



# GENDER PAY GAP REPORT FOR 2021

MOTOR FUEL GROUP

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## Motor Fuel Group

Motor Fuel Group (MFG) is Britain's largest independent forecourt operator with over 900 stations operating under a number of well-known fuel brands including BP, Shell, Esso, Texaco, Jet and MFG's own dealer brand - Murco.

In addition to fuel and valeting, many of the stations also offer a wide grocery product range and 'food to go' offer from top name brands, including Subway, Greggs, Costa and Country Choice.

Most of the sites are run by independent contract managers who operate them under an agreement similar to a franchise and are responsible for employing their own staff. This model allows the Group to operate its large network with a relatively small work force based in head office and a field team of operation managers.

The exception to this, are the 15 directly managed stations predominantly in the South West of England/Wales operated by Peregrine Retail Limited and Roberts Garages Limited in the Channel Islands.

In April 2021, the Group consisted of the following employing companies:

Company	Number of Employees
• Motor Fuel Limited	205
• CD&R Firefly Bid Co Limited	7
• St Albans Operating Company Limited	4
• Peregrine Retail Limited	403
• Roberts Garages Limited	79

Of these companies, only Peregrine Retail Limited is required to report its gender pay gap under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The other companies do not meet the requirements for reporting or, in the case of Roberts Garages, is based on the Channel Islands and is subject to a different reporting and regulatory framework.

## Reporting

For the purpose of voluntary and statutory reporting in this document, the Group has decided on the following:

- 1) Not to issue separate gender pay gap figures for CD&R Firefly Bid Co Limited and St Albans Operating Company Limited due to the small size of their respective employee populations.
- 2) To incorporate the CD&R Firefly Bid Co Limited, St Albans Operating Company Limited and Motor Fuel Limited figures in a separate group called 'MFG Core'. These companies consist of all staff engaged in the Group's core activity of running motor fuel service stations under the contract manager operating model.
- 3) To report separate gender pay gap figures for Motor Fuel Limited, due to the relatively large size of its employee population.
- 4) To report separately the Peregrine Retail Limited gender pay gap figures in accordance with the Group's regulatory obligations.
- 5) Not to report figures for Roberts Garages Limited, due to the different reporting and regulatory framework of the Channel Islands.

## Gender Pay Gap

Gender pay gap analysis identifies the percentage difference between the average (mean or median) earnings and bonuses of men and women. The difference is expressed as a percentage of men's earnings.

Positive percentage figures identify that overall, female employees have lower pay or bonuses than male employees. By contrast, a negative percentage figure indicates the opposite; namely that male employees have lower pay or bonuses than female employees.

Gender pay gap analysis differs from equal pay analysis in that it measures the difference in pay based on all men and women in a company or group irrespective of what work they are undertaking, rather than focusing on the pay of those carrying out the same or similar jobs or work of equal value.

## Measurements

Under the legislation, the following calculations should be made in relation to employee's pay.

### 1. The mean gender pay gap:

This calculation identifies the difference between the mean (average) hourly rate of pay (including salary, allowances and other payments) of male and females who received their full pay during the April 2021 pay period.

### 2. The median gender pay gap:

This calculation identifies the difference between the median (middle) hourly rate of pay (including salary, allowances and other payments) of male and females who received their full pay during the April 2021 pay period.

### 3. The proportion of males and females receiving a bonus payment:

This calculation shows the percentage of males and females who received any bonus in April 2021 or the 12 months leading up to it.

### 4. The mean bonus pay gap:

This calculation identifies the difference between the mean (average) bonus pay of all males and females employed as at 6<sup>th</sup> April 2021 and who received a bonus in April 2021 or the 12 months leading up to it.

### 5. The median bonus pay gap:

This calculation identifies the difference between the mean (middle) bonus pay of all males and females employed as at 6<sup>th</sup> April 2021 and who received a bonus in April 2021 or the 12 months leading up to it

### 6. The proportion of males and females in each quartile pay band:

This calculation requires an employer to show the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts.

