



*Mmm...
Müllerlicious!*

Müller UK & Ireland
**Gender Pay Gap
Report 2017**

About Müller UK & Ireland

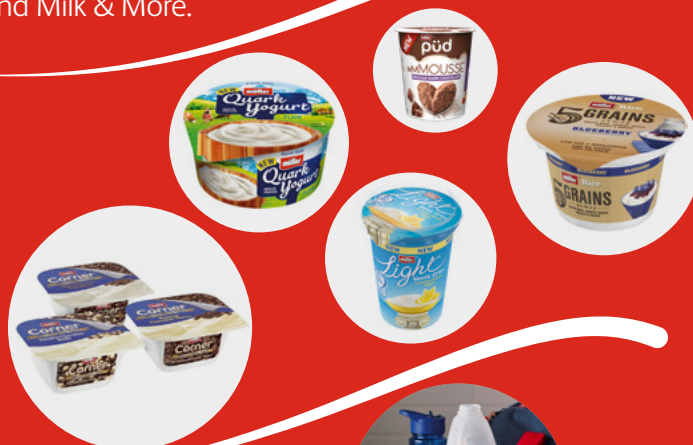


Müller UK & Ireland is wholly owned by Unternehmensgruppe Theo Müller (the Müller Group). The business is the 7th most chosen FMCG brand in the UK and develops, manufactures and markets a wide range of branded and private label dairy products, made with milk from British farmers.

Müller exists to bring everyday moments of pleasure to their consumers and employs around 10,000 people across three business units: Müller Yogurt & Desserts, Müller Milk & Ingredients and Milk & More.

Müller Yogurt & Desserts

Based in Market Drayton, Müller Yogurt & Desserts is the UK's leading yogurt manufacturer, responsible for major brands such as Müllerlight, Müller Corner and Müller Rice. It also produces, at production facilities in Minsterley near Shrewsbury, chilled desserts under licence from Mondelez International. Müller Yogurt & Desserts also supplies the UK private label yogurt market from a state of the art yogurt facility in Telford, Shropshire.



Müller Milk & Ingredients

Müller Milk & Ingredients is Britain's largest producer of fresh milk, cream, butter and ingredients. With a network of dairies and depots servicing customers throughout the country, the business produces skimmed, semi-skimmed, whole, flavoured milk and brands including FRijj. It has the capacity to produce salted, unsalted and lactic butter each year for both the domestic and international markets.



Milk & More

Müller acquired Milk & More in 2015 and it is the UK's largest milkman business. The business delivers a range of local products, six days a week, to more than 500,000 homes across the UK, via a network of 57 local fulfilment centres. The milkman is arguably the original home delivery service, with milk delivery going back more than 150 years; Müller is determined to ensure that this great British tradition continues to flourish.



The British Athletics & Athletics Ireland Teams

Müller is an Official Supporter of the British Athletics and Athletics Ireland teams. With branding and activation rights for events in 2018 and 2019, Müller aims to empower consumers to make active and healthy lifestyle choices.



OFFICIAL YOGURT



BRITISH ATHLETICS



Athletics Ireland

Introduction from the Müller UK & Ireland Executive Team



Andrew McInnes
Managing Director
Müller Milk & Ingredients

This year, for the first time, all large companies employing 250 employees or more in Great Britain are required to report on their gender pay gap. As a significant employer and one of the UK's best loved brands we welcome this step.

Across the UK, the median hourly earnings for women are 18.4%* lower than men. Within the manufacturing sector specifically, the gap is 23.1%**.

Across our UK business the pay gap is 1%; this is significantly lower than the UK average and a strong result in our sector. We have always been and remain committed to giving equal opportunities to all our employees and will continue to do the right things to make that happen.



Bergen Mery
Managing Director
Müller Yogurt & Desserts

Our data

Across the Müller UK & Ireland Group we are reporting on four sets of data. The first set of data relates to the entire UK organisation†: the three core business units described in the introduction and the central support functions. Although we don't have to publish data for all entities grouped together, we have taken the decision to do so as we believe this is the most representative internal and external measure of a company's gender pay gap.

The other sets of data relate to our three legal entities, which make up our UK & Ireland business. Whilst we don't have to report on TM Telford Ltd, given we employ fewer than 250 people there, we have decided to do so in the interest of transparency.

Our people

Overall in the UK we have an 85% male v. 15% female split across our workforce. This is typical of a business within our sector, as is the fact that 70% of our colleagues work in production or logistics roles, where the balance is predominantly male (92% v. 8%). Whilst we are working to attract more women into these areas, it takes time to address this. The picture is different in our office environments, with a better balance of 68% male v. 32% female, largely because these types of working environments tend to attract both men and women.

Our future

Müller is a brand with a great ethos, great people and great products. Most importantly, we're a brand with great ambition for the future. To build on our success to date and propel further growth, we must continue to have a culture that values the fantastic contribution that a diverse workforce can bring.

As with any data, its value is in the awareness it raises, the questions it prompts, and the action we take. These statistics provide a valuable means to keep challenging what we do to create the right opportunities for everyone at every level, in every area of our business.



