# **GENDER PAY GAP**

April 2022

#### Introduction

Engineering plays a critical role in shaping the horizons of innovation by elucidating the answers for everyday problems. It shapes how society develops and evolves.

As such, it is paramount that the engineering profession safeguards a workforce that is truly representative of the communities in which it operates.

Trant Engineering Ltd is committed to providing equal opportunities in employment, by having a fair and transparent approach to recruitment, retention, and promotion.

Openness, fairness, and transparency are key characteristics of the Company's culture, an environment where employees feel empowered to succeed.

As a company, we strive to create a supportive environment where people can express their

individuality without feeling judged or marginalised. Fostering an inclusive workplace culture requires consistent dedication by celebrating diversity, adopting fair decorum, and creating a sense of belonging within the organisation.

#### The Gender Pay Gap - definitions.

The gender pay gap measures the difference in pay between women and men in an organisation in terms of average and median rates of pay, expressed as a percentage of earnings of male employees. This report compares the earnings of all employees by gender, regardless of the type of work they do.

The bonus indicators show the percentage of men and women receiving a bonus in the previous 12 months ending on the snapshot date and illustrates the difference in average and median between the genders, expressed as a percentage of men's pay.

A positive percentage shows a disparity in favour of the male gender's pay or bonuses, while a negative percentage is evidence of discrepancy in favour of the female gender's pay or bonuses. Lastly, a zero percentage is indicative of parity across the genders.

So, it is important to note that the gender pay gap indices *are not the same as equal pay* – namely the

legal requirement to pay men and women in the same employment equal pay for carrying out the same, or equivalent work – which is set out in the Equality Act.

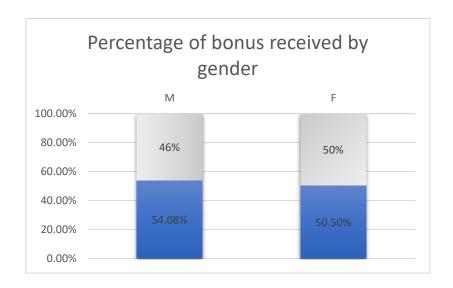
To close the gender pay gap, women's pay, and bonuses would need to have the same distribution as that of male employees within the same company.

That said, the makeup of a workforce is pivotal in deciphering the underlying causes of the gender pay gap indicators.

According to the 2022 ONS gender pay gap report, the median hourly earnings reported for Engineering Professionals suggests that women earn 1.5% less than men. (ONS, 2022) However, the prevalence of women adopting a career in Engineering has slowly increased to 16.5%, according to a briefing published by Engineering UK. (EngineeringUK, 2022)

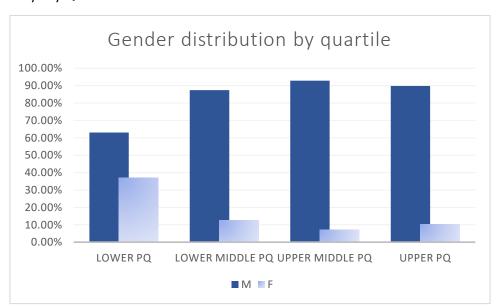
# Results for snapshot date of 5<sup>th</sup> of April 2022

- The mean gender pay gap is 19.3%
- The median is 22.0%
- The mean gender bonus gap is 31.0%
- The median gender bonus gap is -1342.3%
- The proportion of male employees receiving a bonus is 54.0% and the proportion of female employees receiving a bonus is 50.5%.



### Quartile by gender

	Male	Female
Lower Hourly Pay Quarter	63.00%	37.00%
Lower Middle Hourly Pay Quarter	87.40%	12.60%
Upper Middle Hourly Pay Quarter	92.90%	7.10%
Upper Hourly Pay Quarter	89.80%	10.20%

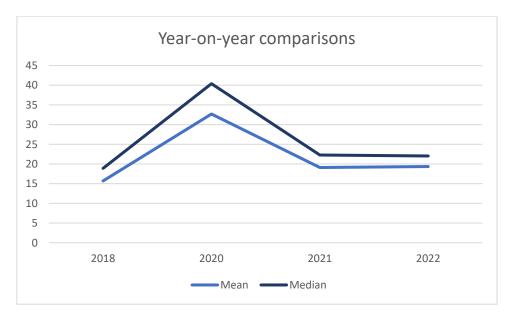


### **Analysis**

The mean gender pay gap this year is 19.34%, meaning that for every £1 a man earns, a woman earns 81p. The median gender pay gap is 22.05%, suggesting that men are paid 22.05% more than women. As with previous years, the discrepancy is underpinned by the makeup of our workforce.

The biggest predictor is the workforce configuration: 49.58% of the job roles are on-site, 29.75% administration and office-based roles and 20.67% technical roles. Employees that are female comprise of 3.66% on-site job roles, 14.89% of technical roles and 34.26% of all admin and office-based roles.

In this data set the impact of technical roles is suggestive of the gender distribution of full pay relevant employees, as 83.3% are male employees and 16.7% are female employees. The mean and median capture the differences between genders across all job roles and pay structures. While it is true that these two indices have stagnated compared to the previous year, the impact of the Coronavirus Job Retention Scheme can impede an accurate analysis, so it is important to also focus on long-term trends.

