

L.Rowland & Co (Retail) Ltd
trading as



2019 GENDER PAY GAP



ROWLANDS PHARMACY



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.

L.Rowland & Company (Retail) Limited (Rowlands) is a key company within the group. The company includes direct management of over 450 frontline Rowlands pharmacy branches located in the heart of the communities we serve, as well as the central support teams. Since 2018 we have reduced the number of pharmacies in order to focus our efforts on patient care rather than a wider estate.

Our people 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 for the future success of our business that we have the most qualified colleagues, working in the right place at the right time to serve our customers. 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 2018 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 2019 for L.Rowland & Company (Retail) 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

Rowlands community pharmacies are ably supported by our Field Leadership and Head Office Support and Development teams therefore across this colleague population as a whole the role and skills mix is varied. That said, the vast majority of our colleagues are deployed across our branch network in driving, dispensary, pharmacist and pharmacist manager type roles.

Since 2018 the gender split has remained relatively static with just a marginal increase in the proportion of female colleagues from 79.14% to 82.4%.

There has also been little movement across our Full and Part Time gender split, a marginal increase in part time females (up from 60.4%) and reduction in part time males (down from 11.88%). These ratios continue to align to ONS labour market data who have again reported that females (89%) hold roles within pharmacies and are more likely to fill part time roles which have a lower median pay than full time roles.

During 2018 the PHOENIX Group operating model changed involving centralisation of corporate functions out of Rowlands which included higher paid and incentivised professional and technical type roles, as reflected in our headcount reduction. This, together with field leadership re-structuring within Rowlands has driven increases in our mean pay and mean bonus gaps, from 18.2% to 24.2% and 58.1% to 66.6% respectively.

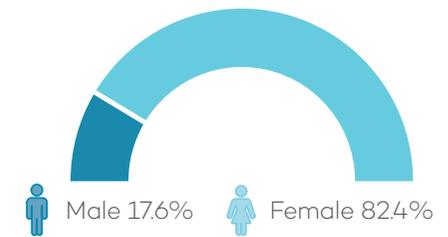
Within our community pharmacy teams we have high volume roles which have consistent published rates of pay which are equally applicable irrespective of gender which drives median pay where there is no gap.

Bonuses are either seasonal fixed cash amounts applicable to all non-senior leadership roles; or variable performance bonus which is role specific. The seasonal payment is driving the median bonus where there is also no gap.