Patrick Mueller
Managing Director
Milk & More

“We must continue to have a culture that values the fantastic contribution that a diverse workforce can bring.”

* Office of National Statistics 2017

** Trailblazing Transparency: Mending the Gap Report 2015

† Please note employees in Northern Ireland and Republic of Ireland are not included in our calculations.

What is the Gender Pay Gap?



The gender pay gap measures the difference in average pay between men and women employed in a business, regardless of seniority. It should not be confused with equal pay, which would involve direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

Why has Gender Pay Gap Reporting been introduced?

Gender pay gap reporting is a valuable tool for assessing levels of equality in the workplace, female and male participation and how effectively talent is being maximised amongst employers. It raises awareness around differences in pay based on gender and enables employers to dig into the differences to better understand their workforce. The challenge in our organisation and across the UK is to reduce, and ultimately eliminate, any gender pay gap over time.

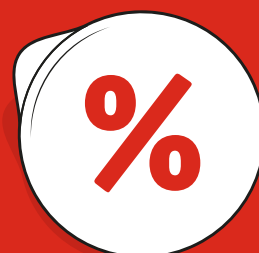
The Mean Gender Pay Gap

The mean is the difference between average hourly pay for men v. average hourly pay for women expressed as a percentage of the male figure.



The Median Gender Pay Gap

The median represents the middle point of a population. If you separately lined up all the women in Müller and all the men, the median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the middle man, expressed as a percentage of the male figure.



Mean Bonus Gender Pay Gap

This is the difference between the mean bonuses paid to men and women in the 12 months leading up to April 2017 expressed as a percentage of the mean bonus received by men during that period.



Median Bonus Gender Pay Gap

This is the difference between the mid-point bonuses paid to men and women in the 12 months leading up to April 2017, expressed as a percentage of the median bonus received by men during that period.



The proportion of males and females receiving a bonus payment



These figures show the population of women who received a bonus payment in the 12 months leading up to April 2017 and the population of men who received a bonus payment in the 12 months leading up to April 2017.

Proportion of males & females in each Quartile band

Quartiles are calculated by listing the rates of pay for all employees across the business from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of males and females in each group. The quartiles (from the lowest to highest) are called the lower quartile, the lower middle quartile, the upper middle quartile, and the upper quartile.

££££
Upper Quartile

£££
Upper Middle Quartile

££
Lower Middle Quartile

£
Lower Quartile



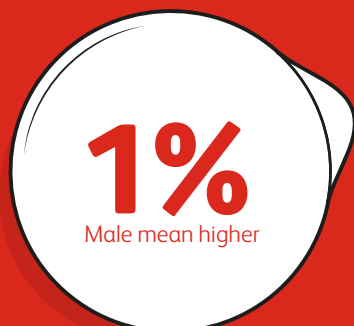
Müller UK & Ireland Gender Pay Statistics



Müller is a top ten household brand in the UK; we are the country's biggest milk and ingredients business and one of the leading yogurt manufacturers, with well-known brands such as Müller Corner, Müllerlight, Müller Rice, Müller Bliss Corner and FRijj. In addition we have recently relaunched what is the UK's largest milk delivery service, Milk & More. With colleagues in over 80 locations, the three core businesses, Müller Milk & Ingredients; Müller Yogurt & Desserts and Milk & More are supported by central service functions. Across the UK 85% of our colleagues are male, 15% are female.

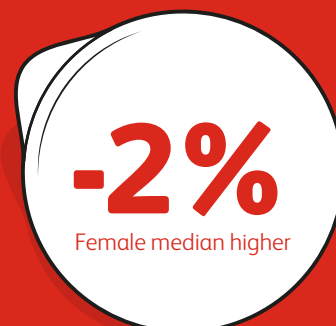
Mean Pay Gap

70% of colleagues across our business are on a fixed rate pay scale and, therefore, are paid the same rate of pay for their role at that location. This is reflected in the 1% pay gap.



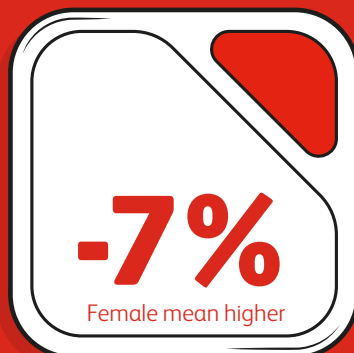
Median Pay Gap

The median pay gap for women in our business is 2% higher than for their male colleagues.



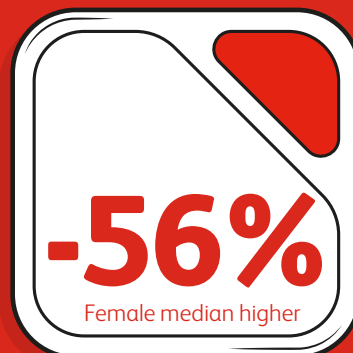
Difference in Mean Bonus Pay

Overall, men and women are paid, on average, a similar bonus payment.