#### Quartile Bandings

Quartile 1 = Lower Quartile

Quartile 2 = Middle Lower Quartile

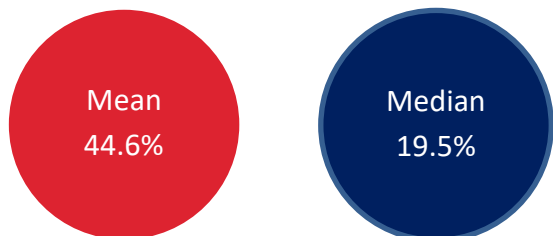
Quartile 3 = Upper Middle Quartile

Quartile 4 = Upper Quartile

## 'MFG Core' Gender Pay Gap 2021 Voluntary Report

'MFG Core' incorporates employees of CD&R Firefly Bid Co Limited, St Albans Operating Company Limited and Motor Fuel Limited who are directly engaged in the Group's core activity of running motor fuel service stations under the contract manager operating model. The 216 employees work in a diverse range of roles including technical, professional, field operations management, senior executive, administration and customer services.

### Gender Pay Gap

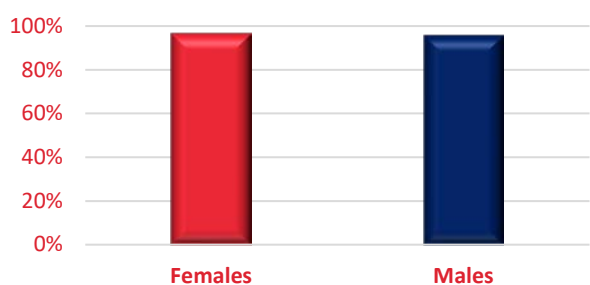


The appointment of males to newly created technical/senior positions, has led to a small increase in the mean gender pay gap from 43.6% to 44.5% in the last year. This small rise is replicated in the median gender pay gap, which has risen from 18.8% to 19.5% year on year.

The dominance of females in the administrative, customer services and junior finance positions and the dominance of males in field managerial, senior leadership and technical positions contributes to the Group's gender pay gap.

### Gender Bonus Gap

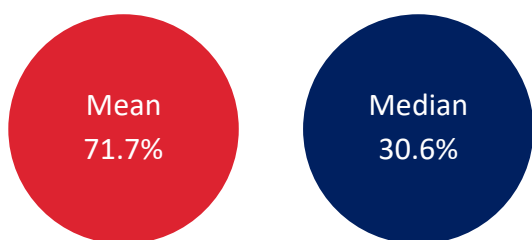
Percentage of Females and Males Receiving a Bonus



The policy of including all staff in the bonus scheme means that the percentage of each gender receiving a bonus was almost identical.

However, the link of the salary to the bonus scheme, combined with the dominance of males in higher paid roles continues to contribute to the mean gender bonus gap.

The median figure, which is less distorted by very large bonuses, is significantly lower and both figures have reduced since the 2020 survey.

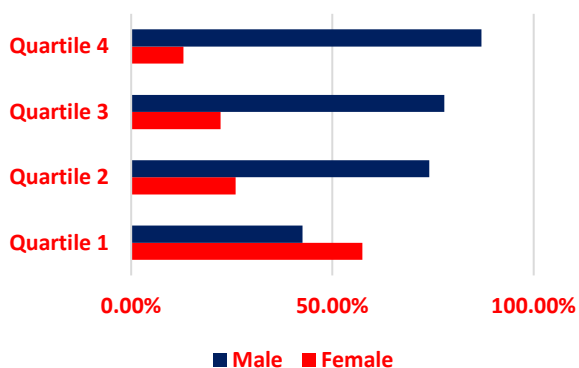


The median figure is now at its lowest since the company commenced running the calculation.

While employment of more females in higher paid roles has contributed to these figures, the payment by the company of a one-off, flat bonus to all staff in recognition of their efforts during the pandemic has also helped offset some of the impact of the salary linked bonus.

### Quartiles

Percentage of Males and Females in Each Quartile



Females continue to make up 65% of the administrative, customer services and junior finance positions within the 'MFG Core' and their percentage in the lower quartile remains unchanged since 2020.

75% of the 2<sup>nd</sup> quartile consists of field based managerial positions, the majority of which are held by men and female technical and supervisory finance staff.

