

# Hoover Limited - Gender pay gap report April 2017

## What is gender pay gap reporting?

The government requires businesses who employ 250 or more employees to assess and report on pay differentials relating to gender within their organisation. All such UK employers are required to provide six separate reports about their employees' pay data in respect of their hourly rates of pay as at the pay period in which 5 April 2017 fell and their bonus pay during the 12 month period from 6 April 2016 to 5 April 2017.

Gender pay gap reporting compares the average pay of male and female employees employed within the same organisation, regardless of the job that they do. This is very different to equal pay, which compares like with like to ensure that women and men who carry out the same work, work of equal value or work rated as equivalent under a job evaluation scheme receive the same pay.

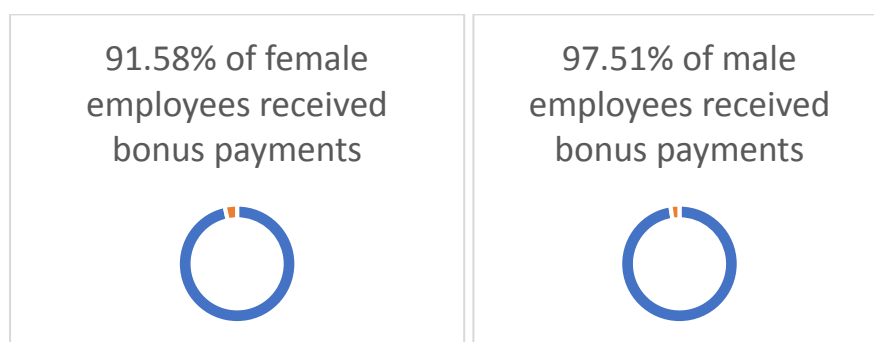
## What is Hoover's gender pay gap?

As of April 2017, Hoover employed 561 people in a wide range of roles.

We calculated our mean (the sum of all relevant employees' hourly rates of pay, divided by the number of employees) and median (the middle value where employees' hourly rates of pay are listed in numerical order) pay gaps for both hourly rates of pay and bonus pay.

	Mean	Median
Hourly pay	34.27%	38.26%
Bonus pay	65.68%	72%

We also assessed what proportion of our female and male employees received bonus pay in the year up to 5 April 2017.



Finally, we assessed the proportion of male and female employees' hourly rates of pay across four equally sized quartiles.

	Female	Male
Upper quartile	14.16%	85.84%
Upper middle quartile	4.46%	95.54%
Lower middle quartile	43.36%	56.64%
Lower quartile	51.79%	48.21%

### What are the reasons for our gender pay gap?

We recognise that we have a significant gender pay gap, especially in relation to bonus pay.

We are confident that we pay individual employees appropriate rates for the jobs that they do, regardless of their gender. Our gender pay gap derives from the under-representation of females in roles that attract the highest levels of pay within our organisation.

Our senior executive team and Statutory Directors are our highest paid employees. Currently, all of our senior executive team and Statutory Directors are male. A high proportion of our senior manager type roles are also male, although female representation within this group has increased in recent years.

Our Field Service Engineers account for approximately 30% of our total workforce. All of our Field Service Engineers were male as at April 2017. Most of these employees fell within the upper middle quartile of our assessment of hourly rates of pay.

All of our employees are entitled to receive company profit related bonus once they have completed their first quarter of employment with us.

Whilst the executive team, Directors' and Field Sales employees' bonuses account for our highest bonus payments, employees working in our contact centre can earn unlimited commission based bonuses. As a result, two of our full time Customer Service Assistants (one of whom is male and one female) fall within the upper quartile for hourly rates of pay.

The rules for the calculation of the bonus pay gap do not permit pro-rating of bonus payments. Many of our contact centre employees, especially females, work part time. This, together with a higher proportion of females than males working part-time in other areas of our business has had a detrimental impact on our bonus pay gap.

### Addressing our gender pay gap

Hoover Limited is an equal opportunities employer. We support diversity and inclusion within our business. We are committed to promoting equal treatment for all employees or potential employees irrespective of race, creed, colour, sexual orientation, nationality, ethnic origins, religion, disability, age, gender, marital status or Trade Union membership; and this is

managed in such a way that the organisation complies with and goes beyond the Equal Opportunities legislation and Codes of Practice.

We recognise that addressing our gender pay gap will not be either straightforward or immediate. It will take time to achieve a closer gender balance across our business.

We already have a number of measures in place which we believe will help us to reduce our gender pay gap and we will work to identify additional steps that we can take to speed up this process. We currently:

- have measures in place to monitor equality in the workplace, including gathering data in relation to recruitment;
- have policies and procedures in place to ensure that our recruitment and selection processes meet our equality goals. We appoint people to roles based on merit and regardless of gender (and/or other protected characteristics);
- offer our employees flexible working options to enable them to effectively manage their work/life balance, regardless of gender. Many of our employees take advantage of these options;
- offer all of our employee's access to our salary sacrifice childcare voucher scheme.

We endeavour to ensure that none of our employees (or our prospective employees), feel constrained by their gender or perceptions of their gender or feel limited by real or perceived barriers to their career development and advancement.

I confirm that the data reported has been calculated in accordance with the gender pay gap reporting requirements and that the figures used are accurate.



**Matthew Given**

**UK Group Director, Human Resources**