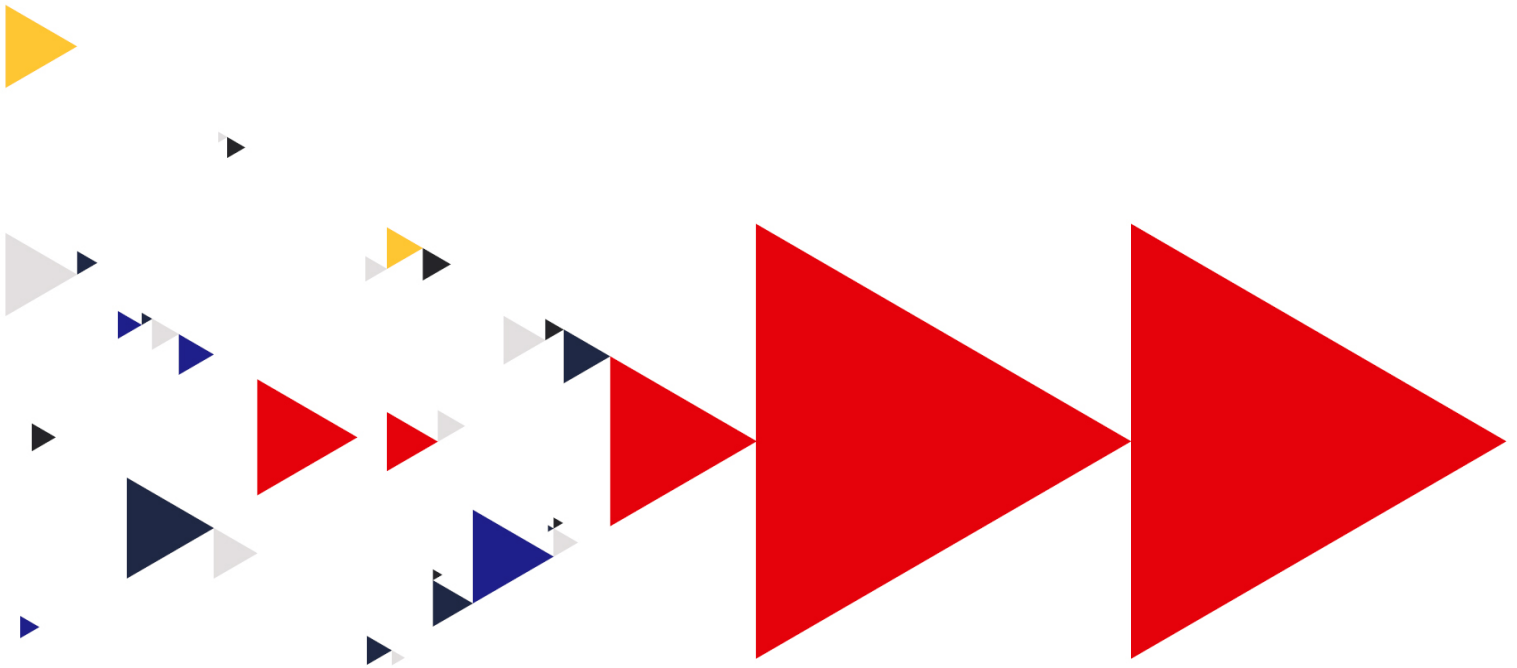




Gender Pay Report



▶ Gender Pay Report

Gender Pay reporting

As an employer of more than 250 people, we are obliged by the Equalities Act 2010 (Gender Pay Gap Information) Regulations 2017 to report various information on the “Gender Pay Gap”. We set out below the required information and our response thereto.

The Gender Pay Gap differs from equal pay.

