

MOO 2018

Gender Pay Gap Report

An Introduction to MOO's Gender Pay Gap Report

At MOO, we treat all employees fairly and equally. We work hard to create a values-driven, purposeful and highly empowered organisation that we are all proud to work for. This report provides an overview of MOO's gender pay gap figures, which we are submitting in line with the UK Government's gender pay gap reporting legislation, as of the 5th April 2018

MOO is an international design, technology and manufacturing business where globally 57% of our employees are women (296 women to 221 men) and 47% of all our employees are based outside the UK (242 US employees). Therefore, to give a full picture of the business, in this report we have included both our global and UK figures.



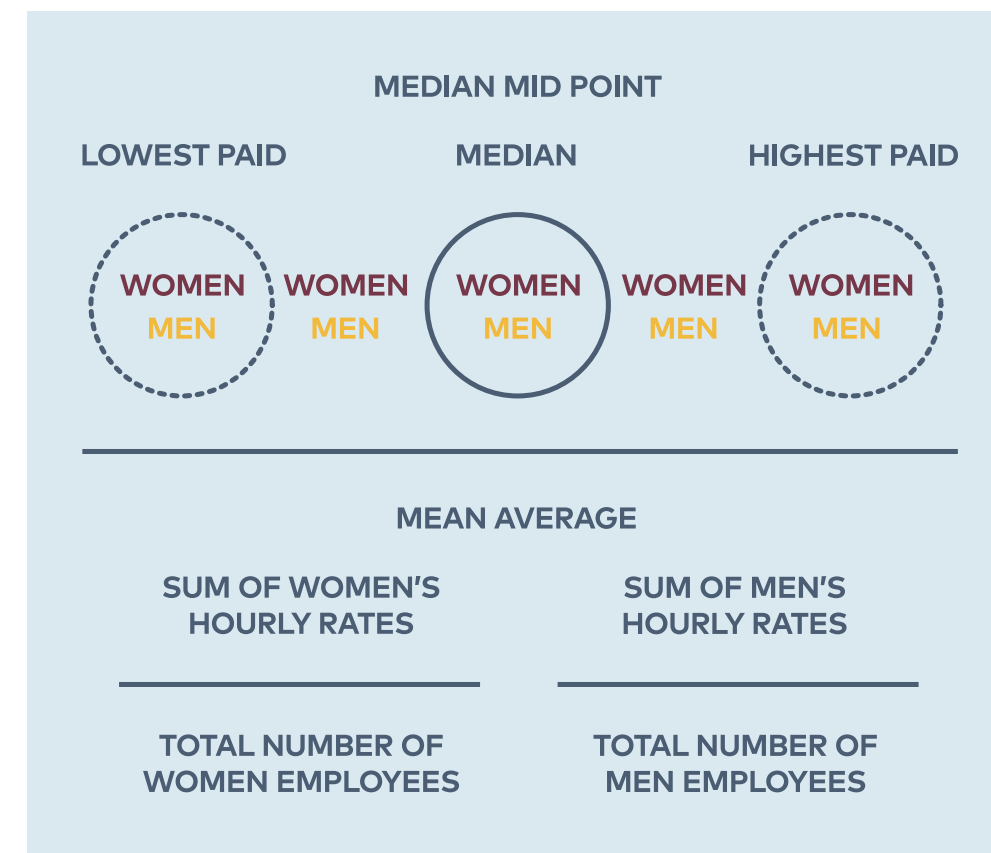
How the Gender Pay Gap is Different to Equal Pay

Equal pay means that women and men in the same role performing equal work must receive equal pay, as set out in the Equality Act 2010. This report is different to equal pay. We are committed to equality and regularly review our pay levels to ensure that men and women are paid equally for performing equivalent roles.

