

Together we impact society.
The **RIGHT** Way

Gender Pay Gap Report 2023

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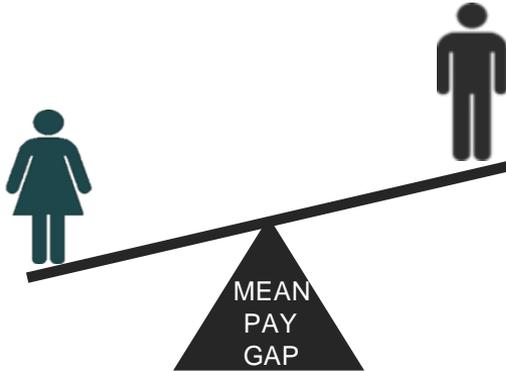
Gender Pay Gap Report 2023

Definition: What is the Gender Pay Gap?

The Gender Pay Gap shows the difference between the average (mean or median) earnings of men and women. It is always expressed as a percentage of male earnings.

Mean Pay Gap

The mean is the difference in the average hourly pay for women compared to men



Median Pay Gap

The median is the middle number when hourly rates are placed in order from lowest to highest



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Definition: What is the Gender Pay Gap?

It is not the same as 'Equal Pay'

Equal pay deals with pay discrimination and the differences in pay when members of the opposite sex are paid differently but yet they carry out the same work, similar work or work of equal value.

A gender pay gap is not necessarily evidence of pay discrimination in the workplace; a pay gap can exist for a variety of legitimate non-discriminatory reasons.



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Definition: What is included as 'pay'?

Data included in the calculation	Data excluded from the calculation
👤 Basic pay	👤 Overtime
👤 Allowances	👤 Redundancy / termination payments
👤 Shift premium pay	👤 Arrears of pay
👤 Bonuses – which happen to be <u>paid</u> in the pay period including 5 April	👤 Benefits in kind – e.g. company car 👤 Expenses 👤 Salary sacrifice schemes (i.e. use the gross pay figure <u>after</u> the deduction) 👤 Pension deductions (i.e. use the figure <u>before</u> deduction at source)

The ordinary pay period used for each employee calculation varies according to the frequency of when they are paid (e.g. weekly, fortnightly, monthly etc.). **This period must include the snapshot date of 5 April for each employee.**

The bonus pay period is the 12-month period ending on 5 April each year. The bonus pay period is 6 April 2022 to 5 April 2023 inclusive.

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Definition: What is a salary quartile?

- Take the hourly rate results of **all** full pay relevant employees
- Rank those employees in order from lowest paid to highest paid
- Divide the employees in four sections (each containing the same number of employees)



- Express it as a percentage for each quartile:
 - The proportion of males
 - The proportion of females

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National Statistics by sector

- ⚡ Occupation is a key factor. The manufacturing sector is male dominated (Skilled Trades, Associate Professional Technical and Process, Plant and Machine Operatives). Our business reflects the national trend.