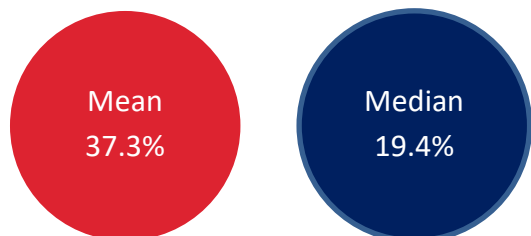
The 3<sup>rd</sup> quartile consists of technical and managerial support roles with males occupying those which are field based and females, those which are based in head office. The 4<sup>th</sup> quartile is dominated by senior managers, directors and executives, the majority of whom are males.

Overall, there has been a slight increase in females in the 2<sup>nd</sup> and 4<sup>th</sup> quartiles.

## Motor Fuel Limited Gender Pay Gap 2021 Voluntary Report

Motor Fuel Limited is the main employing company within 'MFG Core' and the employees work principally in administrative, technical and managerial roles within departments including commercial, operations, food services, HR, finance and IT. It excludes the senior executives of the group and managers of the dealer business, all of whom are employed by separate companies.

### Gender Pay Gap

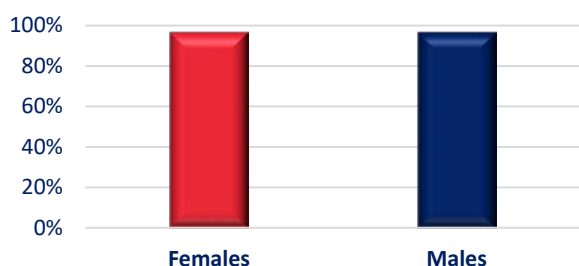


As we have seen in the 'MFG Core' report, the combination of females in administrative and customer facing roles, combined with the dominance of males in both managerial and newly created technical/senior positions has led to an increase in the mean gender pay gap from 25.5% to 37.3% in the last year.

The median gender pay gap saw a smaller rise from 16.5% to 19.4% year on year.

### Gender Bonus Gap

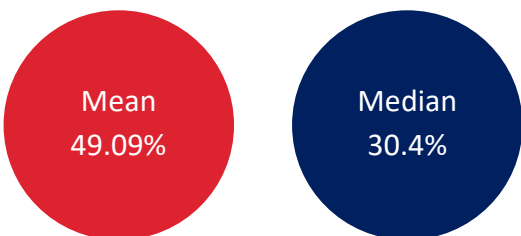
Percentage of Females and Males Receiving a Bonus



As with the 'MFG Core', the percentage of each gender receiving a bonus was almost identical and the payment of a one off, flat bonus has helped improve the bonus gap figures.

In addition, and in keeping with the bonus scheme rules, those males appointed to newly created technical and senior posts during the year only received a part bonus.

The mean gender bonus gap has fallen by just under 10% while the median has reduced by 48% in the last year.



### Quartiles

Percentage of Males and Females in Each Quartile

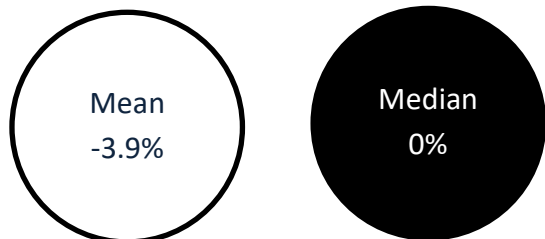


The percentage of males and females in each of the 4 quartiles follow similar patterns to the 'MFG Core', although the percentage of females in the upper quartile is slightly higher as a result of the absence of the executive team.

## Peregrine Retail Limited Pay Gap 2021 Statutory Report

Peregrine Retail Limited is a company which operates 15 directly managed motor fuel service stations throughout the South West of England and Wales in 2021. Unlike most of the sites owned by the Group, Peregrine Retail employs all the staff working at its sites. The workforce of 403 employees consists of sales assistants, assistant and site managers and a small number of 'above site' managerial staff.

### Gender Pay Gap

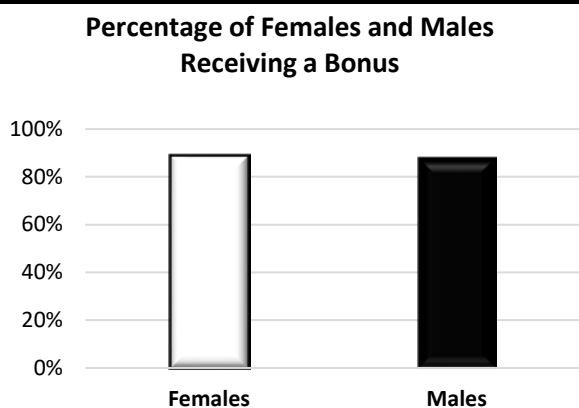


The low mean negative figure, indicates a very small gender pay gap within Peregrine Retail Limited which is weighted towards women. It is consistent with the practice of paying the majority of staff either the National Living/Minimum Wage, or an hourly rate based on this.