The gender pay gap* is a measure of the difference between women's and men's average earnings across an organisation across all roles. It is expressed as a percentage of men's earnings. There are 6 ways we measure the gender pay gap:

1. The mean gender pay gap (as of the 5th April)
2. The median gender pay gap (as of the 5th April)
3. The mean gender bonus gap
(over the past 12 months previous to April)
4. The median gender bonus gap
(over the past 12 months previous to April)
5. The percentage of women and men receiving a bonus (over the past 12 months previous to April)
6. The percentage of women and men sorted by their hourly rate from lowest to highest over four quartiles (split in equal number of employees in each quartile)

*The gender pay gap is calculated using the population of 'full-pay relevant employees', these were those who were paid their usual full pay in their pay period at the snapshot date



The current mean gender pay gap national average is 18.4%* and within the Tech sector the average mean pay gap is 19.5%** As of the 5th of April we have over 250 employees in the UK, MOO Print Ltd is legally required to report it's gender pay gap results.

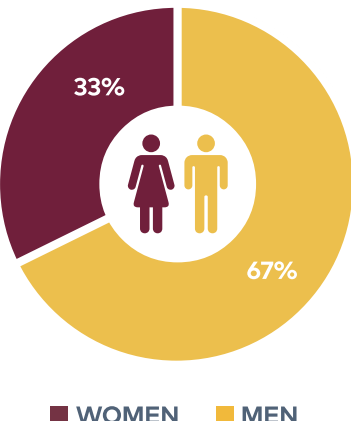
*From Office for National Statistics ASHE survey 2017

**ONS Oct 2018 Report

A Breakdown of Gender Diversity at MOO

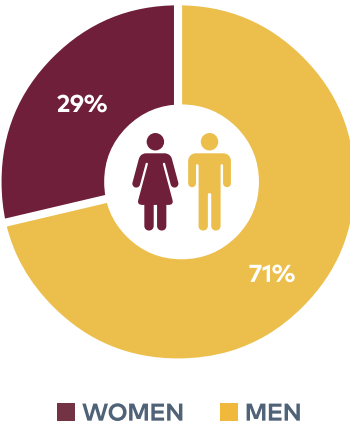
This represents a breakdown of the senior level gender mix in our business which is made up globally of 296 women to 221 men, (57%–43%).

NON-EXEC BOARD



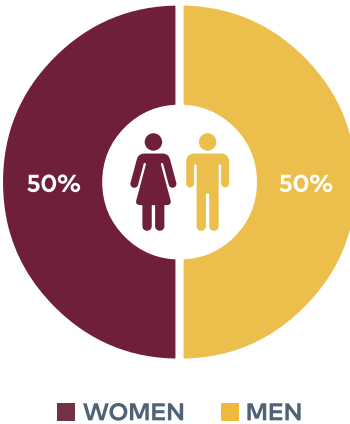
MOO's Salaried Non-Exec Board is made up of 1 woman and 2 men

EXECUTIVES



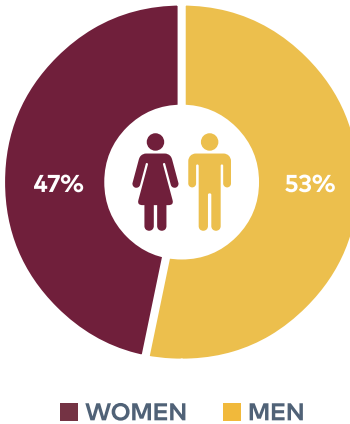
Executives consist of 2 women and 5 men (only 1 woman was eligible and included in the gender pay gap reported numbers)

LEADERSHIP



Leadership consists of 12 women and 12 men

SENIOR MANAGERS



Snr Managers (exc. Leadership/Exec & Non-Exec Directors) is 61 women and 65 men

Our Global Gender Pay Gap – Hourly Rates



Globally, we have a mean gender pay gap of 20.4%, which has increased by 5.0% points compared to April 2017.

