

Gender Pay Gap Reporting

This is our annual gender pay gap report for the snapshot date of 05 April 2021.

- Our mean gender pay gap is 8.7%.
- Our median gender pay gap is 1.8%.
- Our mean gender bonus gap is 49.5%.
- Our median gender bonus gap is 0.0%.
- The proportion of male employees receiving a bonus is 11.6% and the proportion of female employees receiving a bonus is 10.3%.

Table 1: Pay quartiles by gender

This table shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile).

Band	Males	Females	What is included in this band?
A	52.4%	47.6%	All employees whose standard hourly rate is within the lower quartile
B	70.2%	29.8%	All employees whose standard hourly rate is more than the lower quartile but the same or less than the median
C	63.4%	36.6%	All employees whose standard hourly rate is more than the median but the same or less than the upper quartile
D	72.4%	27.6%	All employees whose standard hourly rate is within the upper quartile

A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The "lower quartile" is the lowest group. The "upper quartile" is the highest group.

The figures in this table have been calculated using the standard methods used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Why do we have a gender pay gap?

Legally, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

We are committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above). We:

- carry out annual pay and benefits audits; and
- evaluate job roles and pay grades to ensure fairness.

We are confident that our gender pay gap is not because we pay men and women differently for the same or equivalent work. Instead, our gender pay gap is because men and women work in different roles and those roles have different salaries.

Across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Women are more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole is reflected in the make-up of our organisation. Most line managers and senior managers are men.

The table above shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile). If we had no gender pay gap, there would be an equal ratio of men to women in each band. However, instead, 47.6% of the employees in band A are women and 52.4% men. The percentage of male employees increases throughout the remaining bands, from 70.2% in band B to 72.4% in band D.

How does our gender pay gap compare with that of others?

The mean gender pay gap for the whole economy (according to the October 2021 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 11.9%. At 8.7%, our mean gender pay gap is lower than the whole economy.

The median gender pay gap for the whole economy (according to the October 2021 ONS ASHE figures) is 7.9%. At 1.8%, our median gender pay gap is significantly lower than the whole economy.

Table 2: Comparison with other organisations

	Our organisation	2021 ONS ASHE whole economy
Mean gender pay gap	8.7%	11.9%

	Our organisation	2021 ONS ASHE whole economy
Median gender pay gap	1.8%	7.9%

Our mean gender bonus gap is large at 49.5% however, if we convert these percentages to cash amounts the figures are small. Further, we have no gap for the median gender bonus gap. This reflects our policy of not paying large bonuses to individual members of staff.

11.6% of men at our organisation received a bonus in the 12 months up to 5 April 2021. For women this was 10.3%. This is because there are more men in management and technical roles, which are eligible for a performance bonus.

What are we doing to address our gender pay gap?

We are not happy with our gender pay gap even though it compares very favourably with others. We are committed to doing everything we can to reduce the gap. However, we also know this is a difficult task. For example, we have no control over what people choose to study or the career choices that they make.

To help address this, we plan to take the following steps to promote gender diversity:

- **Creating an evidence base:** To find any barriers to gender equality and to help us make priorities for action, to include:
 - the number of men and women applying for jobs and being recruited;
 - the number of men and women applying for and getting promotions;
 - the number of men and women leaving our organisation and their reasons for leaving;
 - the number of men and women in each role and pay;
 - the number of men and women working flexibly and their level within our organisation;
 - the number of men and women who return to their original job after maternity or other parental leave; and
 - the number of men and women still working a year after they took maternity or other parental leave.
- **Revising & improving our flexible working policy, and**
- **Supporting parents & carers:** to develop new guidelines for managers on supporting employees before, during and after maternity and other parental leave.

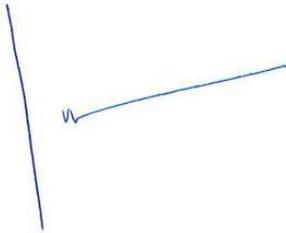
By themselves, none of these initiatives will remove the gender pay gap - and it may be several years before some have any impact at all. In the meantime, every year we will tell you what we're doing to reduce the gender pay gap and the progress that we're making.

Right now, we have plans to extend our evidence-gathering. We are asking for your help to work out the barriers (and the drivers) for women employees.

Any further initiatives launched throughout the year will be reported on the company intranet.

I, David Sanclement, Group CEO, confirm that the information in this statement is accurate.

Signed

A handwritten signature in blue ink, consisting of a vertical line on the left and a horizontal line extending to the right, with a small mark at the junction.

Date: 29 March 2022