



TECHNOLOGY  
DESIGNED, SERVED AND SUSTAINED

# Gender Pay Gap Report

5th April 2020



# GENDER PAY GAP REPORT



Gender pay reporting legislation requires UK employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

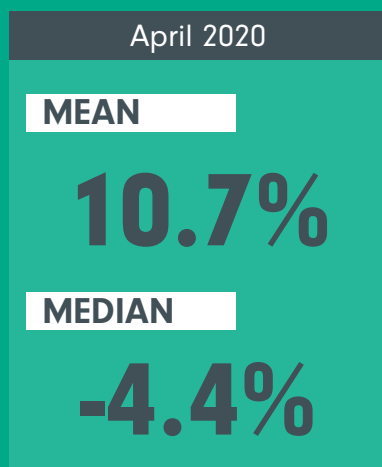
Publishing this data is consistent with both our value “We believe in People” and our goal to create sustainable growth through investment in our people.

Stone is committed to paying men and women equitably, considering factors such as employees’ roles, the location of their job, their experience, and their performance.

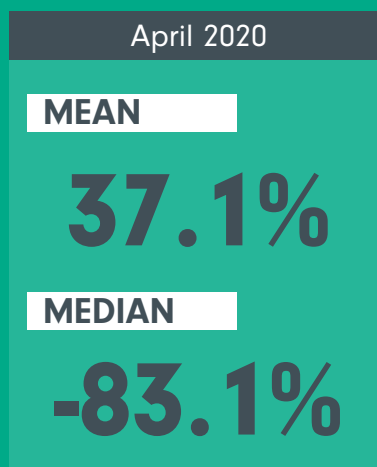
Mean refers to the average of all the salary data.  
Median refers to the value lying at the midpoint of the supply data.  
Bonus pay gap refers to all variable pay including commission.

This is our annual gender pay gap report for the snapshot month of April 2020.

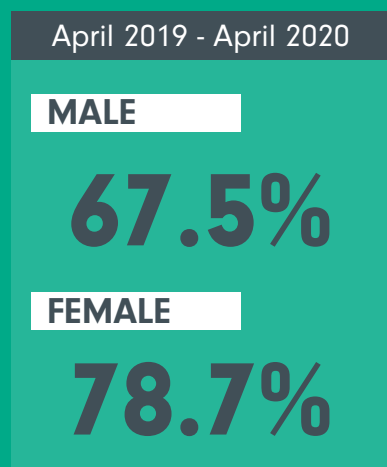
Our gender pay gap:



Our gender bonus gap:



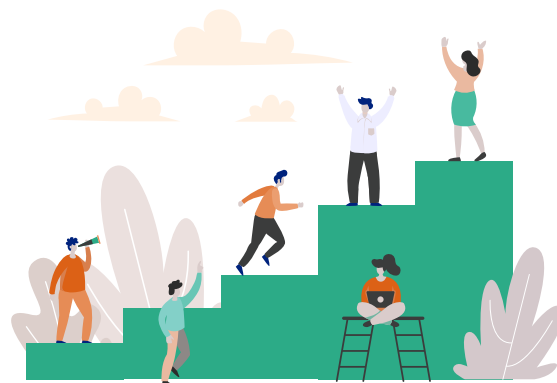
The **proportion** of eligible employees receiving a **bonus**:



# GENDER PAY GAP REPORT

**Table 1: Pay quartiles by gender**

This table shows our workforce divided into four equal sized groups based on hourly pay rate. Band A is the lower quartile and band D the upper quartile.



BAND	MALES	FEMALES	WHAT THIS BAND INCLUDES?
A	<b>88.5%</b>	<b>11.5%</b>	All employees whose standard hourly rate is within the lower quartile
B	<b>65.4%</b>	<b>34.6%</b>	All employees whose standard hourly rate is more than the lower quartile but the same or less than the median
C	<b>70.5%</b>	<b>29.5%</b>	All employees whose standard hourly rate is the same or more than the median but less than the upper quartile
D	<b>79.5%</b>	<b>20.5%</b>	All employees whose standard hourly rate is within the upper quartile

Table 1

A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The “lower quartile” is the lowest group. The “upper quartile” is the highest group.