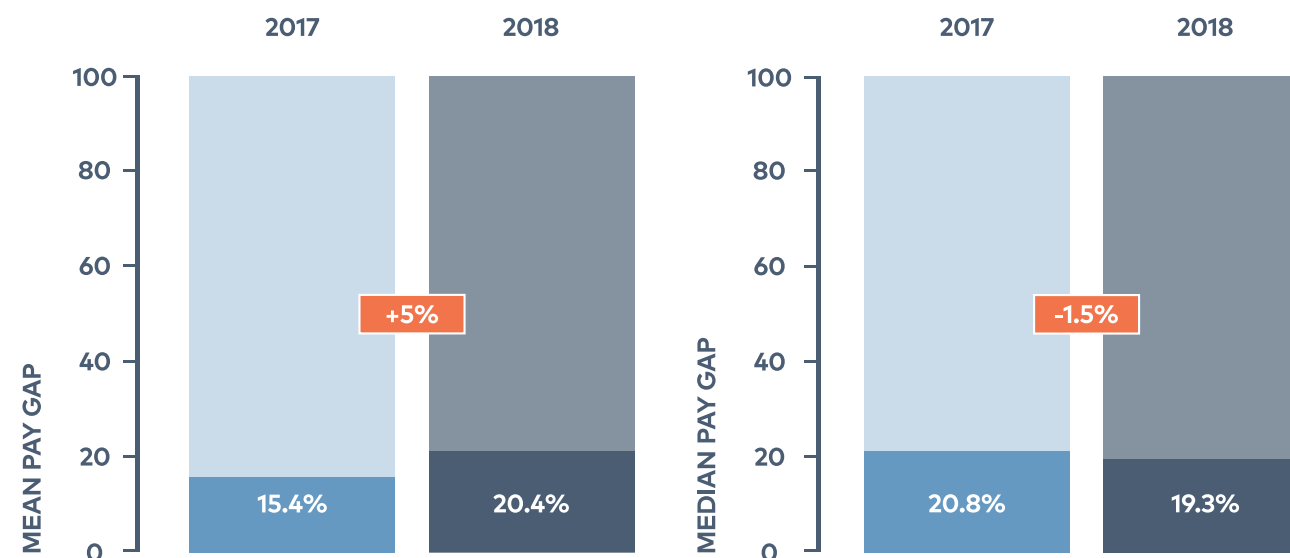
This is because:

- UK gap has increased (see p.5) which influences this metric
- Increase of women in the lower two quartiles (by 24% and 11% points) which is mainly made up of women in the Service team
- Inclusion of new US-based male into the Executive team in 2018 which increased the US male mean

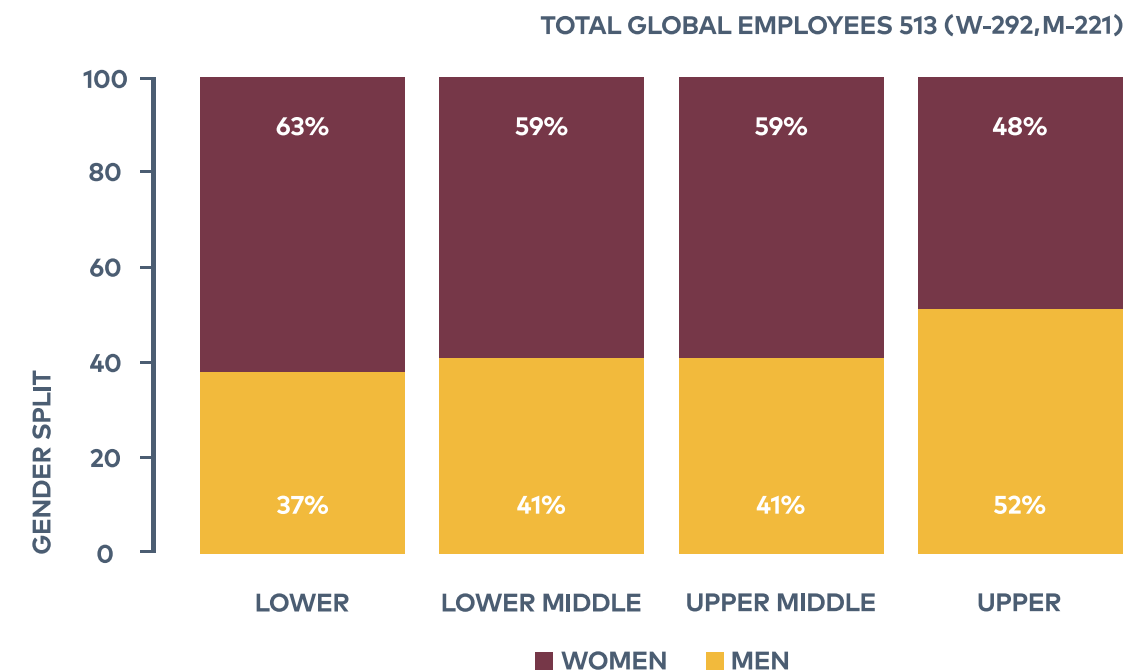
The global mean gender pay gap is narrower than our UK figure by 6.7% points. This is because:

- More women in higher paid roles in the US, improving the global mean gender pay gap and subsequently creating a more balanced upper quartile
- A more even women to men split in our US Manufacturing team

Global Mean and Median Gender Pay Gap



Global Salary Quartiles



Our UK Gender Pay Gap – Hourly Rates



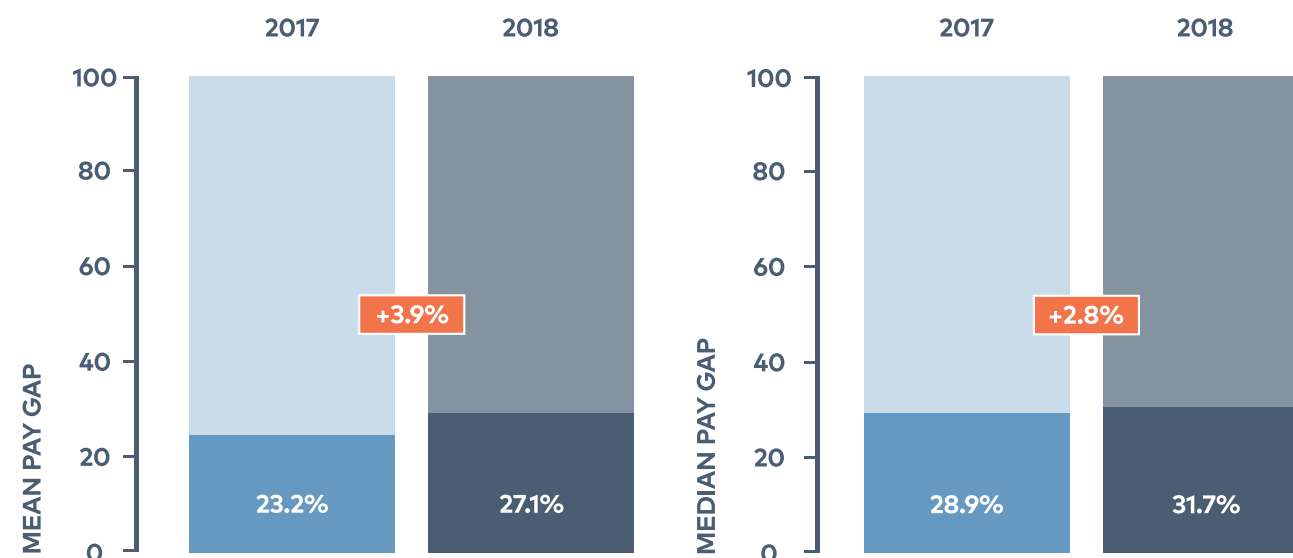
In the UK, we are underperforming against the national average by 8.7% points with a mean percentage gap of 27.1%. This has increased by 3.9% points compared to April 2017. This is because:

- There has been an increase of women in our lower quartiles (lower and lower middle) from 52% in 2017 to 63% in 2018. This was driven by an employee growth in Manufacturing of 38% which was fuelled by an increase in women employees in Manufacturing (21% increase in women). This resulted in a decrease in the overall mean for women which then widens the gap between women and men
- The Executive team moved from 1 woman and 2 men in 2017, to 3 men in 2018. 1 woman in the Executive team was not eligible

