

Gender Pay Report

April 2019



GENDER PAY GAP

Explanation as to data

Pay data is taken from the payroll including the April 2019 snapshot date and represents the calculated hourly pay rate in accordance with the Equality Act Regulations 2017(SI 2017/172).

Bonus Data is based on bonus payments made within the 12 months previous to the snapshot date.

It should be noted that the Gender Pay Gap is the difference between the average earnings of men and women, expressed relative to men's earnings. It is distinct from Equal Pay, which under the Equality Act 2010 ensures that men and women in the same employment performing equal work must receive equal pay.

It should be noted that Ishida pays contributions to the company pension scheme via salary exchange. This can affect figures as colleagues choosing to contribute a greater amount into their pensions (i.e. paying from their gross salary before deductions) are therefore shown as 'earning' less.

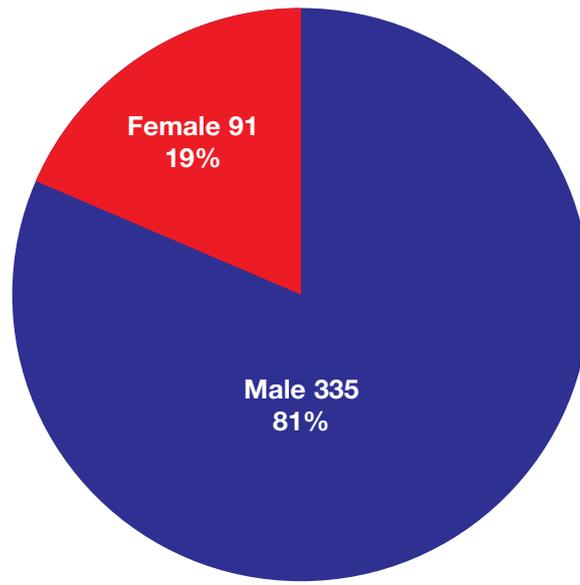
This report refers to Ishida Europe's relevant employees within the UK and does not include our overseas EMEA colleagues.



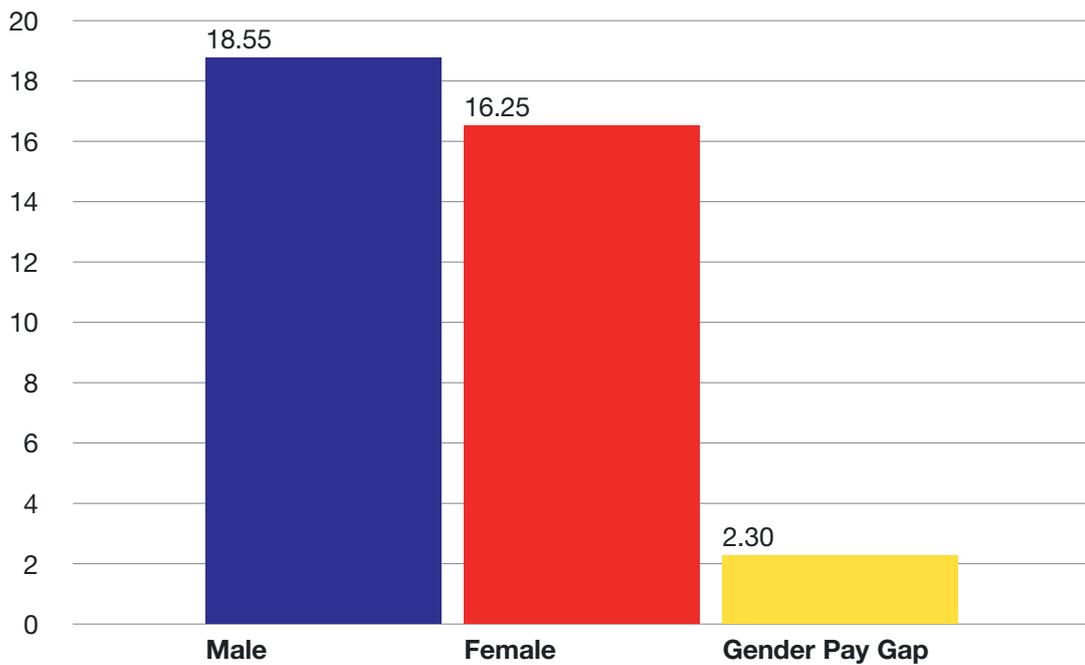
Overall Numbers

At 5 April 2019, Ishida Europe Ltd employed 436 people in the UK (2018: 396; 2017: 387). Ishida is an expanding company.