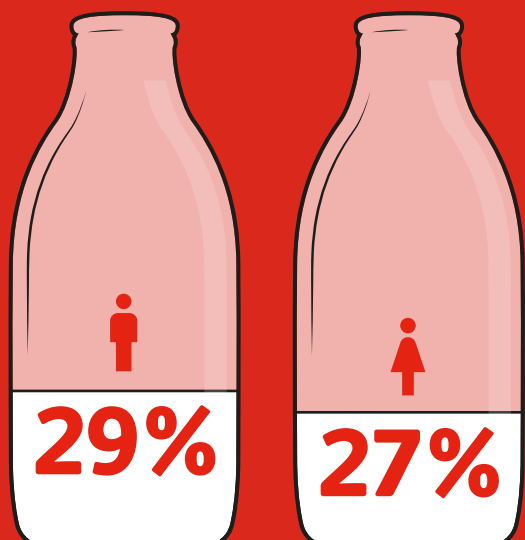
Difference in Median Bonus Pay

For the women who received a bonus, it was generally higher because women in our population tend to be in higher paid management or specialist roles, compared to the majority of men working in lower paid manufacturing or logistics roles.



Proportion of males & females in receipt of a bonus

The proportion of males and females in receipt of a bonus is similar.



Quartile Bands

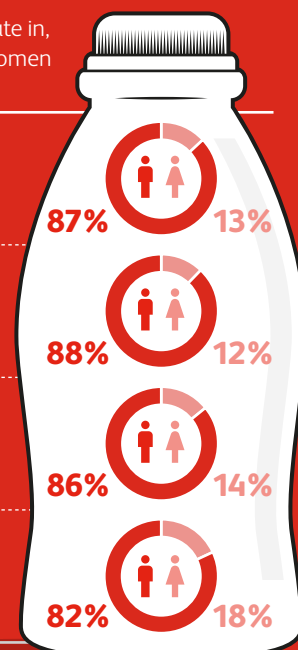
There are more men in our business, which is reflective of the sector we operate in, but there is a consistent proportion of women across the four quartiles.

££££
Upper Quartile

£££
Upper Middle Quartile

££
Lower Middle Quartile

£
Lower Quartile



About Our Entities



Müller UK & Ireland Group LLP

The employee population within this legal entity work mainly in operational and driver roles, supporting our three core UK businesses.

The majority of colleagues, 75%, are paid a 'fixed rate', therefore are paid the same rate of pay for their role at that location.

Müller Service Limited

Müller Service Limited includes the service functions which support core business operations across the UK. Functions include IT, HR, Procurement, Tax, Legal & Compliance and Communications. Colleagues within Müller Service are in head office or shared service roles. Within Müller Service women make up 62% of the workforce, compared with 38% men.

TM Telford Dairy Limited

At our state of the art TM Telford site we primarily produce products for our Private Label yogurt business. Whilst the headcount number for this business does not meet the statutory minimum for reporting, we wanted to include this business for completeness. The majority of colleagues at this site are in operational roles, within production.



Breaking down Our Results



	Müller UK & Ireland LLP		Müller Service Limited		TM Telford Limited	
Mean Pay Gap	6%		35%		4%	
Median Pay Gap	3%		33%		8%	
Difference in Mean Bonus	16%		51%		-33%	
Difference in Median Bonus	9%		18%		-22%	
Proportion of males and females in receipt of a bonus	Female 25%		Female 29%		Female 48%	
	Male 29%		Male 37%		Male 52%	
Quartile Splits	Female	Male	Female	Male	Female	Male
Lower Quartile	14%	86%	78%	22%	22.5%	77.5%
Lower Middle Quartile	9%	91%	71%	29%	17.5%	82.5%
Upper Middle Quartile	9%	91%	55%	45%	10%	90%
Upper Quartile	11%	89%	40%	60%	12%	88%



Great brands are built from the inside out



At Müller we strive for excellence in everything we do, to provide 'everyday moments of pleasure' for everyone and put a smile on everyone's face!

And our people come first. We believe our brand is the sum of our people and the experiences they create: ordinary people achieving extraordinary things. To enable this we need to provide the right support and create opportunities for everyone.

What are we doing?

We remain committed to continue to attract the best talent. We believe in giving everyone equal opportunities across our business and our focus is to further develop and promote colleagues.

Career progression for all colleagues, regardless of gender, has always been, and remains, a priority for us. We are working to provide clear career paths and targeted development opportunities, particularly in our larger Manufacturing and Engineering environments.

We have recently introduced Leadership & Management programmes, across all areas of the business, designed to support colleagues to progress their careers into more senior roles.

This year we will be rolling out an unconscious bias e-learning module to help colleagues understand their own unconscious bias and the impact it can have.

In 2017 we ran two apprenticeship programmes to support colleagues progress their careers. We have already increased the number of programmes to eight, with a further nine planned in 2018. Attracting more women into our apprenticeship schemes will also be a focus this year.



Disclaimer

We confirm that the data and information reported are accurate and in line with the UK Government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017
Müller UK & Ireland Executive Team