



Gender Pay Gap - 2018

Phoenix Healthcare Distribution
Limited

Our company – about us



a PHOENIX company



PHOENIX group is a large and successful group of companies ensuring patients and the public have access to high-quality healthcare in the UK and across Europe.

The group specialises in medicine distribution, pharmaceutical care and pharmacy based primary care services. We work in partnership with the NHS, healthcare commissioners and providers as well as pharmaceutical manufacturers to:

- Provide the NHS with a safe, reliable and cost-effective supply chain.
- Improve access to professional healthcare advice and support.
- Advise people on how they can live longer and healthier lives through lifestyle changes and provide the support they need to make those changes.
- Improve awareness of – and early screening for – potential life-changing, long-term conditions such as diabetes, high blood pressure, obesity etc.

Phoenix Healthcare Distribution (PHD) is a key company within the group providing supply chain support to over 4,000 community pharmacies and delivering over 250 million packs of medicines each year through 13 depots situated across the UK.

Our people within the Phoenix UK group are highly skilled individuals and we support them with ongoing training and development so that they can continue to deliver the best levels of service to our customers and communities. It is crucial to us that we have the best people, in the right place, doing the right thing, at the right time and we recognise the importance of great, inclusive working environments that optimise that.

UK legislation requires all UK companies with more than 250 or more employees on 5 April 2018 to publish specific gender pay gap information including mean and median pay gap, mean and median bonus gap, proportion of males and females receiving a bonus and proportion of males and females by quartile pay band.

This report presents data as at 5th April 2018 for Phoenix Healthcare Distribution Limited.

I confirm the gender pay gap data contained in this report is accurate.

A handwritten signature in black ink, appearing to read "Julie Fitzmaurice-Higgins".

Julie Fitzmaurice-Higgins,
HR Director

Phoenix Healthcare Distribution Limited

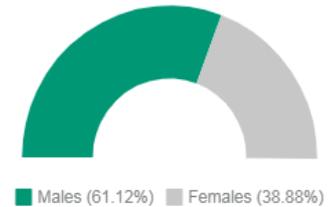


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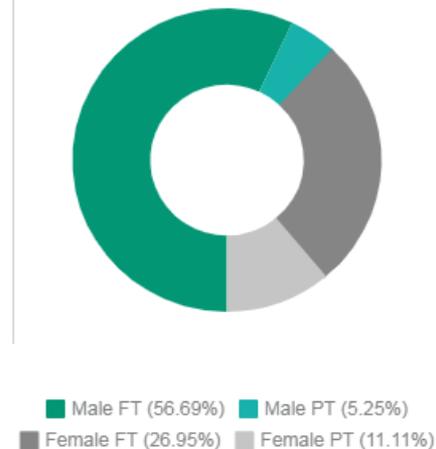
1,381

People employed

Gender split



Gender split by part time and full time employees



Phoenix Healthcare Distribution Limited (PHD) consists of 13 wholesaling depots across the UK and employs colleagues in our central supply chain and commercial functions. Most of our PHD workforce are deployed across our depots, and pay rates for the vast majority (over 85%) of colleagues employed here are collectively agreed with our recognised trades union.

The wholesaling sector tends to attract a higher proportion of male employees (validated by ONS employment labour market data 2018), and the same is the case here at PHD. Looking back to 2017, we see little change in the gender make up of our workforce; in 2018, more males continue to work here (over 60%), of whom 95% are employed full time. Those who do work full time hours – due to the nature of the roles in this business - are more likely to work unsociable working patterns such as night shifts and weekend working. Typically, working patterns such as these attract premium payments and supplements in addition to the standard rate of pay. We acknowledge this will contribute towards our gender pay gap.

Following the transfer in February 2018 of two of our PHOENIX businesses, Practice Services UK Ltd (PSUK) and Numark Ltd, a number of colleagues transferred into PHD from supporting functional and commercial areas. Of those who transferred, 60% were female. We recognise that the mean and median bonus pay gap is sensitive to changes in the gender make up of the workforce, and we believe that these roles that transferred in (both in seniority and those occupying them) have had a significant impact on our pay profile, and have led to the reduction in the mean pay gap and the median bonus pay gap. Further small changes to the make up of the workforce at our most senior level have resulted in the mean bonus pay gap moving closer to 0%.

**We would like to acknowledge a genuine error made when reporting the mean and median bonus pay gaps in 2017. Unfortunately we did not remove those who did not receive a bonus in 2017 from the final part of the mean/median calculations, which have resulted in inaccurate figures being presented. We have updated the table below to accurately reflect last year's figures.*

Mean and median pay gap

Year	Mean	Median
2018	1.4%	-3.4%
2017	6.7%	-2.6%

Mean and median bonus pay gap

Year	Mean	Median
2018	0.9%	13.1%
2017	*12.7%	*20.0%

Proportion of males and females receiving a bonus



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The illustrations below show the proportion of males and females that fall into each quartile pay band. This is achieved by dividing our workforce into four equal parts in line with the calculation requirements.

In our quartiles, we can see that there are more males in every quartile shown – in 2017 this was not the case with more females reported in the Lower Quartile. When comparing 2018 results to 2017, we can see some small changes in the placement of our male and female split i.e. in both the Lower and Lower Middle Quartile ranges, we now have more males occupying these quartile ranges than before. We can also see the same in the Upper Middle and Upper quartiles, where we now have more females than we have previously sat in these pay ranges.

What is particularly striking is the demographic split in our Lower Middle Quartile where our male employees continue to be more highly represented than in any other quartile. Though actually very similar to our 2017 results, (only a 1.7% change), the image clearly conveys the impact on pay where we know the majority of our employees are in receipt of supplements and allowances such as night shift payments and unsocial hours supplements. In the case of PHD these roles are predominantly occupied by full time male colleagues.

Overall, we recognise that having a higher number of females occupying higher paid roles has contributed to the notable reduction in our mean gender pay gap.

Lower Quartile

Lower Middle Quartile

Upper Middle Quartile

Upper Quartile



■ Male (54.50%) ■ Female (45.50%)

■ Male (87.40%) ■ Female (12.60%)

■ Male (50.20%) ■ Female (49.80%)

■ Male (55.60%) ■ Female (44.40%)

Our commitment – progress & action



The PHOENIX UK Group is fully committed to being an inclusive and future facing business and we are actively making changes to improve, and develop our people, so we can continue to grow our business together.

In response to a changing, demanding market the organisation went through a significant period of review in 2018 to get fit for the future. The first step for the business has been laying solid foundations; getting an organisational structure and ways of working that will enable consistency, flexibility and rigour. As a result of this, commitments made in our initial report in 2017 are in many cases, ongoing, as our focus has been on making headway to enable these activities to progress further, faster and deeper in subsequent steps.

In 2019 our reward strategy and people plans will be where our efforts and attention will primarily turn to, and we will look to develop and embed actions from these across the organisation - both in response to our gender pay gap data (and broader people intelligence) and also in response to our 2018 colleague engagement survey.

This activity will include;

- Maintaining an ongoing review of structure, roles and responsibilities to ensure the organisational remains agile and role profiles relevant to a rapidly changing sector landscape
- Increasing our use of business intelligence data and people analytics – including more proactive monitoring and benchmarking in key areas such as pay and benefits
- Further development of our inclusive employment offer – reviewing flexible working arrangements, introducing employee networks and enhancing career development pathways

We recognise that these are not short term wins and will require a sustained and concerted effort in coming months and years. However, we are not complacent about our commitment to do all we can in closing our gender pay gap. We are confident that our commitments will support this.



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