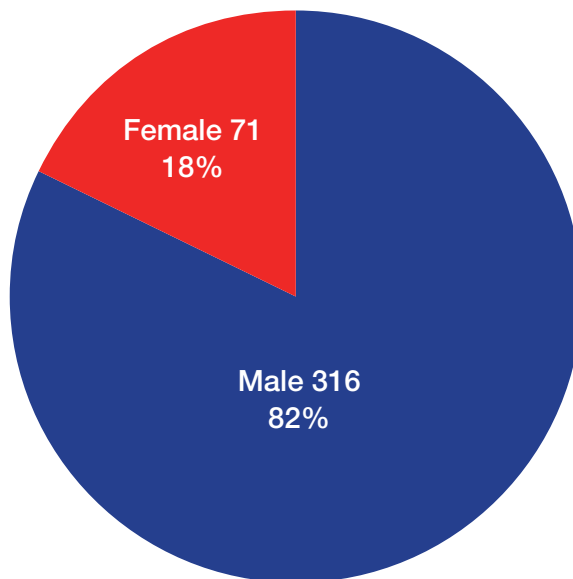
Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman.¹

The gender pay gap shows the differences in the average pay between men and women. As such, a gender pay gap may arise because of the different representation of women across all income bands within an organisation..

Overall Numbers

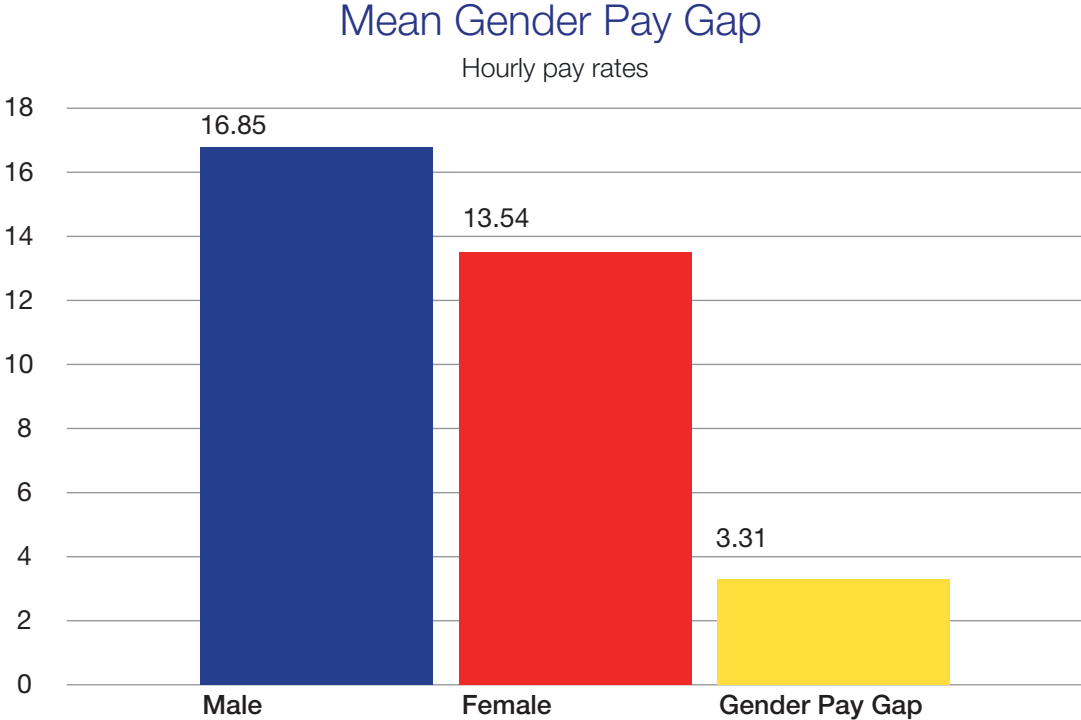
At 5th April 2017, Ishida Europe Ltd employed 387 people in the UK.

The gender split was as follows:



1. Acas “Managing Gender Pay Reporting”, March 2017 definition of Equal Pay, page 5

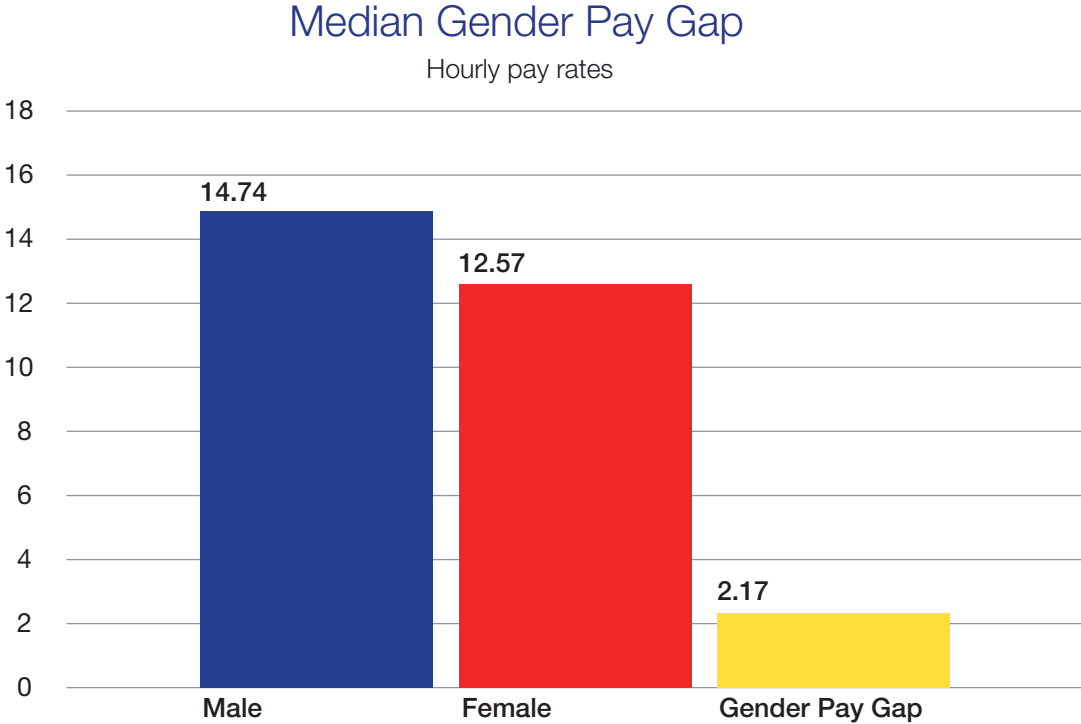
Mean Gender Pay Gap



The mean salary is the total salary of each gender divided by the number of people of each gender.

The mean gender pay gap between men and women is 19.6%. This is somewhat higher than the UK average in 2016 of 9.4%. We explain why we think this is the case and what we will do about this later in this report.

Median Gender Pay Gap



The median gender pay gap between men and women is 14.7%.

Bonuses

MEN	WOMEN
94.9% of men receive a bonus	94.4% of women receive a bonus
The median bonus was £700 for both genders	
Mean bonus for men was £2,121.42	Mean bonus for women was £1,547.79
The median bonus gender pay gap is 27.04%	

In May 2016, all staff (excluding those who were on a pre-defined bonus scheme as part of their functions) were paid a flat rate bonus, based on our satisfactory trading to 20 March 2016,