The gender split was as follows:

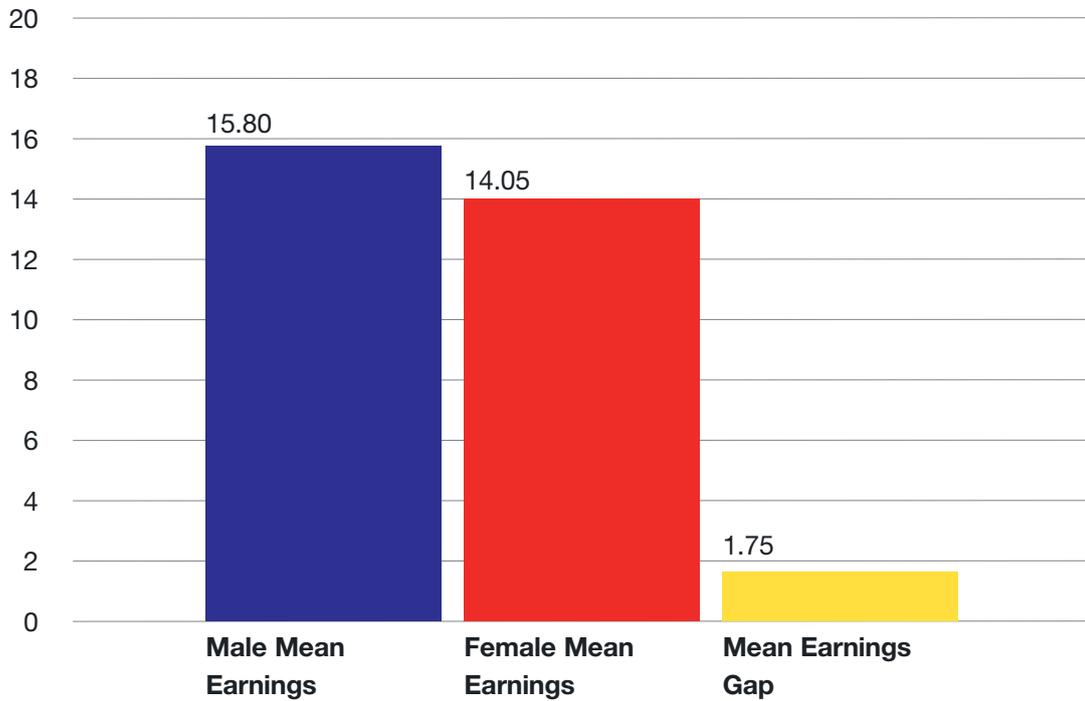


Mean Gender Pay Gap



The mean gender pay gap between men and women is 12.4%, which represents a significant improvement from 18.1% in 2018 and again from 19.6% in 2017. Ishida is pleased to evidence an improving trend in this measure.

Median Gender Pay Gap



The median gender pay gap between men and women is 11.1%, showing an improvement from last year's median pay gap of 15.8%.

