



a PHOENIX company

2020 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, doctors 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 2020 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 2020 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 our roles and skills mix varies significantly; however the vast majority of our population comprises of operational warehouse roles and delivery drivers.

Since 2019 the proportion of male and female colleagues within PHD has remained relatively static with a marginal decrease in the number of females employed (previously 35.6%). This aligns to ONS labour market data publications that the sector continues to attract a higher proportion of males who are more likely to accept positions with unsociable hours including weekend and night shift working.

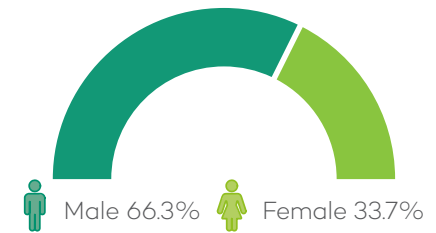
Our overall full and part time gender split remains largely unchanged; the figures illustrate a marginal increase in part time males (previously 7.9%) and marginal decrease in the proportion of female part time workers, from 13.7% to 13% as a proportion of the whole workforce.

During 2019/2020, despite the lower proportion of females we have seen a mean pay gap shift, primarily due to the proportion of females occupying senior roles being maintained, together with an influx of lower paid roles including casual warehouse recruitment in response to the coronavirus pandemic and driver insourcing which tend to attract a greater proportion of males. This also explains the marginal change to the median pay gap.

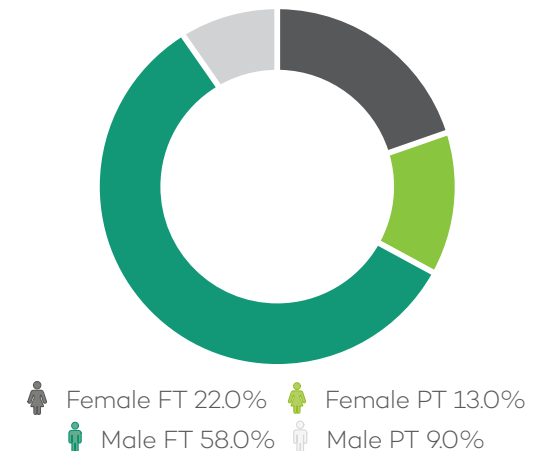
Bonus payments within PHD are fixed seasonal cash payments applicable to all non-senior leadership roles, and variable earnings related performance bonus which is role specific. The swing in mean bonus gap is influenced by the loss or movement of a number of senior roles previously held by males and also the high proportion of females holding commercial roles where variable pay represents a greater proportion of overall remuneration. The median bonus gap has increased slightly in male roles, from 11.6% to 16.4% which is driven by the seasonal bonus and our overall gender split.



Gender Split



Gender split by part time and full time employees



Mean and median pay gap

2020	-3.4% mean	-3.1% median
2019	1.2% mean	-4.6% median

Mean and median Bonus pay gap



2020	-41.0% mean	16.4% median
2019	-13.8% mean	11.6% median

Proportion of males and females receiving a bonus



Lower Quartile



 Female 44%  Male 56%


Lower Middle Quartile



 Female 11%  Male 89%


Upper Middle Quartile



 Female 41%  Male 59%

Upper Quartile



 Female 37%  Male 63%

The illustrations above shows the proportion of male and female colleagues that fall into each quartile pay band. This is determined by dividing our workforce into four equal parts as prescribed.

The lower quartile remains static when compared to 2019, which is dominated by the high volume of depot operative roles.

The notable changes since 2019 have occurred with the lower middle and upper quartiles.

There has been an increase of males in the lower middle quartile (80% in 2019 to 89% in 2020) partly due to the influx of casual workers at the beginning of the pandemic. In addition, whilst the general split continues to reflect the sector and the fact that male colleagues are attracted to roles that may involve shift and night work which fall into this quartile, we saw a significant increase in employed drivers due to route insourcing which has driven this step change. This will also have influenced the change in the upper middle quartile.

Conversely we have seen an increase in female colleagues in the upper quartile following a number of senior roles originally occupied by male colleagues, being succeeded with female colleagues.

PHOENIX HEALTHCARE DISTRIBUTION LTD

2019 saw the launch of the PHOENIX People Plan with the primary aim of improving colleague engagement and ensuring all colleagues feel valued and proud to be part of the PHOENIX family. The People Plan was developed for our colleagues, by our colleagues, taking the Employee Survey results of 2018, running a series of engagement sessions and developing a set of key People Principles that resonate across the business. By April of 2020 PHOENIX had implemented a number of initiatives including:

- Enhanced service awards to recognise the loyalty and commitment of colleagues who are more likely to apply for internal promotion.
- Speakap, similar to Facebook though internal for PHOENIX colleagues only, to support and grow our colleague engagement and employee networks enabling colleagues not only to share success and challenges about their own specific business areas, but also wider connection to colleagues in other areas including in our European work environments. We have a large number of female colleagues who model the way by sharing business and career development insights.
- Team Huddles and Town Halls keeping colleagues up to date with all things PHOENIX.
- A new recognition scheme acknowledging colleague contribution and behaviours, encouraging colleagues to want to develop.
- An ongoing focus on working flexibly for all colleagues to enable a more effective work / life balance. As females remain the primary carers, this demonstrates active support and commitment to our colleagues and enables the retention of our best talent.

Ongoing developments:

- Go live of a new application tracking system which will be more intuitive for potential candidates. Our careers page will help to attract a diverse range of candidates for all areas of the business. Through the capture of demographic formation, we can make more informed and widespread targeting to grow our talent pool.
- On-boarding will form a key part of engaging with new starters from the beginning and ensuring that their experience into the PHOENIX family will be a positive one.
- Driving broader opportunities for apprenticeship courses will aid attraction of new colleagues and also form a key part of our People Plan development for existing colleagues. Utilising the Apprenticeship Levy within England and engaging with providers in the rest of the UK to ensure opportunities are still available.
- Ongoing evaluation of business analytics and management information in all areas of people data to support the continuation of change and inform colleague focused actions and decision making.
- Introduction of new leadership development programme to embed a consistent approach to leadership. Active consideration of inclusive development is a key part of the programme and encourages leaders to adopt a more inclusive approach to leadership.



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