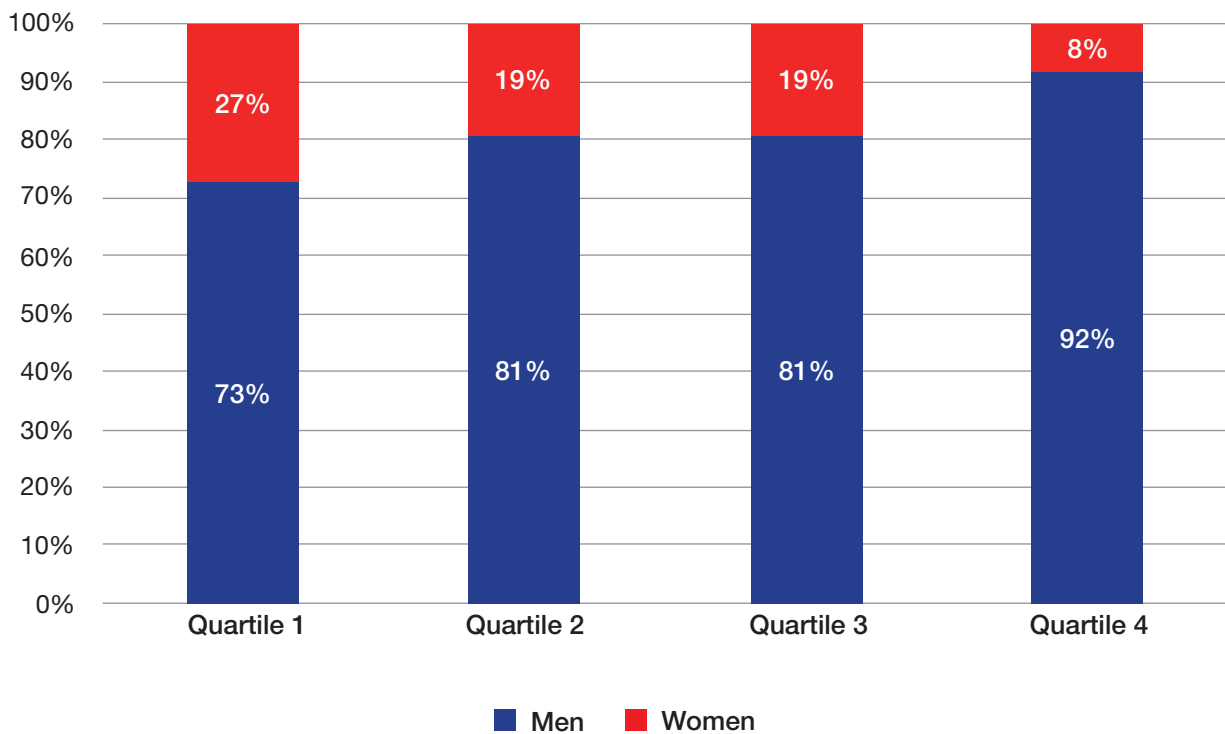
Staff on defined bonus schemes are paid against pre-determined and objective criteria (for example, sales volumes, sales growth and profitability).

Explanation as to data

Pay data is based on our April 2017 payroll and represents hourly salary.

Bonus Data is based on bonus payments within the previous 12 month period.

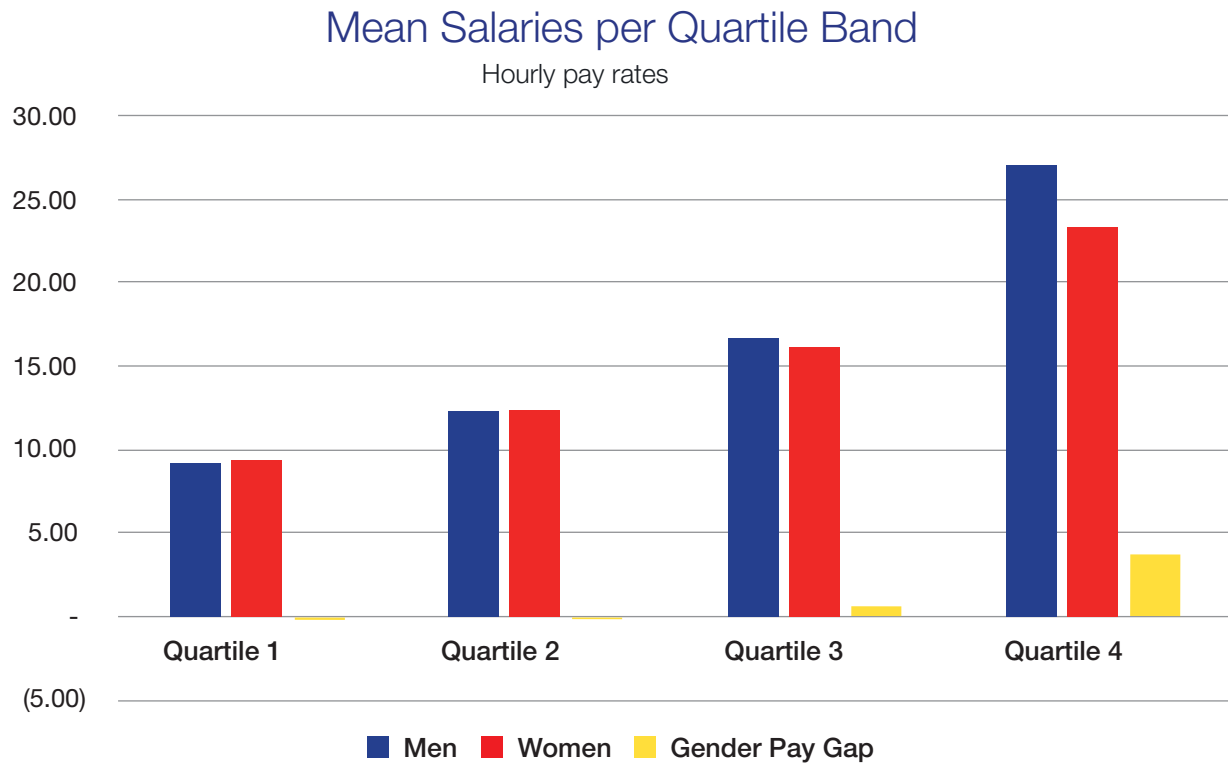
Proportion of Males and Females in each Quartile Band