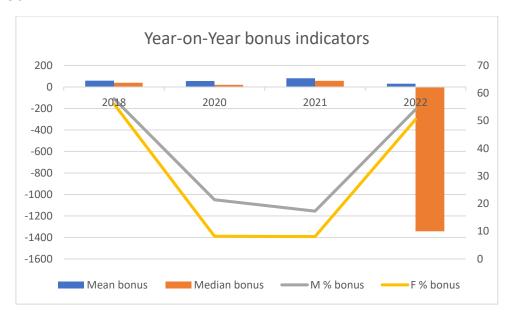


The above chart details a positive upturn for the year 2020, after which the mean and median slowly retrogress to the levels shown in 2018, suggesting that the composition of the workforce post-pandemic has adjusted to the pre-pandemic state. Comparing the values for 2021 to those for 2022, there has been a small shift in decreasing the median and a slight increase in the mean. The median compares the values in the middle of a data set and since it remains unaffected by extreme values in the distribution, as the mean is, this measure seems more accurate.

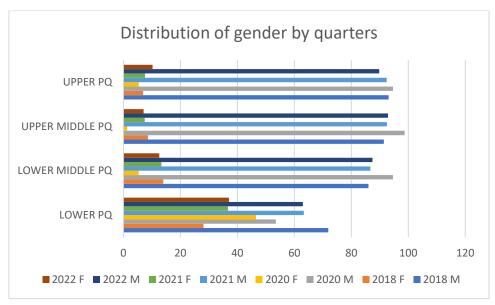
The mean and median indicators in bonus pay may seem contradictory, however it is an attestation of the gender composition. The mean gender bonus pay gap is 31.03%, suggesting that women, on average are paid 31.03% less than men in bonus pay. The median, however, shows a negative figure of -1342.31%, suggesting that for every £1 a man receives in bonus pay, a woman receives £13.42. This incongruity is explained by the low percentage of females making up the workforce: 18% of all relevant employees are female, while 17% of employees who have received bonuses are women. Bearing that in mind, the median substantiates the fact that male employees have received smaller and more frequent bonuses, nevertheless, making up the larger proportion of the workforce, distorting the value of the mean.

The percentage of women and men receiving a bonus are equivalent this year with 54% of male employee receiving a bonus, compared to 50.5% of female employees.

Comparing the bonus indices in previous year, we are pleased to report that both the mean and median have been reduced and the percentage of employees receiving a bonus has reverted to the 2018 levels.



Even though there is a clear diversity deficit in terms of gender, the pattern visible throughout the years is that female employees are advancing towards other quartiles, suggesting a progression in career from admin roles to managerial positions. This is in line with the company's systematic approach to upskill employees in junior positions. Of course, this shift is gradual, and it will take time to achieve parity across the quartiles in terms of gender distribution.



Although deliberate, this shift is incremental, and it will require dedication and support to close the gender pay gap.

As an engineering company, we have a pathos for diversity; in that respect, our past and future commitment towards our recruitment, retention, and promotion procedures will safeguard a workforce that is truly representative of the communities in which we operate.

# Actions taken in 2022 to address the Gender Pay

- Making hybrid and flexible working plans a day-one right.
- Internal measures to guarantee that our recruitment processes are impartial.
- Actively examining promotion criteria to address retention and progression of women into senior and higher paid roles.
- Endorsing women working in Engineering by participating in social media campaigns like International Women's Day, National Apprenticeship Week, and Women in Construction Week.
- Encouraging students to pursue careers in engineering by scheduling school visits from our female engineers to promote Engineering as a career regardless of gender.
- Promoting our graduate and apprenticeship training programmes on social media platforms and at career fairs in pursuit to boost the proportion of women working for our company.
- Continual development with the Apprenticeship Training Programme across all departments in the organisation.
- Ongoing support from the 'Professional Forum' for all employees to achieve membership and accreditation from professional institutions.

The existence of a gender pay gap is a sign of an unequally gendered labour market. We are aware that structural and cultural factors contribute to the gender wage gap in engineering, as they do in other sectors of the economy. We will continue to push ourselves to come up with strategies to arbitrate it and achieve gender parity throughout our organisation.

#### The commitment from Trant Engineering for the coming year

- Active review and monitoring of female staff to encourage further training and development.
- Refining our benefits package to attract more women into the sector.
- The introduction and implementation of our Family Friendly Policies.
- Reviewing and monitoring pay scales to ensure fairness across job roles.
- Assessment of anonymous staff engagement survey to provide statistical analysis to understand if there are perceptions of barriers to progression.
- Gender balanced shortlists for all internal and external hiring.
- Continue our work through our STEM ambassadors and apprenticeship and graduate programs with educational establishments and industry leaders to ensure the promotion of the industry and the diverse careers associated with it.
- Refine an HR dashboard, which includes diversity metrics to track the progress of embedding inclusion and diversity into our culture.

Any further initiatives launched throughout the year will be reported on the company intranet. I, Gerry Somers, Managing Director, confirm that the information in this statement is accurate.

## Endnotes

- 1. Office for National Statistics 2022: Gender pay gap in the UK, Gender pay gap in the UK Office for National Statistics (ons.gov.uk)
- 2. Engineering in UK 2022: Diversity in Engineering Gender, Gender EngineeringUK | Inspiring tomorrow's engineers.