The relatively small 'above site' team, which has a balanced mix of both men and women also helps contribute to these figures.

Given the link of wages to statutory pay rates, it is unsurprising that the median hourly rate of £8.72 for both men and women is also the rate for the National Living Wage.

### Gender Bonus Gap

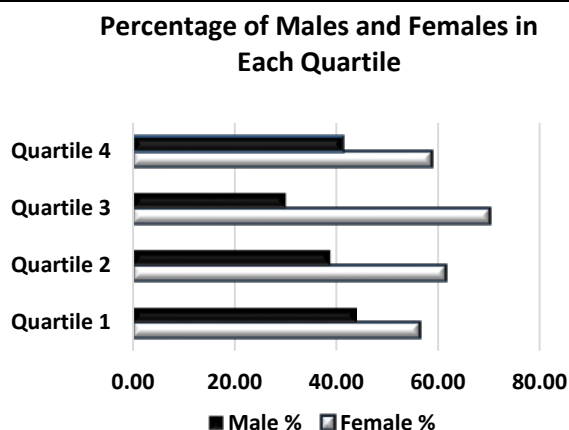


In 2020, bonuses were restricted to 20 senior site and 'above site' employees. However, in 2021 the decision was made to pay all staff a one-off, flat payment in recognition of their commitment during the pandemic. This resulted in the percentage of employees receiving a bonus rising from 6% to just under 90%.

The decision also contributed to the reduction in the mean bonus from 20.4% to 2.5%. This was also helped by some one-off factors such as ad hoc and part bonuses which affected the 2020 bonuses and have not impacted the 2021 figures.



### Quartiles



The quartile figures are consistent with the broader retail sector, which tends to attract a higher number of female employees than males.

This trend is reflected throughout the workforce with women occupying the majority of positions in each quartile.

The number of female employees peak in the 3<sup>rd</sup> quartile and conversely the number of males drops to its lowest level. Given the link of the National Minimum/Living Wage to age, it is clear that while the company tends to attract younger males, they see it as being a less attractive work option as they get older.

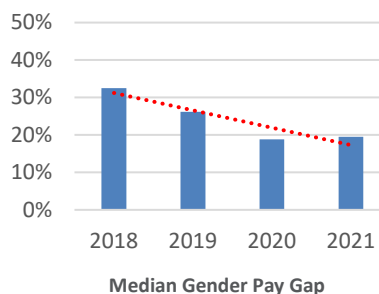
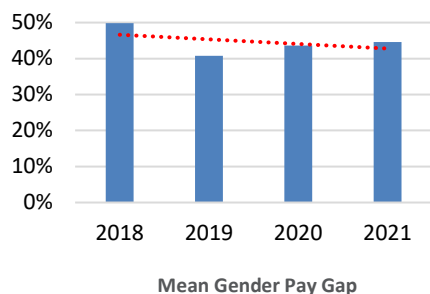
The 4th quartile indicates that there is some levelling up of the genders for more senior posts.

## Comparisons To Previous Years

### 'MFG Core'

#### Mean and Median Gender Pay Gap

As we can see from the graphs below, the longer-term Gender Pay Gap trend for Motor Fuel Group Core is downwards.



Due to the appointment of females to managerial and senior positions in the HR and Finance departments, the mean Gender Pay Gap for MFG Group Core has decreased by almost 12.75% since 2018. The median figure, which is more indicative of typical pay within the business, has dropped by 40% when compared to 2018.

#### Mean and Median Bonus Pay Gap

Similarly, the Mean and Median Gender Bonus Gap have decreased for each of the last three years.

The Mean Gender Bonus Gap has fallen by 22% since 2019, while the median figure has seen a larger fall of just under 50%. The biggest yearly fall was recorded in 2021 and can be attributed, in part, to the payment of a one-off, flat bonus to all staff relating to the pandemic.

