

# Hoover Limited - Gender pay gap report April 2018

## Gender pay gap reporting

All businesses who employ 250 or more employees are legally obliged to assess and report on certain pay differentials relating to gender within their organisation each year. This is our report for the reporting period to April 2018.

Gender pay gap reporting compares the average pay of male and female employees employed by 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 5 April 2018, Hoover employed 549 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	30.34% (down from 34.75% in 2017)	38.38% (up slightly from 38.26% in 2017)
Bonus pay	60.32% (down from 65.68% in 2017)	79.03% (up from 72% in 2017)

We also assessed what proportion of our female and male employees received bonus pay between 6 April 2017 and 5 April 2018.



Finally, we assessed the proportion of male and female employees within four equally sized quartiles according to their hourly rates of pay.

	Female	Male
Upper quartile	15.32% (from 14.29%)	84.68% (from 85.71%)
Upper middle quartile	6.25% (from 4.42%)	93.75% (from 95.58%)
Lower middle quartile	31.25% (from 42.86%)	68.75% (from 57.14%)
Lower quartile	64.29% (from 51.79%)	35.71% (from 48.21%)

Whilst the general trend in our data shows a reduction to our pay gap, we recognise that we do have a significant gap, especially in relation to bonus.

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

Our gender pay gap results from the under-representation of females in executive and Senior Commercial roles that attract the highest levels of pay within our organisation (in the top two quartiles).

As at 5 April 2018 (as at 5 April 2017), all of our Directors and executive team (who are our highest paid employees and amongst whom there is a very low staff turnover) and all of our Field Service Engineers (which group accounts for approximately 30% of our workforce and most of whom fall within the upper middle quartile of our assessment of hourly rates of pay) were male. A high proportion of our senior managers are also male.

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

We operate a variety of bonus schemes, including a company profit related bonus (3% of base pay) which all employees are entitled to receive once they have completed their first quarter with us, provided that they are employed for the whole of the relevant quarter. Also, all employees who are employed when the vouchers are distributed during December are entitled to receive a £20 Christmas bonus voucher.

Whilst Directors', Commercial roles' and Field Service Engineers' bonuses account for our highest bonus payments, employees working in our contact centre can earn unlimited commission based bonuses. As was the case in April 2017, as a result of their commission payments, 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.

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, adversely affects our bonus pay gap as the rules for the calculation of the bonus pay gap do not permit pro-rating of bonus payments.

Our bonus pay gap is also adversely affected by the fact that the majority of our administration staff (most of whom are female) are not eligible to participate in significant bonus schemes other than the quarterly Company profit related bonus and Christmas bonus voucher.

### Addressing our gender pay gap

We are an equal opportunities employer. We support diversity and inclusion within our business. We are committed to promoting equal treatment for all employees and potential employees. We are confident that we pay individual employees appropriate rates for the jobs that they do.

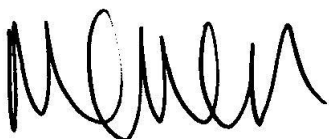
We are committed to achieving a closer gender balance across our business and recognise the challenges that we face in achieving this. Female employees account for 32% of our workforce, but only 15.32% of our upper quartile positions are currently held by women. We have taken greater positive steps during 2018 and 2019 to recruit and retain females within our higher paid roles and continue to do so.

In addition to the measures set out in our previous report (which remain in place), in January 2019 we relocated our senior management team and our Commercial teams from Reading, Merthyr Tydfil and Bromborough to Birchwood Park, Warrington to take advantage of better transport links, better facilities (including an on-site creche) and a more modern work environment to make working for Hoover more attractive to all. At Birchwood we have also started to consult with employees regarding the introduction of flexible working arrangements, including variable start and finish times where practicable.

We continue to seek to identify ways in which we can make a positive difference.

We continue to 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**