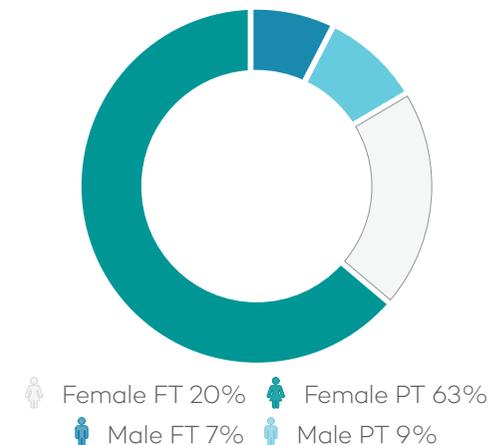
4,254
People Employed



Gender Split



Gender split by part time and full time employees



Mean and median pay gap

2019	24.2% mean	-0.1% median
2018	18.2% mean	0.0% median

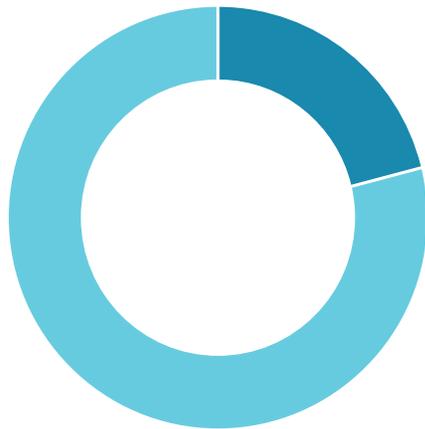
Mean and median Bonus pay gap

2019	66.6% mean	0.0% median
2018	58.1% mean	0.0% median

Proportion of males and females receiving a bonus

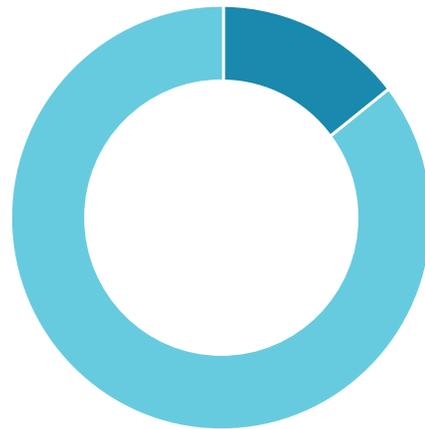


Lower Quartile



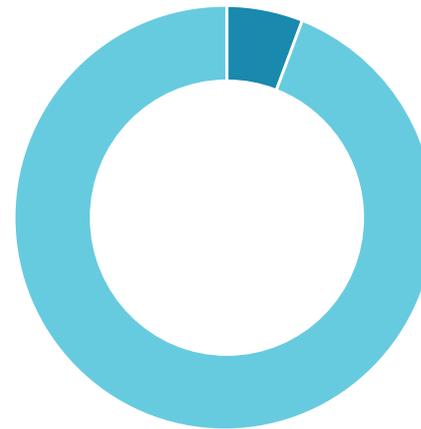
Male 21% Female 79%

Lower Middle Quartile



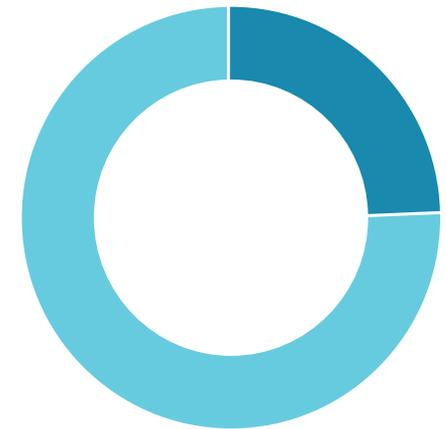
Male 14% Female 86%

Upper Middle Quartile



Male 6% Female 94%

Upper Quartile



Male 24% Female 76%

The illustrations below show the proportion of male and females that fall into each quartile pay band. This is determined by dividing our workforce into four equal parts as prescribed.

The proportion of males and females in each quartile is reflective of the overall gender split across Rowlands.

Since 2018, the female and male gender split has remained relatively static for the lower and upper quartiles – the lower hovering at around 80 / 20 and the upper hovering around 75 / 25.

We have observed material changes in our middle quartiles since 2018 in favour of females; with the proportion of males in our lower middle quartile decreasing by 6% to 14%, and in the upper middle quartile the proportion has effectively halved to 6%.

The upper and middle upper quartile roles include our specialist roles such as Pharmacists, Managers and Relief Pharmacists whose roles command a higher salary and we currently have females representing 85% of our specialist roles. In addition we have a high proportion of females in field leadership and central supporting functions.

Despite the high levels of female representation in the upper quartiles due to the organisation restructure this is not reflected in our mean pay and bonus gaps.

In 2018, Phoenix Group undertook an Colleague Survey from which the feedback has been instrumental in the introduction of a range of colleague focused initiatives. We have made significant changes in order to maintain and attract talent into the business since the 2018 reporting:

- Continued to review the structure, roles and responsibilities to ensure the organisation remains agile and role profiles endure the rapidly changing sector landscape
- Introduced working flexibly for all colleagues, tailored to the business needs to ensure all colleagues have the opportunity to balance their work and life, for example time off to attend children's school events, working from home, flexible start and leave times
- Engaged with colleagues throughout the business to contribute to our People Plan through a series of listening groups with inclusivity high on the agenda
- Procurement of a new analytics system to generate automated reporting of our people data reporting to maximise transparency throughout the business to support monitoring and benchmarking and inform our inclusion strategy
- Colleagues attracting lower valued bonus have had this figure 'rolled up' into their salary which guarantees they receive this additional amount regardless of business performance.
- Introduction of job evaluation process in order to review roles, packages and grading to ensure parity and consistency.
- Launch of our People Plan setting out the commitments PHOENIX Group are making to their colleagues – new and existing

Ongoing developments:

- Following a review our recruitment methodology and approach we will introduce of a new attraction system to reach a wider and more diverse potential employee population. In addition, the procurement of a new on-boarding system will enhance the new starter experience and enable greater candidate analytics
- Increase our focus on gender and equality as part of ongoing monitoring through changes and enhancements to our internal systems
- Build our colleague engagement groups and employee networks, including via social media, to share and promote more flexible working and improving our overall working environments for both our male and females colleagues
- Whilst ethnicity reporting is not yet compulsory, we will increase the use of our analytics system to improve management information across all areas of the business and start to take positive action to understand and address workplace inequality not just in relation to gender pay
- Maximise the apprenticeship levy for internal colleagues to offer professional development and enhance career opportunities and also to introduce apprentice roles across the business.

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