

The Gender Pay Report

2017



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A great place to work

At Calor, we strive together to make our workplace a great place for everyone. We are committed to treating all of our people fairly, recognising their value and rewarding them appropriately – regardless of gender.

We believe that a diverse culture is vital to our success, as is attracting and retaining the best people, exclusively on merit.

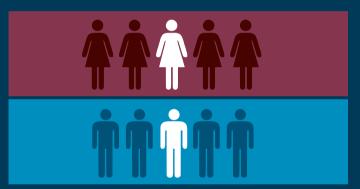
One way to measure equality is with gender pay gap analysis. Legislation passed in 2017 requires companies with more than 250 employees to report on, publish and submit their gender pay gap figures to the Government Equality Office on an annual basis.

Our median pay gap figure between women and men of 9.2% compares favourably against the national average of 18.4% (ONS 2017). This gap can be explained by the demographics in different parts of the company, for instance we have fewer women in senior management roles.

What you will see on these pages is a snapshot of our business figures on 5th April 2017, as well as some context and reasons behind those figures.

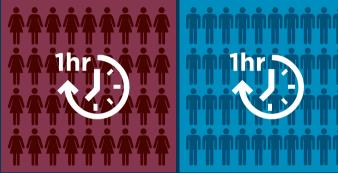
What is the gender pay gap?

When we talk about the pay gap, it's important to understand what we're looking at. The gender pay gap is a measure used to describe the difference in the average pay of women and men. This is regardless of what roles they hold and so is different from 'equal pay' which refers to comparing individuals who do the same or similar work. The gender pay gap is calculated using two separate methods; median and mean.



Median pay gap

Imagine we separated our employees by gender and arranged them in order of pay, highest to lowest. The median pay gap compares the pay of the woman in the middle of the female line with the pay of the man in the middle of the male line.



Mean pay gap

When we refer to the mean pay gap, we're talking about the difference between the average hourly rate of all the men and all the women in the company.

How do we stack up regarding pay?

The median pay gap between men and women across Calor, expressed as a percentage of male pay, is 9.2%. This is below the UK average of 18.4% (ONS 2017) which is positive news.

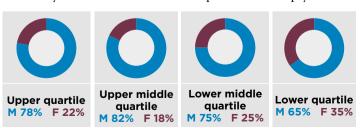
We can measure almost anything, but we need context to understand what the findings tell us. Many factors can affect the gender pay gap, such as the type of industry, sector or even location.

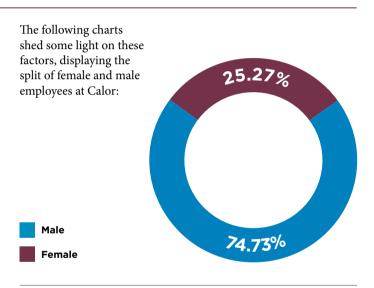
Historically, men and women do tend to have natural preferences when it comes to the type of work they choose to do. A company's legacy and the kind of work its people traditionally carry out can also have an impact.

Gender pay gap	Mean (average)	Median (middle)
Hourly pay gap	11.59%	9.22%

Calor Pay Quartiles

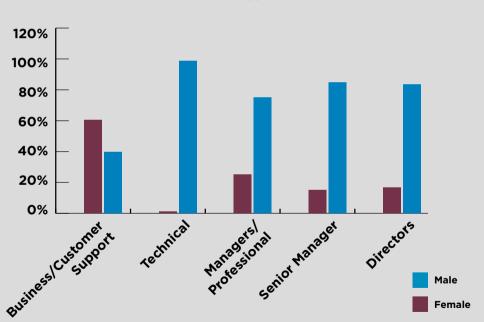
How many men and women are in each quarter of Calor's payroll.





How does the type of role affect the pay gap?

The percentage of men and women across different job types in Calor



At Calor, some of our functions are more heavily populated by men – engineers, drivers – while a higher proportion of women work in more office-based roles.

Some roles require particular qualifications and skills, therefore attracting a higher pay level. Where these roles are dominated by men, the mean pay gap is affected. For example, drivers need specialist driver training. Today, as young people enter the world of work, companies, including Calor, are becoming more inclusive, giving more opportunities to both women and men at all levels and in all functions.



Nationally, only 1% of UK LGV drivers are female.

Freight Transport Association report *The Driver Shortage: Issues and Trends – An independent analysis of professional drivers in the UK logistics sector*

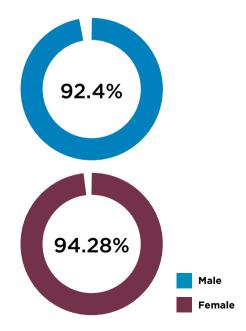
How do we stack up regarding bonus?

At Calor the vast majority of employees received a bonus in 2017.

The bonuses are made up of; incentives, commission, December profit share and management bonus. At Christmas, Calor pays a company bonus, based upon company performance, to the majority of employees, whereas the management bonus is linked to personal performance and is paid as a percentage of base salary. The group that receives the management bonus consists of a higher proportion of men and this influences the outcome of the median bonus payment.

Gender pay gap	Mean (average)	Median (middle)
Bonus pay gap	38.93%	43.85%

Proportion of male and female employees receiving a bonus or incentive in 2017



What next?

At Calor, we treat people fairly. We recruit and promote based on merit alone and will continue to support the business to ensure that, regardless of gender, our employees receive the same opportunities, recognition and rewards for their contributions.

While the gender pay gap report focuses on the diversity of opportunity across all of industry, we recognise that we are at the start of a journey in the world of work and wider society.

We are proud to share that in 2017, one third of internal promotions were achieved by women while women accounted for just one quarter of our workforce. We're also proud to have already established a vibrant Equality & Diversity (E&D) Council that is championing the equality conversation.

We will continue to work with the E&D Council to raise awareness with our colleagues and push the agenda for equality forwards at Calor.



Geraldine Goddard HR Director



"Calor's Equality & Diversity Council is pleased to see the gender pay gap is less than the national average. We'd like to see this gap reduce and will continue to challenge any stereotypes and encourage everyone, and especially women, into all levels of the business."

Rebecca Hart, Corporate Responsibility Manager





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