Quartile 1 contains the 25% of employees who are the lowest paid, rising to Quartile 4 which contains the 25% of employees who are the highest paid (this includes the directors).

Explanation of Gender Pay Differences

The Graph below shows the mean salaries per Quartile band between men and women and the corresponding Gender Pay Gap.



	Men	Women	Difference	Gender Pay Gap
Quartile 4	26.95	23.32	3.63	13%
Quartile 3	16.68	16.10	.59	4%
Quartile 2	12.29	12.37	(.08)	-1%
Quartile 1	9.13	9.37	(.23)	-3%

The chart and graph show less significant Gender Pay Gap for all quartiles except for the highest-earning quartile.

Excluding the highest earning quartile, our gender pay gap would be 4.6%.

What exacerbates the overall Gender Pay Gap is:

- ▲ Only 8% of the top earning quartile are women; and
- ▲ Even within the top earning quartile, the mean salaries of Men and Women are most different.

Why is this the case?

Please note that the Gender Pay Gap within Ishida Europe arises from the proportion of males and females within each earnings quartile. It is therefore distinct from Equal Pay, which under the Equality Act of 2010 ensures that men and women in the same employment performing equal work must receive equal pay.

Ishida Europe Ltd is a company with a strong basis in Engineering and Manufacturing. Companies within Engineering and Manufacturing have been historically less attractive to women.

Additionally, Ishida Europe Ltd has many long-serving employees. The average tenure across all employees is approximately 7 years. The average tenure of the upper quartile is over 13 years. Therefore, changes to staff within the upper quartile are relatively infrequent.

The view of engineering and manufacturing industries is, however, now changing and this is a positive change:

1. We have women on our successful apprenticeship programme – indeed, Emily James was the first female winner of the EEF National Apprenticeship Awards;
2. There is a more even number of men and women within Finance, Legal, Marketing and Administration both in terms of numbers and positions within the pay scales.
3. Within recent years, we have significantly more women within our sales teams (both in the UK to which this report relates but also across our overseas departments). Whilst we have further to go, this is evidence that we are attempting to recruit from as wide a field as possible. To this end, we now avoid requirements for specific industry experience since this is an implicit barrier to the recruitment of women, there being relatively few in the industry already.

Where we still have some way to go:

1. We have few female employees in roles such as Service Technicians and Project Management, both of which are relatively well paid but involve significant and unpredictable travel.
2. Similarly, there are few female employees within our software and IT teams, which are again relatively well paid. We receive very few applications from female IT specialists.
3. We have relatively few women within the upper management structure, including on the Board of Directors.

Other areas for review

There are a number of other areas we are putting in place to ensure we have fairness within our organisation.

1. We are defining pay scales and career progressions within our main departments to remove individual negotiation and to provide our staff with better visibility of career paths.
2. We are introducing a new Performance Management System with a significantly different ethos, including more regular reviews and shorter term objectives. This should provide all staff with better feedback and increase the accountability of performance evaluations.
3. We are evaluating our recruitment practices to ensure that we are not discouraging able people from applying for positions. As examples, we are less focussed on specific industry experience or being overly prescriptive in our job descriptions to ensure we have the best range of candidates for any role. We are also positively encouraging applications from women.
4. For women who are already either in the senior management team or for whom this is the next logical step within the career path, we are looking at offering mentoring and other solutions in order to equip these colleagues with the necessary skills and knowledge to succeed at this level. This will further reinforce positive role models within the Senior Management Team.