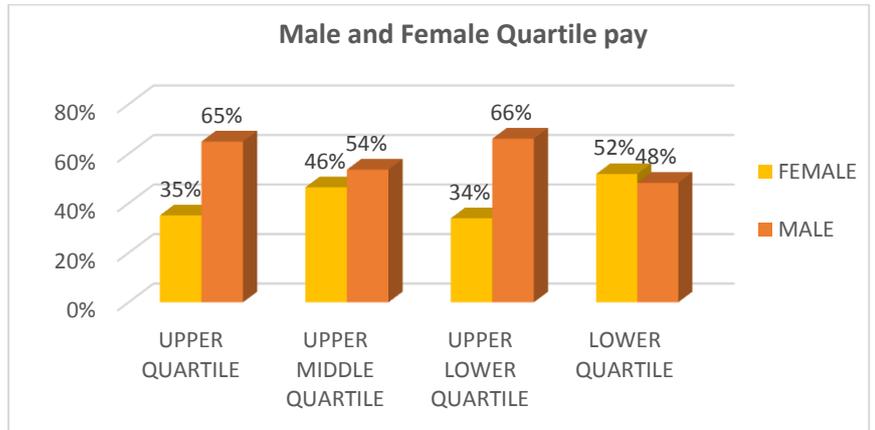
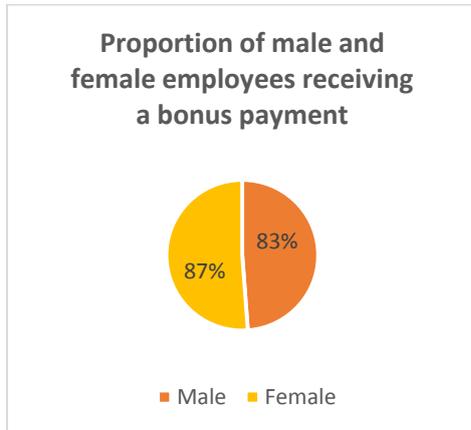
As a business, which has steadily grown over recent years, it remains our commitment to ensure we are collaboratively working towards closing the gender pay gap in the UK.

In line with the new UK regulations we have calculated our gender pay gap relating to the difference between the earnings of men and women working for Distell in England and in Scotland, regardless of their roles, at the snapshot date of the 5<sup>th</sup> April 2017.

The results of our calculations were positive given our industry which is traditionally male dominated. The results are as follows:

### **Gender Pay Gap (senior management team excluded):**





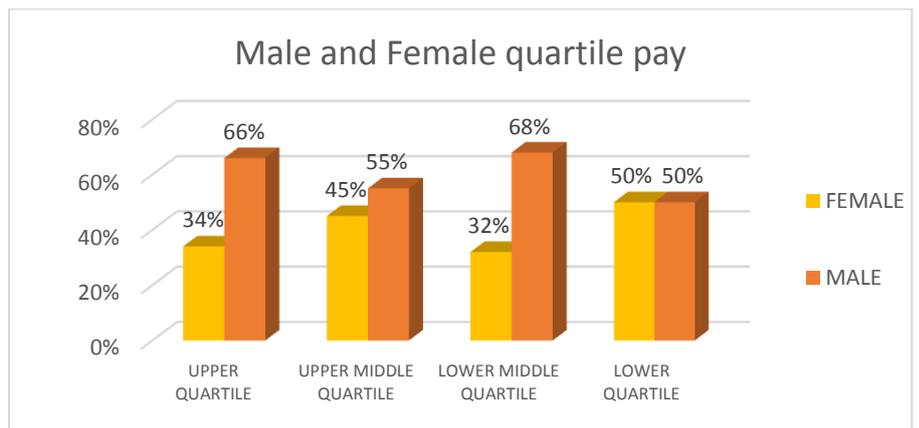
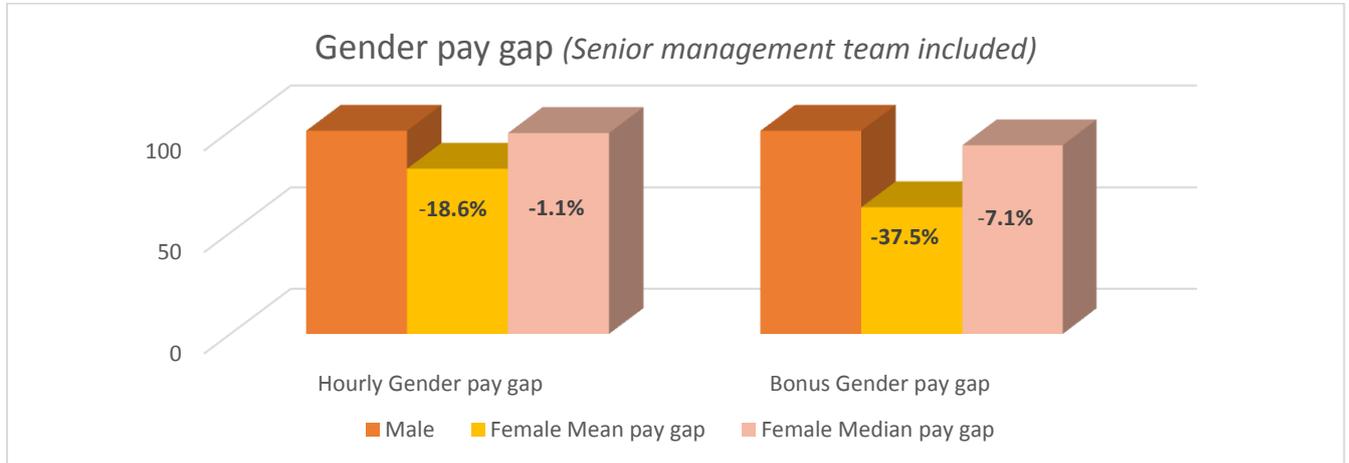
Nb:

- *Mean pay gap: this is commonly known as the average calculating by adding wages of all employees and divide the by the number of employees. The mean gender pay gap is therefore the difference between male mean pay and female mean pay.*
- *Median pay gap: the median is the figure that falls in the middle of a range when everyone’s wages are lined up from smallest to largest. The median gap is the difference between employees in the middle of the range of male pay and the middle employee in the range of female pay.*
- *Pay quartiles refer to the proportion of men and women in each quarter of the employer’s pay rates from the lowest to the highest for our UK based employees.*

We have no doubt that the disparity in the male and female quartile pay reflects the fact that more male were in higher positions at the time of the snapshot. Despite this women are on average paid more than their male colleagues.

Overall, this is an encouraging statistic which positions the Company better than many Companies in the UK with a National gender pay gap of 18% in its contribution to close the gender pay gap in the UK. It also reflects our commitment to a fair reward strategy (pay and incentives policies) free of any discrimination.

**Gender Pay Gap (senior management team included):**



The disparity in the average pay reflects the constitution of the executive management team at the time of the snapshot, where all team members were male.

However since September 2017 we have made good progress in increasing the female representation within the executive management team from NIL to 12.5%. We firmly believe that natural succession will be the most effective contributor to closing the gap further.



### **How we will close the gap: [Next Steps]**

As a company we are committed to deliver on initiatives to improve how we attract, engage and develop women into these leadership roles in order to achieve and sustain a more equal representation of female and male workers across the board within the next 5 years.

We are committed to continue establishing an inclusive culture, from recruitment to career progression.

A few initiatives are already being implemented within the business such as identifying our most talented employees and ensure we develop and retain their skills within the business. This work in progress will allow us to identify all employees with the potential to be promoted in the coming years and eventually become part of the executive team. Of these we are committed to encouraging more female employees to progress to the highest level in the business, and we will make sure that all our female employees gain the skills they require to move forward in their career at Distell. We will also make sure our line managers are trained on unconscious bias, rolling out a programme within the business.

This programme will also support our recruitment strategy together with the fact that we seek gender balance in our candidate shortlists as much as possible.

In terms of attracting more females into our business, we are looking into a more diverse representation of graduates in scientific and manufacturing roles which will ensure a more gender balanced talent pool for those roles in the near future.

We are also committed to offer an environment that promotes work-life balance, for example by giving flexible working hours or considering requests for part-time jobs, even at senior level. We are supporting women upon returning from maternity leave by giving them the flexibility they need when possible and will also ensure and encourage our male employees to benefit from our shared parental leave policy and enhanced parental pay.

Beyond gender, Distell strives to be representative of all the populations irrespective of their origin, belief, physical abilities or gender.