The figures in this table have been calculated using the standard methods used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

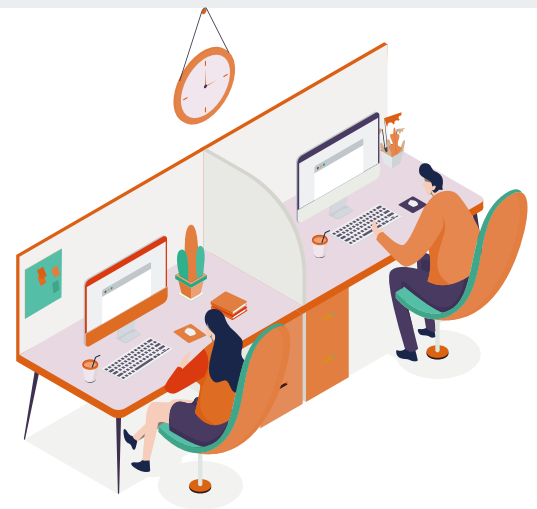


# GENDER PAY GAP REPORT

## Why do we have a gender pay gap?

Legally, men and women must receive equal pay for:

- ✓ The same or broadly similar work
- ✓ Work rated as equivalent under a job evaluation scheme
- ✓ Work of equal value.



We are committed to 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 policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above). We carry out regular pay and benefits audits and evaluate job roles and pay grades to ensure fairness.

We are confident that our gender pay gap is not because we pay men and women differently for the same or equivalent work. Instead, our gender pay gap is because men and women work in different roles and those roles have different salaries.

Across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Women are more likely than men to be in front-line roles at the lower end of the organisation. Men are more likely to be in technical roles, which are paid more highly than other roles at similar levels of seniority. Women are also more likely than

men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is reflected in the make-up of Stone. Most roles within our warehouse, logistics, manufacturing, and engineering teams are held by men, most administrative roles in our business are held by women and most line managers and senior managers are men. Whilst applicants and opportunities are available to all, all Board and Statutory Director posts are currently held by men.

Table 1 shows our workforce divided into four equal sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile). If we had no gender pay gap, there would be an equal ratio of men to women in each band. Whilst the percentage of women increases in band B and band C, the percentage of men is greater in all bands.

# GENDER PAY GAP REPORT

How does our gender pay gap compare to others?

Most organisations have a gender pay gap, and we are pleased to say that ours is very similar or better than others, including those within our industry.

Table 2 compares our gender pay gap to the UK as a whole and our industry as measured by VAR 350\*.

The mean gender pay gap for the whole economy (according to the November 2020 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 14.6%, while the VAR 350 average is 21%. At 10.7%, our mean gender pay gap is a lot lower than the whole economy and the VAR 350.

The median gender pay gap for the whole economy (according to the November 2020 ONS ASHE figures) is 15.5%, while the VAR 350 is 20%. At -4.4%, our median gender pay gap is considerably lower than the whole economy and our sector.

\*The VAR 350 encompasses the largest UK IT resellers and MSPs (managed service providers) on CRN's (the UK IT channel) radar.



# GENDER PAY GAP REPORT

**Table 2:** Comparison with other organisations

Table 2

	OUR ORGANISATION	2020 ONS ASHE WHOLE ECONOMY	2020 VAR 350 AVERAGE
Mean gender pay gap	<b>10.7%</b>	<b>14.6%</b>	<b>21%</b>
Median gender pay gap	<b>-4.4%</b>	<b>15.5%</b>	<b>20%</b>

Stone's headcount is made up of 76% male and 24% female employees. The 2020 VAR350 average for the number of female employees is 26.9%.

The range of bonuses varies and the majority are commission schemes paid within our sales team. Our mean and median gender bonus gaps are: 37.1% and -83.1% respectively.

Commission and bonus schemes are consistently applied across all genders within the organisation. The performance within different verticals can significantly vary the amounts actually paid. The mean being in favour of men suggests that sales people who earn the highest amount of commission are men. However some of the most successful members of the sales team are women which explains the median percentage. This shows that our bonus incentives are based on performance and do not favour gender.

In the 12 months up to 5th April 2020 67.5 percent of relevant men at our organisation received a bonus. For women this was a higher percentage of 78.7%.



# GENDER PAY GAP REPORT

**What** are we doing to address our gender pay gap?

Whilst our gender pay gap compares favourably with others, Stone are committed to improving and learning how to increase our representation of all demographics of diversity, including female representation and doing everything we can to reduce the gap. However, we also know this is a difficult task. For example, we have no control over what people choose to study or the career choices that they make.

We have reviewed the wording in our recruitment campaigns to reflect equality and diversity. We practice equal opportunities and we firmly believe in appointing the best candidate into a role regardless of their gender or other factors covered by the Equality Act.

Our flexible working policy makes it clear that we will consider requests from all employees to work flexibly, regardless of their role and level of seniority, and that flexible working is not just part-time working.

I, Adrian Frost, Chief Finance Officer, confirm that the information in this statement is accurate.

Signed

April 2020

Stone Technologies Limited

