

# Gender Pay Gap Report 2024



We are an employer required by law to carry out gender pay gap reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The gender pay gap is a snapshot of the gender balance within an organisation. It measures the difference between the average earnings of all male and female employees, regardless of their role or seniority. We can use these results to assess:

- the levels of gender equality in our workplace
- the balance of male and female employees at different levels
- how effectively talent is being maximised and rewarded

The gender pay gap is an average figure and is distinct from equal pay, which is about ensuring that men and women are paid the same for carrying out work of equal value.

## Gender pay gap figures

At the snapshot date of 1<sup>st</sup> April 2024, the overall gender split across all UK employees was 30.0% women and 70.0% men and our gender pay gap is shown below.

Note that the bonus pay figures shown relate to our financial long service awards for employees. As an employee-owned business, we do not pay performance-related bonuses.

The difference in mean pay between male and female employees	10.0%*			
The difference in median pay between male and female employees	7.8%			
Number of male and female employees in each quartile		Female	Male	Mean GPG
	Lower	35.1%	64.9%	1.66%
	Lower middle	37.1%	62.9%	1.16%
	Upper middle	27.3%	72.7%	3.14%
	Upper	20.5%	79.6%	0.48%
The difference in mean bonus pay between male and female employees	13.9%			
The difference in median bonus pay between male and female employees	0.0%			
Proportion of male and female employees who receive bonus pay	11.3%		17.3%	

\*The UK average for 2023 at the time of report publication was 14.3%

## Progress over time

Our gender pay gap continues to reduce significantly, and at 10.0% in 2024, has halved from 20.4% in 2017.

	2017	2018	2019	2020	2021	2022	2023	2024
Mean GPG	20.4%	18.0%	16.65%	19.96%	15.04%	12.05%	11.0%	10.0%
Median GPG	5.1%	2.2%	10.42%	8.5%	5.19%	4.7%	5.1%	7.8%

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## Understanding the gender pay gap

Our gender pay gap is due to three main factors.

Firstly, there is a lack of female representation in certain areas of the business. The lack of female engineers is reflective of a national problem with a lack of women in STEM roles generally, with women making up just under 47% of the UK workforce, but just 21.8% in engineering roles (although this has increased from 16.5% in the previous year) \*. Engineers are typically comparatively well-paid as industry standard, so this will compound the issue. Equally, specialist manufacturing sections of the business, such as die casting and moulding are almost exclusively male and only 7.7% of UK-based external sales roles, again a typically comparatively well-paid role, are filled by women.

Secondly, whilst we are pleased to have just over 70% female representation at management board level and an almost 50/50 split at senior management level, the respective percentages of females in the upper and upper middle quarters of 20.5% and 27.3%, and a 15.5% pay gap at senior management level might indicate that there is a disparity between pay of men and women in similar level roles. When compared to the overall business female demographic of 30%, the 20% figure of females in lower-level management roles also demonstrates that there is work to be done.

Thirdly, the numbers above are also reflected in indirect (office-based) roles across the upper two quartiles, with just 21.9% of indirect employees in the upper middle quartile being female and 21.7% in the upper quartile, although both numbers have increased from 18.18% and 20.78% respectively the previous year. The gender pay gap for direct (operator) employees is 1.2%, but 9.7% for indirect employees, albeit the latter continues to reduce year on year, from a high of 44.30% in 2022.

## Taking action to close the gap

We recognise that whilst our overall gender pay gap continues to reduce year on year, halving from 20.4% in 2017 to 10.0% in 2024, and the gap almost negligible in three of the four quartiles, we still have work to do. A survey carried out in September 2023\*\* reported that 63% of Gen Z employees (who notably are expected to account for one third of the workforce by 2025) would choose a company that prioritises equity, diversity and inclusion (ED&I) over one that does not.

As we move towards a new era of digital transformation, sustainability and diversification and the manufacturing and engineering industries continue to face talent shortages, we cannot afford to not draw from and develop an underutilised talent pool. The greater the diversity of talent, the more opportunity there is for innovation and growth.

We continue to have initiatives in place to make change happen and are pleased to already see signs of improvement. However, we strive as an employee-owned business to close the gap to zero and will therefore continue to take positive action as a matter of priority.

## Equity, diversity and inclusion

We are committed to having a diverse and gender-balanced workforce. We have implemented a robust ED&I strategy, aligned to our company values and mission. Designed to build ED&I into everyday behaviours, culture and ways of working and to embed it from top to bottom, this strategy emphasises the important role all leaders and mentors play in supporting our employees and raising awareness of the benefits of a diverse workforce.

The roadmap to deliver this strategy will include the positive action points mentioned below. Additionally, the plan will include wider ED&I awareness training and positive role modelling both internally and externally.

## Recruitment, talent development and succession planning

We remain committed to recruiting and promoting the best people for the job, regardless of gender. We will continue to run internal development and leadership programmes for both men and women to ensure a

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pipeline of suitably experienced and capable candidates is available for consideration for promotion into senior roles. We have introduced recruitment and interview training for all leaders, which covers discrimination and equal opportunities awareness, and produced an interview guide and candidate evaluation form, both designed to encourage fairness and transparency.

However, we need to ensure there is a 'level playing field' (equity), and any barriers preventing us from attracting and sourcing more women into traditionally 'male-heavy' roles and developing and promoting women into leadership roles at all levels must be removed.

This will include the attraction and nurturing of the widest possible female talent pool through inclusive recruitment practices, such as gender-neutral terminology in job advertisements and ensuring diverse interviewing panels. We will also continue to focus on our early careers schemes to reduce the gender pay gap, with younger people typically demanding pay equality.

We have long been involved in initiatives to promote STEM careers to young people, working closely with local schools and universities and partaking in initiatives such as the 'STEMettes' mentoring programme. This now forms part of the wider, education engagement strategy, closely linked with both the ED&I and recruitment strategies. The strategy will include a focus on closer and more meaningful collaboration with a select number of local schools, including the offer of 'girls-only' work experience in our engineering departments to inspire and encourage girls to consider future careers in these areas and to help to build a pipeline of diverse talent.

## Coaching and mentoring

We will re-introduce internal coaching and mentoring schemes, with plans to focus on female leaders specifically to give them the support, confidence, and tools to make their next career step.

## Work-life balance

The introduction of flexible working options, including stretched office hours and hybrid working, as part of a wider, enhanced benefits programme is helping both women and men effectively manage their work-life balance.

This benefits programme supports overall employee wellbeing and financial health, with other initiatives including a Payscale health plan, quarterly 'thank you' holiday days and an annual 'birthday day'.

As part of our five-year 'Rewired' plan, we plan to review our current, enhanced maternity, paternity, and parental leave policy as part of our employee value proposition strategy, to encourage both men and women to benefit more equally from leave options.

The strategy will also include salary benchmarking, and a review of salary structures and all rewards is already underway.

We confirm that the information in this statement is accurate.

A handwritten signature in black ink, appearing to read 'Edward Stubbs'.

Edward Stubbs  
Group Managing Director

A handwritten signature in black ink, appearing to read 'Katrina Ritchie'.

Katrina Ritchie  
People & Culture Director

*\* Redline Group Ltd – Women in Engineering: How to close the gender gap \*\* EY*