The percentage of each gender receiving a bonus has remained broadly static and equal during this period.

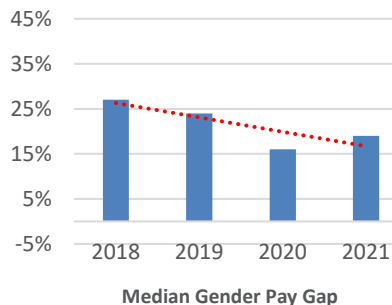
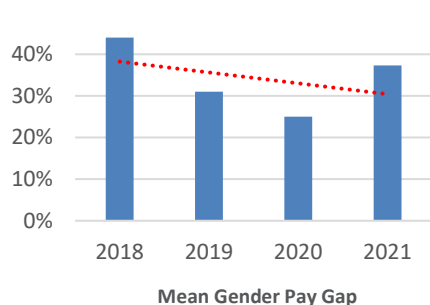
### Quartiles

Looking at the four-year trend, there has been a marked increase in males in the lower and lower middle quartiles of 26% and 43% respectively and increases in females of 10.8% and 3% in the upper two quartiles. The latter is due largely to the number of females appointed to managerial and senior role in the HR and Finance departments.

### Motor Fuel Limited

#### Mean and Median Gender Pay Gap

As with MFG Group Core, despite the slight upturn in Mean and Median Gender Pay Gap figures, the long-term trend is downwards, with the Company's median figure reducing by just under 30% and the mean figure by 16% over the last four years due to the appointment of females to managerial and senior roles in HR and Finance.



#### Mean and Median Bonus Pay Gap

The mean gender bonus gap has decreased from 76% to 49% since 2019, a reduction of 35% on the 2019 figure, while the median gender bonus gap has dropped from 60% to 30.6% during the same period. However, the paying staff of a one-off, flat



bonus relating to the pandemic has had a levelling effect which has helped improve the figures. In addition, both measurements have fallen by around 35% over the last three years.

### **Quartiles**

The percentage of females in each quarter have decreased on average by 3.5% since 2020, while males have increased by on average 1.8% during the same period. However, looking at the four-year trend, there has been a marked increase in males in the lower and lower middle quartile of 26% and 43% respectively and increases in females of 10.8% and 3% in the upper two quartiles as a result of the appointment of females to senior roles within the Company.

## **Peregrine Retail Limited**

### **Mean and Median Gender Pay Gap**

Due to the previously small size of the business and its ownership under The MRH Group, Peregrine Retail Limited did not start reporting on its gender pay gap until 2020. Compared to last year, the mean and median gender pay gaps remain extremely low and unchanged. This is as a result of employees' hourly pay being linked to standard statutory rates and the balance of genders in higher paying senior site and 'above site' roles.

### **Mean and Median Bonus Pay Gap**

In 2020, the mean bonus gender pay gap was 20.4%. This was due to the impact of a small number of one-off bonuses being paid and managers who had started part way through the year receiving fewer quarterly bonus payments. These factors had a significant impact on the figures because of the relatively small size of the population eligible for bonus payments.

These factors were no longer relevant in 2021 and this, combined with the decision to pay all site staff a flat, covid bonus for their efforts during the year, led to the mean bonus figure falling to 2.5%. The median figure, which had been negative in 2020, also improved and was recorded as zero in 2021, largely as a result of the payment of the flat bonus to all site staff.

The number of employees of both genders receiving a bonus also increased significantly as a result of the one off covid bonus.

### **Quartiles**

The quartiles have remained relatively unchanged in 2021, with the females forming the majority of staff in each one, and dominating the second and third quartiles.

## **Issues Impacting On The Gender Pay Gap**

There are a number of issues which impact on, and partly explain the level of gender pay gap at both the group and individual company level. These include the employing groups within the calculations, payment practices within the companies and broader workforce trends.

### **Employing Groups**

It is unusual for the senior executives to be included in gender pay gap calculations when they are employed by a separate entity to the main employing groups. Given the relatively small head count, arguably their salaries have a disproportionate impact on the figures for the 'MFG Core'. This will inevitably lead to a higher gender pay gap when compared to companies where the senior executives are excluded from the calculations.

