



Gender Pay Gap Report

April 2018

“...the company exists to enhance the daily lives of its customers and the people who work for us...”

- Futamura Founding Principle

ABOUT FUTAMURA

GLOBAL MARKET LEADERS IN SUSTAINABLE PACKAGING

As the global leader for renewable and compostable packaging films and cellulose casings, Futamura is dedicated to providing high quality speciality products that enhance the lives of the people who use them. Our commitment to safety, R&D and customer service has led to ethical and sustainable partnerships ranging from niche speciality producers through to the world's largest brand owners.

OUR WORK PROFILE



THE GENDER PAY GAP

What is the Gender Pay Gap?

The Gender Pay Gap is a percentage which shows the differences between average hourly earnings for men and women. This is not the same as equal pay which deals with the pay differences between men and women who carry out the same or similar jobs.

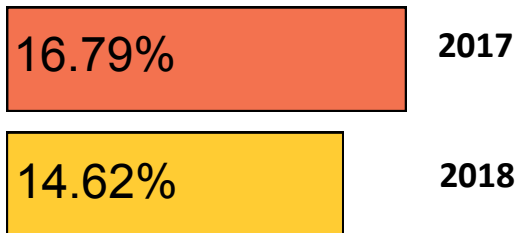
What does a Company need to publish to meet current legislation?

- mean gender pay gap
- median gender pay gap
- mean bonus gender pay gap
- median bonus gender pay gap
- proportion of males and females receiving a bonus payment
- proportion of males and females in each pay quartile



THE STATISTICS

THE MEAN GENDER PAY GAP



THE MEDIAN GENDER PAY GAP



Explaining our Gap

Futamura's overall workforce is predominately process based labour. Attracting women to apply for process roles either in Production or Engineering proves to be a challenge. This is evident nationally as there tends to be a discrepancy between the amount of women versus the amount men in these types of roles.¹ Futamura is currently working closely with local learning providers and schools to promote the opportunities within Production and Engineering to all young men and women, in the hope of more women applying for our job roles.

The lack of women in our Production roles impacts our Gender Pay Gap. Typically, these roles are higher paid due to the skills needed for Engineering and the unsociable hours our Shift Operators work.

Futamura is proud of our low staff turnover and are committed to developing our own people. However, this combination does impact the Gender Pay Gap as it has resulted in the majority of our current senior management team and our managerial roles across process being men. Looking forward, we are encouraged that 22% of the women we employ hold managerial roles across the whole factory.

Improving our Gender Pay Gap is likely to be a slow process, not only due to our low turnover of staff, but to also be able to change the attitudes of young women towards Production and Engineering roles. From 2017 to 2018 we have seen a reduction in the mean and median gap, however we believe this is not sustainable and is due to a number of changes throughout the year. From July 2016, when Futamura was established in the UK, 50% of the new employees recruited were female (an increase of 15% of the Company's total female workforce). All new employees will experience pay increases in line with service progression, and therefore these new recruits' salaries have increased. The Company also recruited an experienced executive to manage the transition of Futamura from it's previous parent Company. In 2017 the executive left Futamura and was not replaced. For these reasons, we can explain the reduction in the Gender Pay Gap for 2018 and understand the gap is likely to fluctuate over time.

¹ *Silim, A & Crosse, C. Women in Engineering. Fixing the Talent Pipeline. (2014). Institute for Public Policy Research*

THE STATISTICS

% MALE & FEMALE EMPLOYEES IN EACH PAY QUARTILE

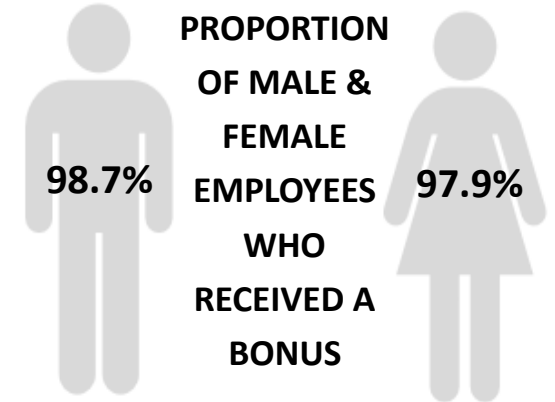
QUARTILE	MALE (%)	FEMALE (%)
LOWER	58.57%	41.43%
LOWER MIDDLE	94.37%	5.63%
UPPER MIDDLE	94.37%	5.63%
UPPER	88.73%	11.27%

MEAN BONUS GAP

-28.13%

MEDIAN BONUS GAP

8.47%



Explaining the Quartiles

- Lower:** Majority of our female workers are based in Business Support roles which are typically lower paid compared to our Shift Workers who receive a Shift premium.
- Lower Middle/Upper Middle:** We employ a large number of Shift Workers, who are predominately male, all of which are paid similar hourly pay rates.
- Upper:** Low female representation in our Production and Engineering roles has led to the current high percentage of men in this quartile.

Explaining the Bonus

- The Bonus Gap:** All employees are eligible to join a bonus scheme. The scheme associated with production has the most members and pays out a fixed amount quarterly whereas the other schemes pay annually and are paid as a percentage of salary. Our Global bonus scheme, which is based on an employee's salary, did not pay out. Therefore, our bonus gap is likely to fluctuate over the years as it will depend on the amount of males/females in each bonus scheme, and whether each scheme meets all its requirements to pay out.
- Median Bonus Gap:** For part-time employees bonus is paid pro rata. The majority of our part-time staff are women which impacts the Mean Bonus Gap. The Median Bonus Gap is 8.47% as we have a large number of staff in the production bonus scheme which pays out the same amount to all members within the scheme.

REDUCING THE GAP

HOW CAN FUTAMURA RESPOND TO THE GENDER PAY GAP?

1. **Futamura commit to recruiting the right person for the right job.**
2. **Review how we increase the number of women applying to Futamura.**
 - Increasing awareness of the Futamura brand to young people locally.
 - Continue to foster relationships with learning providers.
 - Create case studies of our female ambassadors.
3. **Continued commitment from our Senior Managers to develop our talented people into the future leadership roles.**

I can confirm the data reported is accurate.



David Oldham

HR Manager