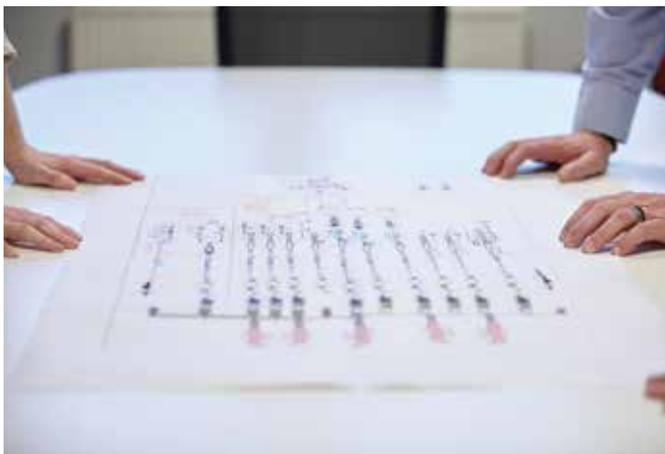


Bonuses

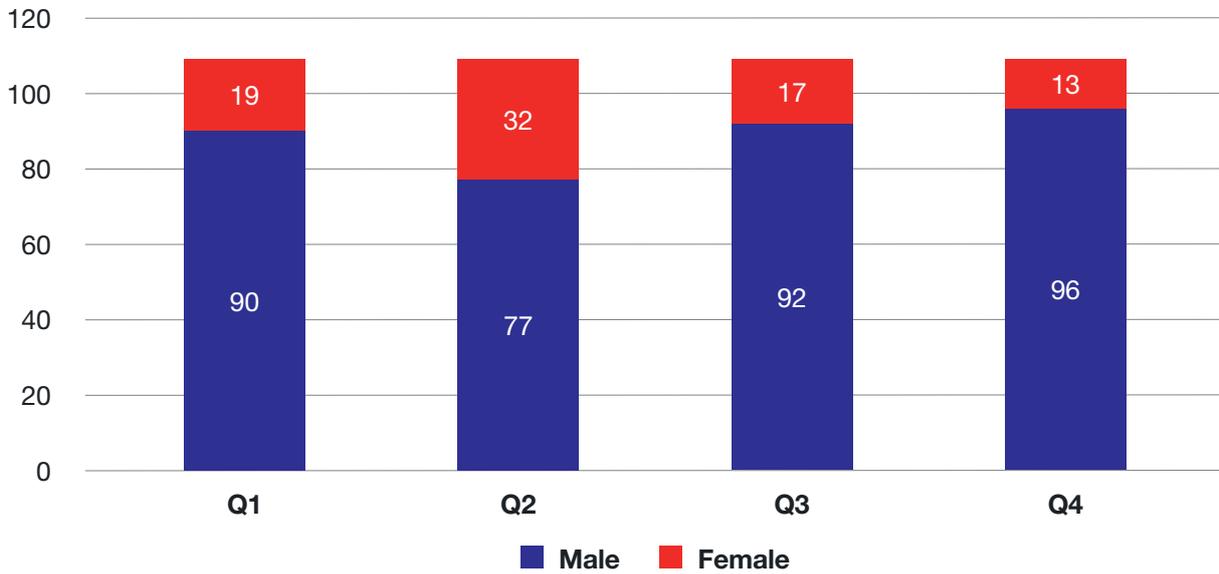
MEN	WOMEN
93% of men receive a bonus	92% of women receive a bonus
Male Median bonus £1,652	Female Median bonus £1,468
The median bonus pay gap was 11.1%	
Male Mean bonus £3,110	Female Mean bonus £1,987
The mean bonus pay gap was 36.1%	

In May 2018, all staff (excluding those who were either (a) on a pre-defined bonus scheme as part of their functions or (b) those who had joined after 20 March 2018) were paid a flat rate bonus of £850 (pro-rated if joined within the year), based on our satisfactory trading to 20 March 2018. A relatively small median bonus pay gap shows this equality of payment for colleagues at all levels of the organisation.

Colleagues on contractual bonus schemes are paid against pre-determined and objective criteria (for example, sales volumes, sales growth and profitability). We are committed to closing the bonus pay gap of 36.1% and have made progress on last year's gap of 43.6%.



Proportion of Males and Females in each Quartile Band



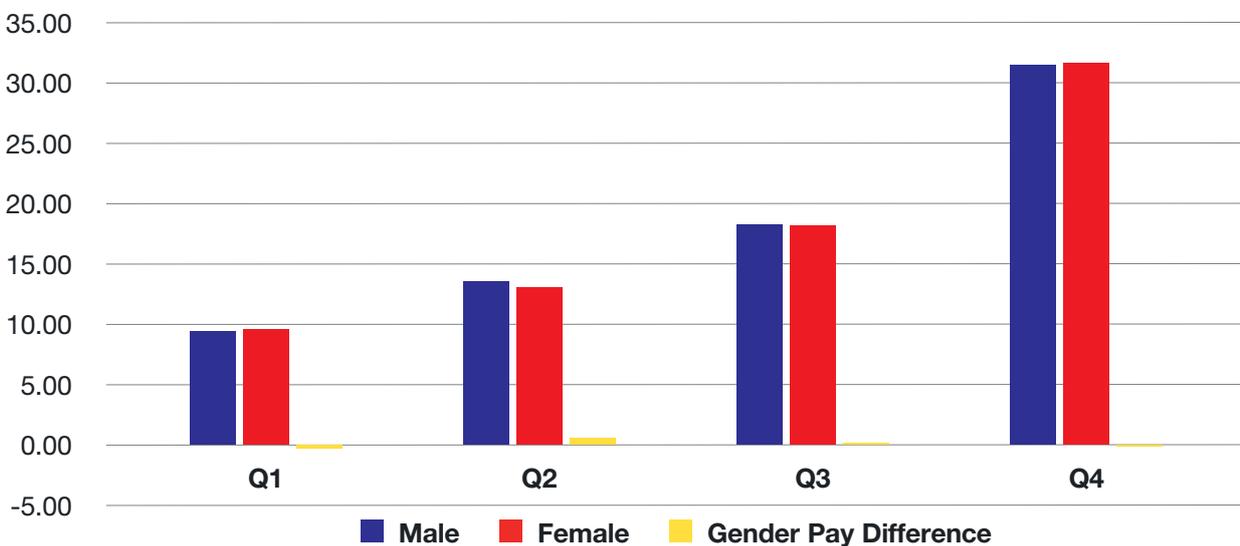
Quartile 1 contains the lowest paid employees rising to Quartile 4 which contains the highest paid employees (including Directors).

Compared with the previous year, the data shows greater female participation in the third quartile, (17% up from 12%). It reports a reduction of women in the lowest paid quartile (19% down from 24%) and an increase in Quartile 2 (32% up from 24% last year). Female participation in the highest paying quartile remains relatively stable at 13% compared with 11% last year. The data suggests greater female participation in middle management and skilled roles.