### **Payment Practices**

The hourly pay of store staff within Peregrine Retail Limited is linked to the National Minimum and Living Wage, which ensures identical pay within the genders within each of the statutory age bands. This, combined with the relatively small size and balance of the 'above site' team and lack of senior executives explains the low gender pay gap figures enjoyed by the business.

### **Broader Workforce Trends**

Trends within 'MFG Core' tend to mirror broader patterns within the UK workforce.

### **Administrative and Clerical Trends**

76 of administrative and clerical posts, which dominate the lower quartile within Motor Fuel Limited, are held by females and this mirrors the findings of a 2013 O.N.S report which identified that 77% of such roles in the UK were held by women.

Inevitably, this has the effect of increasing not only the mean and median gender pay gaps, but also the bonus gap measurements, as a result of these payments being linked to salaries.

### **Retail Trends**

According to a 2013 report by Gill and Benson, females make up nearly 60% of all retail employees. In Peregrine Retail Limited, females made up 61.5% of employees in 2021. However, contrary to reports that senior retail positions are dominated by men, the senior positions within Peregrine Retail Limited are balanced in the favour of women.

### **Trends in the Professions**

According to a report by the University of London, in 2017, 49% of students at seven accountancy bodies were female. In Motor Fuel Limited, the percentage of female non-clerical employees within the finance department is slightly higher at 55%.

Similar patterns are repeated within the human resources and IT teams, where HR is dominated both within the Group and nationally by females and IT by males (O.N.S 2013).

Overall, the ONS identifies that 50% of roles within 'the professions' are held by females and this compares closely to 'MFG Core' in which 48% are female.

### **Managerial and Senior Posts**

The domination of males in the Group's field managerial and senior managerial roles is consistent with national trends (O.N.S 2013). However, whereas nationally 33% of these posts are held by females, only 16% of the posts with manager, director, or officer in their job title are held by women within the 'MFG Core'.

There is no one simple factor for this and, again national trends undoubtedly play their part. Over 70% of the managerial roles are either area, regional or national in their geographical coverage and these may be less attractive to females who predominantly shoulder the responsibility of childcare (ONS 2013).

In addition, despite having a network of over 900 sites, the commission operator business model adopted by Motor Fuel Limited means that they do not employ any of the staff at its sites. Unlike other retailers of a similar size, it does not have a large pool of female staff employed in the stores from which it can develop and promote talent. In addition, traditionally, it has looked to recruit field managers with fuel or oil backgrounds, from an industry which has historically been dominated by males. These factors go some way to explain the dominance of males within the field managerial team.

By way of contrast, Peregrine Retail Limited, with its large population of hourly paid site staff from which to nurture talent, has a much more gender balanced senior site and 'above site' team and an almost neutral gender pay gap.

## **Conclusions**

Both 'MFG Core' and Motor Fuel Limited have made significant improvements in their Gender Pay Gap figures in the last four years, with the Mean figures reducing by 12.7% and 23% respectively, when compared to the 2018 figures. The Median figures, which are more indicative of typical pay within the business, have seen even larger reductions of 30% and 40% during the same period. While there has been a modest rise in the Gender Pay Gap in 2021, the long-term trend remains downwards.

The bonus Gap figures have also seen similar sized improvements and the business has also seen increases of males in the lower two quartiles and smaller increases in females in the upper two quartiles, although it is recognised that there is still work to be done on this front.

The longer-term improvement in these figures is due to the appointment of females to senior and managerial roles within the professions which mirrors national trends. The businesses also reflect broader UK employment patterns in terms of the number of females in administrative / clerical positions and males in senior /managerial roles. These contribute to the 'gap' in gender pay within the organisation and overcoming such trends will lead to further improvements in the figures.

Peregrine Retail Limited continue to have a very low gender pay gap due to the use of standard hourly pay rates and balance of genders in the senior site and above site management teams.

## Recommendations

The Group should consider the following recommendations:

1. Creating a more diverse senior leadership team.
5. Making the advertising of the field operations managerial roles more appealing to females.
6. Recruiting employees from a non-motor fuel/oil background.
7. Recruiting employees from a retail background.
8. Consider whether a recruitment and development pathway could be identified to allow Peregrine Retail Limited staff to develop their careers within the broader Motor Fuel Group.
9. Peregrine Retail Limited should consider how they can attract more males as site staff.

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