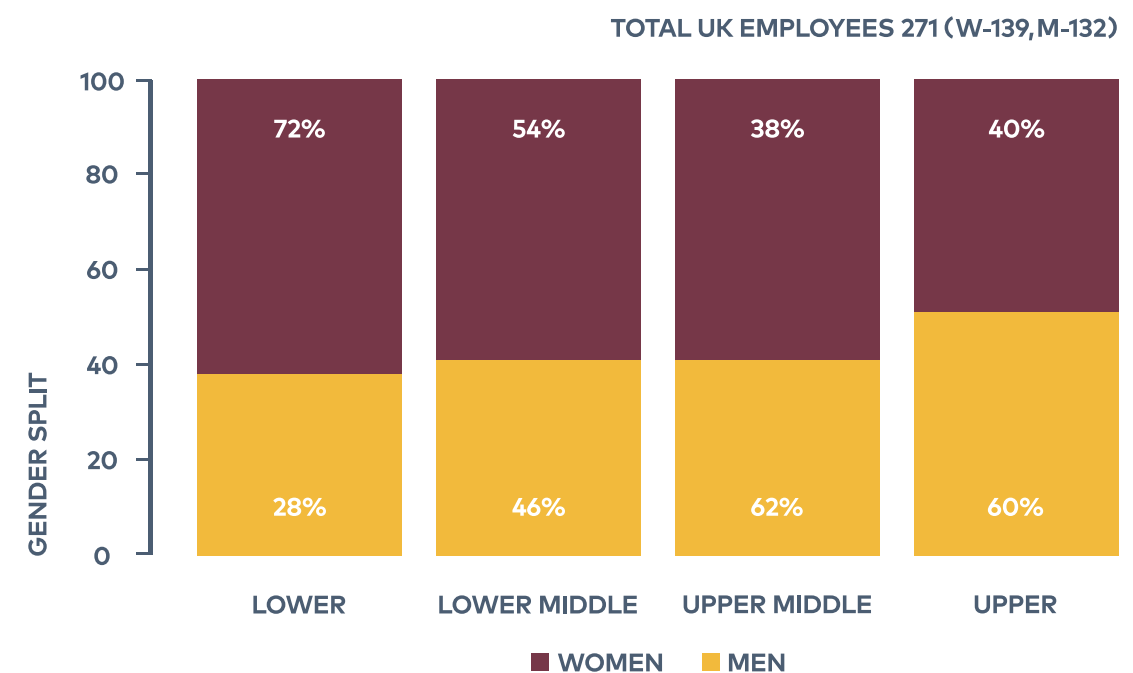
as a 'full-pay relevant employee' within this month. This drives the overall mean for men higher, resulting in a wider gap

- We have a lower proportion of women in the top quartile (40%). The top 10 highest earners influence the gender pay gap, the most by being made up of 3 women and 7 men (including non Execs)
- We have a higher proportion of women in the lower quartile (72%) specifically in some Manufacturing roles (77%) and Customer Service roles (76%)

