

Gender Pay Gap Reporting

Introduction

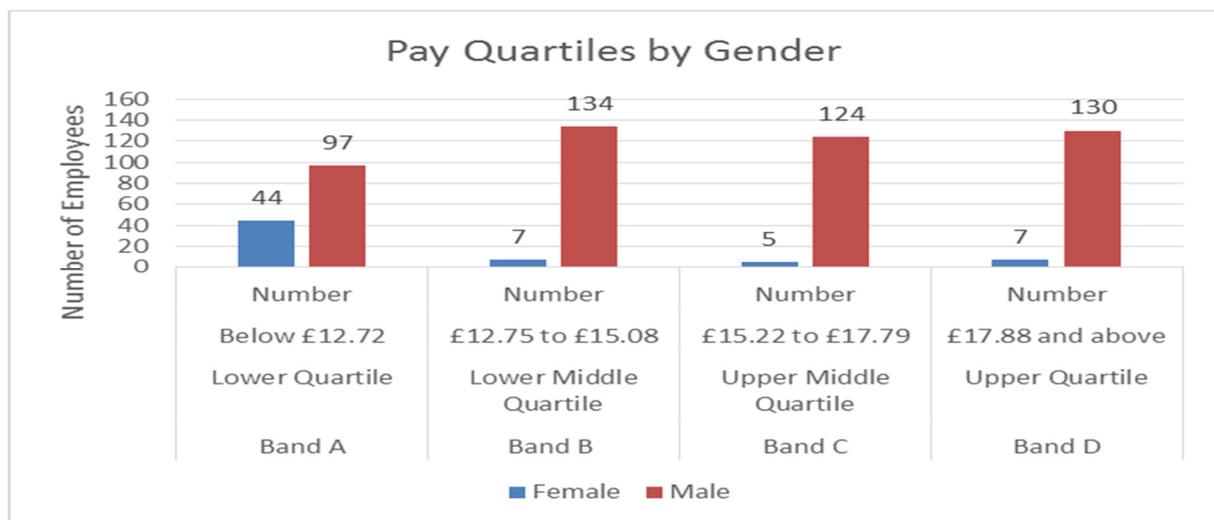
The UK Government has introduced a requirement from 2018 for companies with over 250 employees to annually disclose their gender pay gap, the first snapshot is to be taken as at 5th April 2017.

Equal pay legislation was introduced in the 1970s, giving men and women the right to claim equal pay where they perform "equal work". The gender pay gap however, covers the difference in the average earnings of men and women, regardless of their role or seniority.

The causes of the nationwide gender pay gap are varied and to address the gender pay gap, the Government has introduced a completely new requirement for all large organisations to publish their gender pay gap.

Reporting the Quartzelec Gender Pay Gap

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 requires employers to publish six key metrics and must include the overall mean and median gender pay and bonus gap based on hourly rate, proportions of male and female employees who receive a bonus, as well as breaking down gender distribution across four equally sized quartiles based on pay range. Each quartile contains approximately 137 employees.



Gender Pay Gap Reporting

Understanding the Quartzelec Gender Pay Gap

The Quartzelec pay gap of 25% is slightly higher than that of the national average. The UK gender pay gap is currently just over 18.1% (according to the November 2016 ONS ASHE figures).

Quartzelec operates within the engineering and electrical services industry; a traditionally male-dominated sector and the company's proportion of female employees is 11.5%, it is clear that there is still a lot of work to do to attract females into the engineering and electrical services industry to increase the pool of talent available to the company.

The company's gender pay gap is not the result of poor pay practices, but about other, much broader influences including social, economic factors and industry influences. This can be seen in the graph depicting pay quartiles by gender. This shows the workforce divided into four equal-sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile).

The quartile figures show that the main reason for the gap is the lower proportion of women in senior roles relative to men.

What is Quartzelec doing to address its gender pay gap?

Quartzelec is committed to equal opportunities and equal treatment for all employees and as such, it carries out pay and benefits audits at regular intervals, ensuring managers involved in pay reviews are appropriately trained. Job roles for new starters and promotions are evaluated including benchmarking pay grades as necessary to ensure a fair structure.

The following are steps that the company has taken to promote gender diversity in all areas of its workforce:-

- **Creating an evidence base:** To identify any barriers to gender equality and inform priorities for action, the HR Director will report to the senior management team data relating to gender monitoring.
- **Revising the flexible working policy:** During 2018 the flexible working policy will be reviewed and implemented emphasising that employees in all areas and levels of the organisation will be considered for flexible working regardless of their role and level of seniority.
- **Supporting parents:** During 2018 new guidelines for managers will be developed to support employees prior to, during and on return from maternity and other parental leave, to be backed up by training for all line managers and senior managers.
- **Recruitment:** Case studies illustrating women in under-represented roles will be showcased on the company website to encourage females when applying for roles at Quartzelec. Promotional material will feature females and when recruiting apprentices either directly or via third party agencies, applications will be encouraged from females.

Whilst none of these initiatives will, in itself, remove the gender pay gap and it may be several years before some have any impact at all, Quartzelec remains committed to reporting on an annual basis on what it is doing to reduce the gender pay gap and the progress that it is making.

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

I, Daniel Laval, Managing Director, confirm that the information in this statement is accurate.

Signed:  Date: 26 / 02 / 2018