



a PHOENIX company

2019 GENDER PAY GAP



PHOENIX HEALTHCARE DISTRIBUTION LTD



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 community pharmacies, doctor's surgeries and hospitals, delivering over 250 million packs of medicines each year through our 13 depots situated across the UK.

Our colleagues 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 2019 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 2019 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**

PHD comprises of our supply chain and commercial teams therefore the role and skills mix across this population as a whole is varied. The vast majority of the population comprise of operational warehouse and delivery driver roles.

Since 2018 reporting our gender split has remained relatively static, seeing a marginal increase of males to 64.4%. This continues to align to ONS employment labour market data (2019), that supply chain sector attracts a higher proportion of males.

We have also seen some movement across our Full Time Part Time gender split; with marginal increases in part time working for both males (up from 5.25% to 7.9%) and females (up from 11.11% to 13.7%).

It is encouraging that our mean pay gap remains extremely low due to a combination of gender balance across managerial, technical and commercial roles and the proportion of depot based high volume roles where rates are collectively agreed on an annual basis.

The median pay gap is observed at -4.6% which is driven by the lower proportion of females in warehouse roles and a greater proportion in higher paid roles across managerial, technical, customer service and commercial roles. This is influenced by our operating model change and organisation restructure during 2018.

Bonuses comprise of either seasonal fixed cash bonus for all non-senior leadership roles and variable performance bonus which is role specific. There has been a significant shift in the mean bonus for females, from 0.9% in 2018 to -13.8%, again largely due to the restructure in the organisation which saw a number of females in receipt of personal performance bonus move from other areas into PHD. The seasonal bonus payment is driving the median bonus.

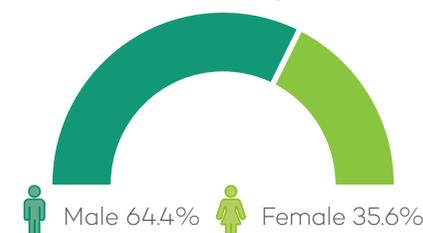
The proportion of male and female bonus recipients has reduced due to a proportion of personal performance bonuses being consolidated into base salary during 2019.

1,414

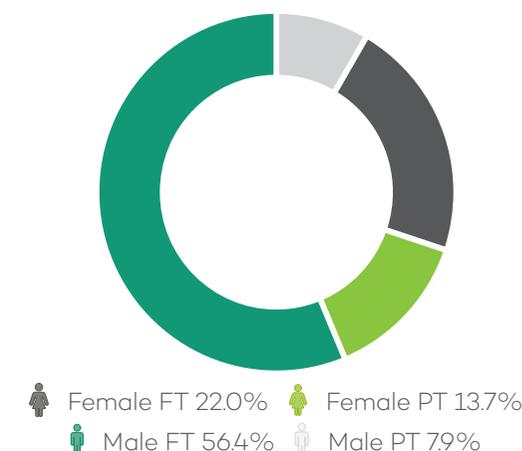
People Employed



Gender Split



Gender split by part time and full time employees



Mean and median pay gap

2019	1.2% mean	-4.6% median
2018	1.4% mean	-3.4% median

Mean and median Bonus pay gap

2019	-13.8% mean	11.6% median
2018	0.9% mean	13.1% median

Proportion of males and females receiving a bonus



Lower Quartile



 Male 56%
  Female 44%

Lower Middle Quartile



 Male 80%
  Female 20%

Upper Middle Quartile



 Male 61%
  Female 39%

Upper Quartile



 Male 60%
  Female 40%

The illustrations below show the proportion of male and females that fall into each quartile pay band. This is determined by dividing our workforce in four equal parts as prescribed.

Since 2018, aside from the lower quartile where the gender split has remained relatively static and most evenly balanced (54% male / 44% female in 2018), we have seen movement across the other quartiles. Depot operative roles tend to dominate the lower quartile.

The lower middle remains the quartile with the highest proportion of males where we see a higher prevalence of depot roles attracting premium payments and unsociable hours supplements which tend to be full time. This aligns with Government Equalities Office data reporting that females continue to maintain caring responsibilities within the household and therefore less likely to work unsociable work patterns. Notably though this figure has materially reduced from 87% in 2018 to 80% in 2019.

In contrast we see the proportion of males in the upper quartiles increasing. Males in the upper middle quartile has increased from 50% in 2018 to 61% in 2019; and from 55% to 60% in the upper quartile. Despite this upward trend in the upper quartiles the mean pay gap has marginally decreased and remains very low.

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In 2018, Phoenix Group undertook an Colleague Survey from which the feedback has been instrumental in the introduction of a range of colleague focused initiatives. We have made significant changes in order to maintain and attract talent into the business since the 2018 reporting:

- Continued to review the structure, roles and responsibilities to ensure the organisation remains agile and role profiles endure the rapidly changing sector landscape
- Introduced working flexibly for all colleagues, tailored to the business needs to ensure all colleagues have the opportunity to balance their work and life, for example time off to attend children's school events, working from home, flexible start and leave times
- Engaged with colleagues throughout the business to contribute to our People Plan through a series of listening groups with inclusivity high on the agenda
- Procurement of a new analytics system to generate automated reporting of our people data reporting to maximise transparency throughout the business to support monitoring and benchmarking and inform our inclusion strategy
- Colleagues attracting lower valued bonus have had this figure 'rolled up' into their salary which guarantees they receive this additional amount regardless of business performance.
- Introduction of job evaluation process in order to review roles, packages and grading to ensure parity and consistency.
- Launch of our People Plan setting out the commitments PHOENIX Group are making to their colleagues – new and existing

Ongoing developments:

- Following a review our recruitment methodology and approach we will introduce of a new attraction system to reach a wider and more diverse potential employee population. In addition, the procurement of a new on-boarding system will enhance and digitise the new starter experience and enable greater candidate analytics.
- Increase our focus on gender and equality as part of ongoing monitoring through changes and enhancements to our internal systems
- Build our colleague engagement groups and employee networks, including via social media, to share and promote more flexible working and improving our overall working environments for both our male and females colleagues
- Whilst ethnicity reporting is not yet compulsory, we will increase the use of our analytics system to improve management information across all areas of the business and start to take positive action to understand and address workplace inequality not just in relation to gender pay
- Maximise the apprenticeship levy for internal colleagues to offer professional development and enhance career opportunities and also to introduce apprentice roles across the business.



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