UK Mean and Median Gender Pay Gap



UK Salary Quartiles

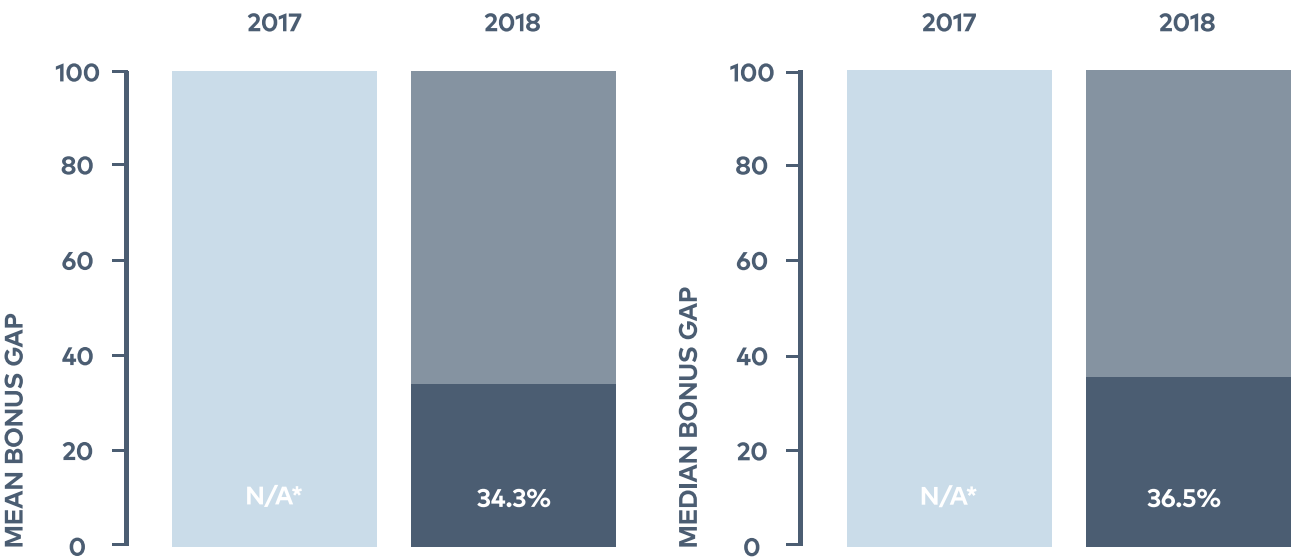




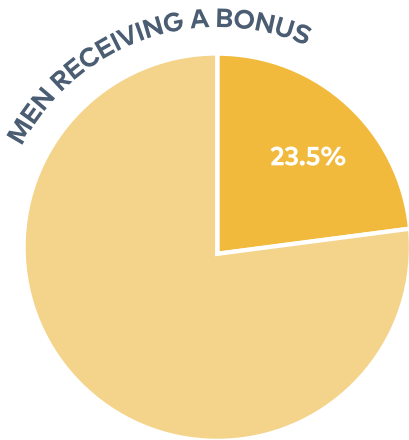
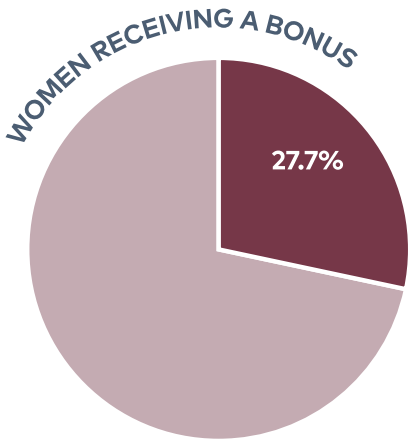
We have a mean gender bonus gap of 34.3% and a median bonus gap of 36.5% with 27.7% of women receiving a bonus and 23.5% of men receiving a bonus.

The gender bonus gap is influenced by there being a higher number of men in the highest paid roles, of our top 10 earners there are 3 women to 7 men.

Global Mean and Median Gender Bonus Gap



*In April 2017 we did not have the US bonus figures so were unable to calculate the global bonus gap



Our UK Gender Pay Gap – Bonuses



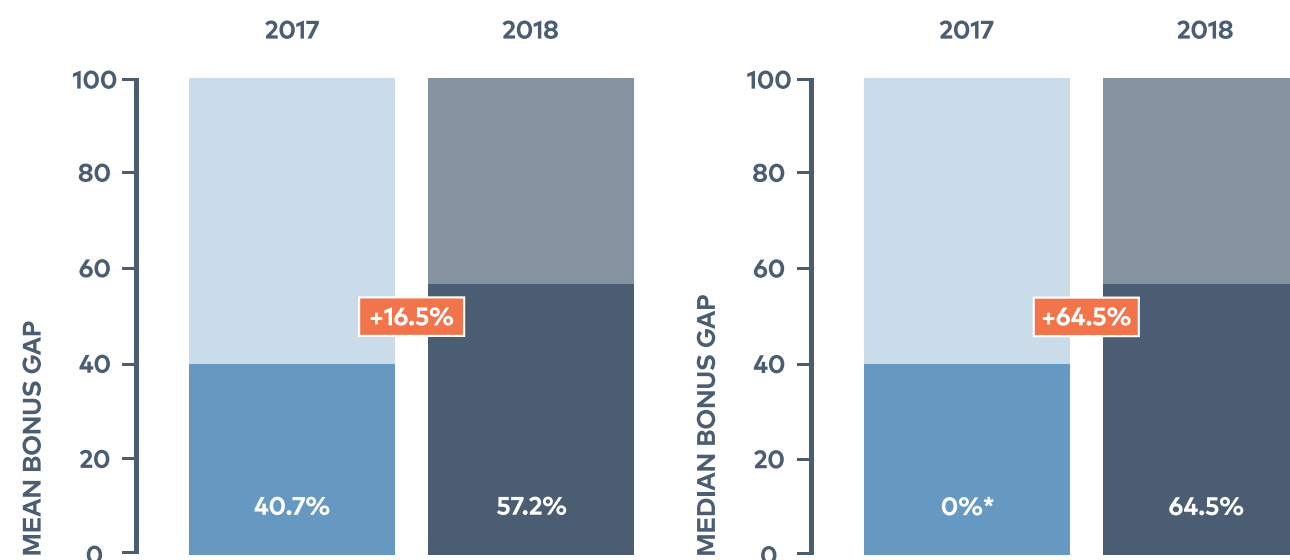
In the UK, we have a mean percentage gap of 57.2%. This has increased by 16.5% points compared to 2017. This is because:

- A higher percentage of men received the company Leadership bonus, at Executive level 25% were women (1 woman) and 75% were men (3 men). At a Leadership level 45% were women (5 women) and 55% were men (6 men)
- We deferred payment from 2016 to 2017 therefore there were two leadership bonus payments made within 12 months. This influenced the results as fewer women (2) than men within the Leadership had been in the business longer therefore eligible for two, full-year bonuses. Meanwhile, more women started within

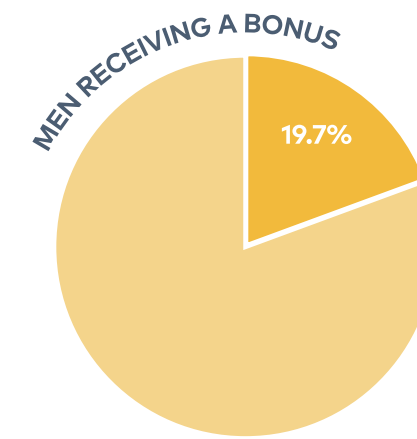
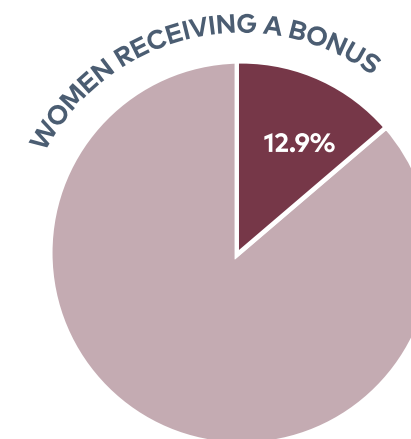
the bonus year therefore receiving a lower pro-rated Leadership bonus. This inflated the male bonus average resulting in a higher gender bonus gap within Leadership and affecting the overall mean gender bonus gap

- Overall, there were 85 bonus payments made to MOO employees over the 12 month period, with 34 payments made to women compared to 51 individual payments made to men. These payments typically include company Leadership bonus, referrals, commission and spot bonuses

UK Mean and Median Gender Bonus Gap



*In April 2017 figures there was a profit share incentive at MOO whereby all eligible employees received a one off bonus-this influenced the median bonus gap to be 0%



Our Commitment to Closing the Gap

We have a long term action plan which we created to work towards closing our gender pay gap.

This action plan comprises of three main rolling initiatives established to help us drive activities across all teams, departments and geographies.

