



## MALHOTRA GROUP PLC GENDER PAY GAP REPORT

Malhotra Group PLC is required by law to publish an annual gender pay gap report due to the number of employees within our organisation. We welcome the opportunity to analyse our data, and are pleased to confirm that, for the second year, our results show that we have significantly lower gender pay gap differentials in comparison to the key Office for National Statistics (ONS) and Annual Survey of Hours and Earnings (ASHE) figures. We are also pleased to report that our overall statistics have improved since last years' reporting figures were released.

The 'gender pay gap' is not to be confused with unequal pay, which occurs if a member of the opposite sex is paid less for doing the same or broadly similar work, work rated as equivalent, or work of equal value. Even though our data demonstrates a gender pay gap, there are no equal pay issues at Malhotra Group PLC.

This report was published on 15<sup>th</sup> March 2019 and relates to the period between 6<sup>th</sup> April 2017 to 5<sup>th</sup> April 2018. During this period, the gap in pay identified between male and female employees was:

- The mean gender pay gap was 4.93%.
- The median gender pay gap was 1.27%.
- The mean gender bonus gap was -1.72%.
- The median gender bonus gap for Malhotra Group PLC was -284.62%.
- The proportion of female employees in Malhotra Group PLC who received a bonus was 1.96% (14 of 714 female employees) and the proportion of male employees receiving a bonus was 4.96% (12 of 242 male employees).

### Year on year Comparison

There have been significant improvements when comparing the most recent data with that of Malhotra Group's 2016/17 figures. Our data demonstrates:

- There has been a 1.25% reduction in the mean gender pay gap.
- There has been a 2.73% reduction in the median gender pay gap.
- There has been a 16.07% reduction in the mean gender bonus gap.
- There has been a 98.91% reduction in the median gender bonus gap.
- There has been a 0.14% increase in female employees receiving a bonus.

### What are the underlying reasons for our gender pay gap?

Malhotra Group PLC is committed to the principles of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear practice of paying employees equally for the same or equivalent work, regardless of their sex (or any other protected characteristic set out above). As such, (amongst other measures) we carry out pay and benefits audits at regular intervals, staff surveys and the evaluation of job roles and pay grades to ensure a fair structure.

Our commitment to equal treatment is demonstrated in the table annexed below depicting pay quartiles by gender. This table shows our workforce divided into four



equal-sized groups based on hourly pay rates, with Quartile I covering the highest-paid 25% (the upper quartile) and Quartile IV including the lowest-paid 25% of employees (the lower quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each Quartile. For example, 79.9% of our employees in Quartile IV are women and 20.1% are men. This is principally due to the high proportion of females employed as carers across our 13 Care Homes.

### **How does Malhotra Group PLC's gender pay gap compare with that of other organisations?**

The vast majority of organisations have a gender pay gap. We are pleased to report that Malhotra Group PLC's pay gap compares extremely favourably with that of other organisations, including those within our 3 business sectors of Care, Leisure and Property.

The mean gender pay gap for the whole economy (according to the provisional 2018 figures provided by the Office for National Statistics (ONS) in the Annual Survey of Hours and Earnings (ASHE)) is 17.1%. At 4.93%, our mean gender pay gap is, therefore, significantly lower in comparison.

The median gender pay gap for the whole economy (according to the provisional 2018 ONS ASHE figures) is 17.9%. At 1.27%, Malhotra Group PLC's median gender pay gap is, therefore, significantly lower than for the whole economy.

The mean gender bonus gap and the median gender bonus gap for Malhotra Group PLC are much more favourable to females, as the majority of employees in a management role are female.

The proportion of women at Malhotra Group PLC who received a bonus in the 12 months up to 5 April 2018 was 1.96%, while for men this was 4.96%. However, this is reflective of the female to male ratios in our workforce (714 female and 242) and is due to the higher proportion of females being employed in a management role within the Group.

### **What is Malhotra Group PLC doing to address its gender pay gap?**

Whilst our gender pay gap compares favourably with that of organisations across the whole UK economy, this is not a subject that we are complacent about, and we are committed to doing everything that we can to reduce the gap further. However, we also recognise that our scope to act is limited in some areas. We have, for example, no direct control over the subjects that individuals choose to study or the career choices that they make, or the predominance of gender of applicants that apply for positions within our organisation. These pre-determined factors therefore have a direct bearing on the number of male to female ratios in both sectors in which we operate.

We recognise that none of our current initiatives will, of itself, remove the gender pay gap - and it may be several years before some have any impact at all. In the meantime, Malhotra Group PLC is committed to reporting on an annual basis on what we are doing to reduce the gender pay gap and the progress that we are making.



Right now, we have plans to extend our evidence-gathering to include qualitative data. We will conduct this exercise through consultation across all areas and levels of the organisation to identify the barriers (and the drivers) for employees across each quartile.

In the coming year, Malhotra Group PLC is also committed to reviewing our procedures on bonus payments and salary sacrifice schemes. Any further initiatives launched throughout the year will be reported on the company website and in our internal employee newsletter (The Insider) which is published quarterly.

I, Martin Greenwood, Group Finance Director, confirm that the information in this statement is accurate.

**Date 15 March 2019**

### **APPENDIX 1** **Pay quartiles by gender**

<b>Quartile</b>	<b>Males</b>	<b>Females</b>	<b>Description</b>
I	34.7%	65.3%	Includes all employees whose standard hourly rate placed them above the upper quartile
II	30.5%	69.5%	Includes all employees whose standard hourly rate placed them above the median but at or below the upper quartile
III	15.9%	84.1%	Includes all employees whose standard hourly rate placed them above the lower quartile but at or below the median
IV	20.1%	79.9%	Includes all employees whose standard hourly rate placed them in the lower quartile

<sup>1</sup> The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.