

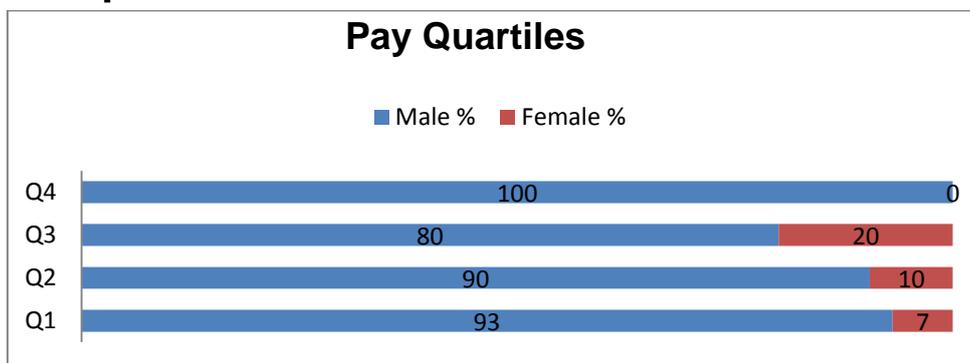
2018 Gender Pay Gap Report

Gender pay gap is a measure of the difference between men and women's average earnings across an organisation. All full pay relevant employees are included in the calculations and this is then expressed as a percentage of men's earnings. Having a gender pay gap does not automatically mean there is an equal pay issue, there are a number of reasons for a gender pay gap, for instance when particular roles are dominated by a single sex; a very relevant example for ARR Craib.

At ARR Craib and indeed most haulage / transport organisations, the nature of the work we do attracts a high number of male employees. In 2017 the FTA reported that of the 315,000 registered LGV drivers in the UK only 2,200 are female (less than one percent) and these figures are comparable across Europe. It is therefore unsurprising that female drivers make up less than one percent of our driving team. The overall gender split across all employees is 93% male and 7% female with women represented across all departments including board level.

Regulations now require us to report on pay quartiles as well as the differences in mean (average) and median (middle ranked) hourly rates and bonus payments. The pay quartile calculations show the male to female split of our workforce in each pay quartile. It was established by ranking employees by hourly pay rates then dividing them into quartile groups, following which the proportions of men and women in each were calculated. All statistics were compiled using the standard methodologies set out in the Regulations based on a "snapshot date" of 5 April 2017.

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| £11.90 | £10.31 | This gives us a mean gender pay gap of -12.3% |
| £9.97 | £8.70 | This gives us a median gender pay gap of -9.9% |
| £0.00 | £6.92 | This gives us a mean bonus gap of 100% |
| £0.00 | £0.00 | This gives us a median bonus gap of 0% |



The negative gender pay gaps (i.e. average pay for women greater than average pay for men) across the Company are mainly due to the structure of our workforce; our industry employs predominantly male workers; professional truck drivers. Men and women are paid equally for doing equivalent jobs so the gaps are not indicative of equal pay issues. Another factor influencing our gender pay gap results is that, although females make up only 7% of our workforce, a good proportion of females are employed in administrative, professional and managerial roles that attract higher than average pay rates.

In the context of widely-reported estimates of double-digit positive gender pay gaps within UK workforces, our negative mean and median gender pay gaps may be viewed as encouraging. We will continue to encourage diversity across our workforce and are committed to identifying and, where required, addressing any gender pay gaps at job grade level.

Signed for on behalf of **ARR Craib Transport Limited**

Andrea Logan MCIPD
HR Director