INCLUSION & DIVERSITY



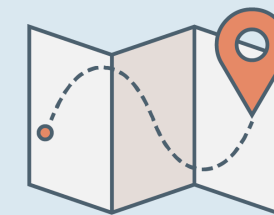
- Team formed of employee representation
- Co-creating our future strategies
- Bringing inclusive sense of belonging

TRAINING



- Enhanced training programme in Manufacturing
- Unconscious bias training
- Diversity interview training and diverse recruitment practices

CAREER PATHS & PROGRESSION



- Career Path Framework ensuring transparency and fairness
- Monitoring of promotion recommendations
- A new mentoring programme

Our Commitment to Closing the Gap

In addition we are launching a number of initiatives to further accelerate MOO's journey towards gender pay equality. We will be introducing three key fresh initiatives:

BUSINESS PHILOSOPHY & STRATEGIC DIRECTION

- An Executive agenda commitment to long term diversity and inclusion, from gender and beyond



GENDER PAY GAP WORKING TEAM

- Rolling quarterly analysis of our data, ongoing strategic planning sprints and localised action plans



MAKING MOO EVEN MORE ACCESSIBLE

- Enhance our policies and practices to facilitate gender balance, particularly at senior and entry level roles



MOO's Commitment to Diversity

Diversity is critical to MOO. As a design and technology company we have a desire and a responsibility to build a business that better represents the world around us. It's not only good for the world, it's also good for business: diverse companies lead the way, are more innovative, more successful and, ultimately, more valuable.

However, change doesn't happen overnight, we need a long-term strategy and we have to be purposeful, strategic and human in our commitments, which are as follows. We are committed to:

- Continued investment in building a welcoming, open and inclusive environment, capable of attracting a diverse audience of candidates who see themselves working and thriving at MOO
- Training our people to be aware of their unconscious biases, enabling them to bring open minds to work every day. MOO does not tolerate discrimination in any form
- Optimising our processes (recruitment, promotions, and training), and our policies (flexible/remote working, and parental leave) for gender balance and diversity, creating a more level playing field for everyone
- Balancing the hiring of the best qualified person for a particular role, with hiring the best people for our culture
- Prioritising our global metrics. We are a global business, with an executive team located and operating across territories and with some functions and roles only existing in one geography. So it's important that we take a global view

- Holding Leadership accountable for delivering positive change, defining what diversity and balance means to MOO and measuring ourselves against these goals. So while the gender pay gap is an important measure, it's only one of many measures that are important to us

"As a design and technology company we have a desire and a responsibility to build a business that better represents the world around us."

Richard Moross, Founder and CEO

Founder and CEO Comment on Our Results

I was disappointed to see our gender pay gap increase in the UK in 2018. This was due to a number of factors which are explained in detail in this report.

Whilst we recognise that reporting our UK gender pay gap figure is mandatory, as a global business, with senior leaders in both the UK and US we have created a series of initiatives that will address our global gender pay gap first.

We will focus initially on the three areas of our business which contribute most significantly to MOO's global gender pay gap, and which span both the highest and lowest paid roles at MOO (as of April 2018): Non-Executives and Executives; and Manufacturing.

Non-Executives / Board of Directors (as of April 2018)

We have three institutional investors who are Non-Executive Directors of MOO. All three are men but none receive a salary from MOO and therefore do not impact the gender pay gap. We also have three Independent Non-Executive Directors of MOO, including our Chairman, all of whom are salaried. One is a woman, two of these are men. We will continue to be proactive in reviewing the diversity of our Board in 2019 and will report back on any changes by April 2020.

Executives (as of April 2018)

There are six Executives at MOO, four of whom are men (including the CEO) and two are women. The gender makeup of these two groups has a profound impact on MOO's gender pay gap. The two highest paid roles at MOO, the Chairman and Chief Executive,

are both men and there are three women amongst the remaining seven paid roles. If we were to exclude these Executives and Non-Executives from MOO's overall figures it would result in a more favourable global gender pay gap of 9.7%. We will continue to be proactive in reviewing the diversity of our Executives in 2019 and will report back on any changes by April 2020.

"We have created a series of initiatives that will address our global Gender Pay Gap first."

Richard Moross, Founder and CEO

Manufacturing (as of April 2018)

Roughly 25% of MOO employees work in Manufacturing and almost half of them are women. Many of these roles sit in MOO's bottom salary quartile. We will continue to be proactive in reviewing the diversity of our Manufacturing teams in 2019 and will report back on any changes by April 2020.

Beyond this targeted review we have agreed a broader commitment to diversity at MOO, which will guide our decision-making. Our aspiration is that these will lead to an even stronger culture and outcomes which will improve our gender pay gap.

