

Hoover Limited - Gender pay gap report April 2021

Gender pay gap reporting

All businesses who employ 250 or more employees are required to carry out an annual assessment and produce an annual report on certain pay differentials relating to gender within their organisation. This is our report for the period to 5 April 2021.

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 2021, Hoover employed 606 people in a wide range of roles. A small number of our employees were on furlough leave during the period covered by this report, however, they were paid at full pay for the period of their furlough leave and therefore included in our gender pay gap report.

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	27.51% (35.34% in 2020)	28.33% (31.98% in 2020)
Bonus pay	68.12% (73.54% in 2020)	85.58% (83.01% in 2020)

We also assessed what proportion of our female and male employees received bonus pay between 6 April 2020 and 5 April 2021.

93.41% of female employees
received bonus payments
(94.12% in 2020)



91.27% of male employees
received bonus payments
(96.22% in 2020)



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	19.69% (23.08% in 2020)	80.31% (76.92% in 2020)
Upper middle quartile	11.02% (9.4% in 2020)	88.98% (90.6% in 2020)
Lower middle quartile	26.77% (39.32% in 2020)	73.23% (60.68% in 2020)
Lower quartile	55.91% (66.95% in 2020)	44.09% (33.05% in 2020)

What are the reasons for our gender pay gap?

Our gender pay gap results from the under-representation of females in executive roles that attract the highest levels of pay within our organisation (in the top two quartiles). As at April 2021, only 19.69% of our upper quartile was female.

Whilst we are pleased to have increased representation of females in the upper quartile in recent years overall, we recognise that we have a long way to go to achieve equal representation. This is a particular challenge for us, as all of our Directors and executive team (who are our highest paid employees and amongst whom there is negligible staff turnover) are male, as are the vast majority of our Field Service Engineers (who account for just over one third of our workforce and most of whom fall within the upper middle quartile).

Around a quarter of our employees are Customer Service Advisers, who all have the same basic salary.

What are the reasons for our gender bonus gap?

During 2020/21, we operated a variety of bonus schemes, including:

- a company profit related bonus (3% of base pay) which all employees are eligible to receive once they have completed their first quarter with us, provided that they are employed for the whole of the relevant quarter;
- a £20 Christmas bonus voucher for everyone who is employed in December when the vouchers are distributed;
- commission-based bonuses for employees working in our contact centre.

A number of employees joined our business during 2020/21, whom received lower bonuses than employees with longer service. During 2020/21 we had an unusually high number of Customer Service Advisers with short tenure, which meant that they were not eligible to receive any bonuses.

Whilst Directors', Commercial roles' and Field Sales Engineers' bonuses account for our highest bonus payments, contact centre employees' commission-based bonuses are unlimited, which in some cases place them in the upper middle quartile (regardless of gender).

The rules for the calculation of the bonus pay gap don't allow pro-rating of bonus payments. As a higher proportion of our female employees work part-time compared with our male employees, this adversely affects our bonus pay gap, as does the fact that the majority of our administration staff (most of whom are female) have only been eligible to participate in our profit related bonus and Christmas bonus voucher schemes.

Addressing our gender pay gap

We are committed to being 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 continue to seek ways to achieve a closer gender balance across our business and during 2021, we have taken a number of positive steps in driving forward our agenda for change including:

- Introduction of new enhanced pay family leave policies, providing employees with enhanced pay during the following types of leave: maternity leave, paternity leave, shared parental leave and adoption leave.
- All recruitment advertising is gender decoded to increase applicant diversity, in addition to our very clear recruitment policy which promotes diversity and inclusion.
- Diversity and Inclusion training for over 60 managers in 2021.
- Improvement in performance bonus scheme for participating employees.
- Successful implementation of Hybrid working across almost all of our office-based roles, enabling employees to work from home 40% of the week and manage work/home priorities flexibly.

We continue to seek to identify ways in which we can make a positive difference and to ensure that none of our employees (or 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.

A handwritten signature in black ink, appearing to read 'M Given', with a stylized, cursive script.

Matthew Given,

UK Group Director, Human Resources