How do our Gender Pay differences compare?

The Graph below shows the mean salaries per Quartile band between men and women and the corresponding Gender Pay Gap.

Mean Salaries per Quartile Band



	Quartile 1	Quartile 2	Quartile 3	Quartile 4
Male	9.40	13.60	18.22	31.41
Female	9.45	13.03	18.15	31.66
Gender Pay Difference	-1%	4%	0%	-1%

The chart and graph show a positive gender pay gap towards females in the first and fourth quartiles, a zero gap in the third quartile and a minor pay gap in the second quartile.

While Ishida enjoys parity between male and female colleagues in roles within each quartile, we recognise that the company nevertheless has a mean gender pay gap of 12.4% and a median gender pay gap of 11.1%.

The data of the Royal Academy of Engineering states the mean engineering gender pay gap in the UK is currently 10.8% and the median engineering pay gap is 11.4%; although Ishida does not employ engineers exclusively, we are shown to be roughly in line with our main industry bias.

Ishida’s overall Gender Pay Gap is generated by females accounting for only 13% of the top earning quartile (a slight improvement on the 2018 comparator of 11% and of 8% in 2017). Our overall demographic has a strong male majority with 81% male colleagues within the UK offices.

Why is this the case?

Ishida Europe Ltd is a company with a strong basis in Engineering and Manufacturing, industries in which female employees have historically been in a minority.

Additionally, Ishida Europe Ltd has many long-serving employees. The average tenure across all employees is over 7 years. 28% have been working for Ishida for longer than 10 years and 10% have been with the company longer than 20 years.

Given the tenure of our employees and the legacy demographics of the industries in which we operate, the potential pool available for promotion has been largely male dominated. These senior roles attract contractual bonuses. This clarifies our mean bonus gap of 36.1%; however, this is strong improvement on 43.6% within the previous year.

We recognise that our technical roles, commercial and sales positions and senior management tiers need greater female participation. We are taking proactive steps to make our company attractive and inclusive to all genders and people of diverse backgrounds and identities.

We are committed to continuing the process of equalisation on which we have embarked.

Celebrating Successes

1. We are celebrating more visible female leadership within the business. Our female new HR Director joined in May 2019 and brings fresh perspectives to the Board and the company.
2. We have moved away from an annual PDR to a monthly enabling conversation that promotes performance and personal development. This agile approach to performance management is provided by simple but effective software that develops personal goals, quality communication and positive feedback. Our development is inclusive for everyone in the business and no one is left behind.
3. This feeds into our learning and development portal which allows anyone to request training for their and the company's benefit. Over the last 12 months, we have expanded our suite of internally delivered training to include a wide range courses that support the development of key management skills and behaviours. These courses have at their core the Ishida values of inclusivity and respect.
4. The Ishida Apprentice Scheme continues to support female entry to STEM industries. We continue to support and promote our opportunities at schools and colleges with a female population.
5. Our recruitment processes have been independently audited to identify areas of development. We have taken much of our recruitment in house with the appointment of a female Recruitment Business Partner who will ensure our reach is consistent, accessible and inclusive in attracting diverse candidates. We sensitively collate diversity data and analyse it annually to check the equality of opportunity at each stage gate.
6. We are continuing to define pay scales within our main departments to remove individual negotiation and to provide our staff with better visibility of pay progression. We have undertaken key benchmarking exercises in areas of the business and will continue to do this throughout the organisation where needed.
7. One third of our female employees work non-standard working hours contracts.



What are we going to do next?

1. We will relaunch our recruitment website and social media footprint to promote our inclusive company. We will review our structured recruitment processes and make improvements where necessary to increase equal access. We will train our hiring managers to interview for skills and spot unconscious pitfalls and bias. We will include diversity as standard in interview panels wherever we can. We will proactively talent pool a diverse community of potential candidates.
2. We are going to integrate and promote our extensive range of employee benefits (both financial and non-financial), showcasing the benefits and values that females are likely to connect with.
3. We are going to engage an external independent employee engagement specialist to objectively listen to our colleagues to learn what they value about Ishida and what they would like to change. While this will be anonymous, we will specifically review overall the female responses and act upon them as part of this exercise.
4. We will work with key stakeholders across the business to further develop talent management practices and lateral and vertical career paths that meet the needs of both the company and the individual. They will be accessible to all colleagues, regardless of their differences including gender.
5. During 2020, a programme of 'Introduction to Ishida Core Products and their place in the Food Industry' will deliver greater understanding to other roles in the business. This will allow greater access for female colleagues to our established technical training programmes, creating awareness of products and business to support their performance through greater understanding.

I can confirm that the data contained in this report is accurate and published in accordance with the gender pay gap reporting guidance and regulations.

Dave Tiso
Managing Director
Ishida Europe Ltd