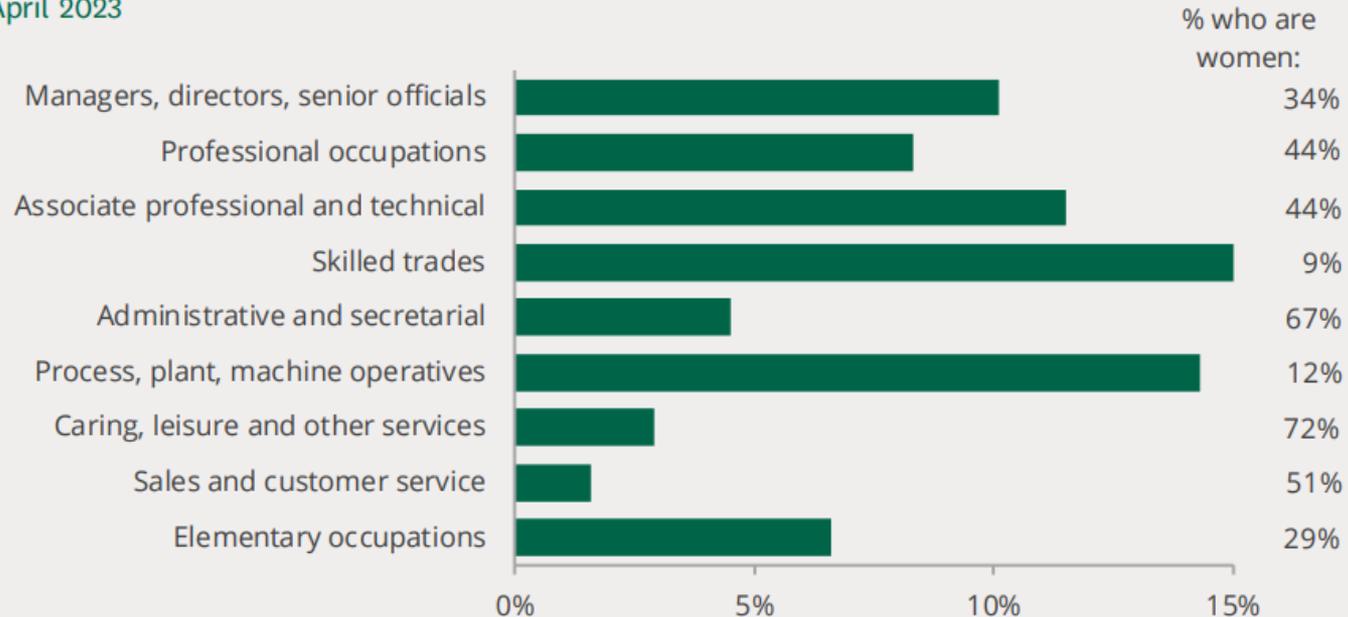
Higher paying
occupations



Lower paying
occupations

Full-time gender pay gap by occupation

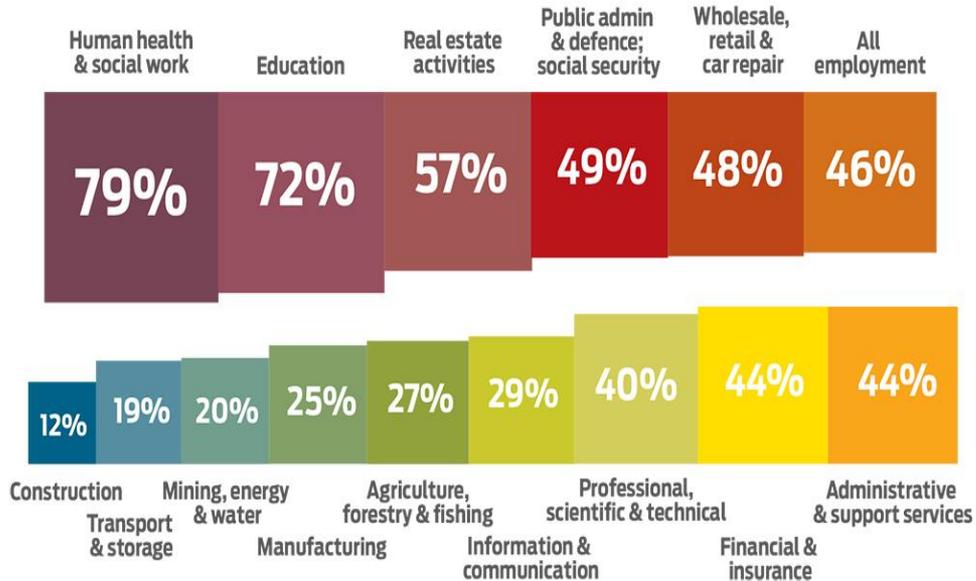
April 2023



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National Statistics by sector

GENDER BALANCE BY SECTOR ONS DATA ON % OF WOMEN IN EACH INDUSTRY



- Occupation is a key factor. The manufacturing sector is male dominated (Skilled Trades, Associate Professional Technical and Process, Plant and Machine Operatives), with males accounting for 75% of employees.
- ♀♂ The UK has the lowest proportion of female engineers when compared to the European Union, less than one in ten engineering professionals is a woman.
- ♀♂ At the MTC, females account for nearly 20% of engineering professionals.

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National Mean Gender Pay Gap

To put the headline statistics into context, the 2023 national averages for combined full and part-time employees for ordinary pay are:

 **National average pay gap 14.3% (14.9%)**

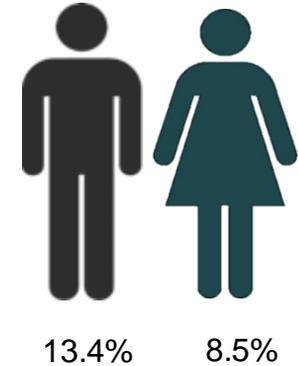
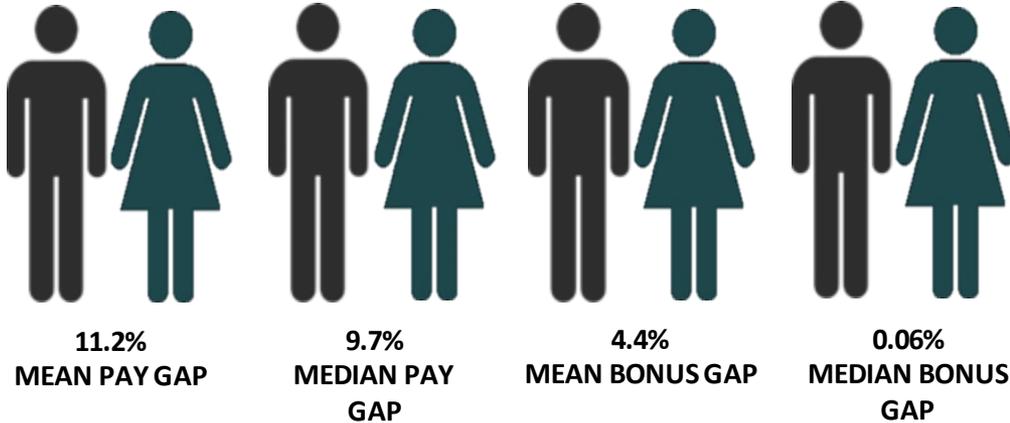
 MTC 11.2% (8.18%)



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Our Gender Pay and Bonus Gap Results

Gender Pay and Bonus Gap

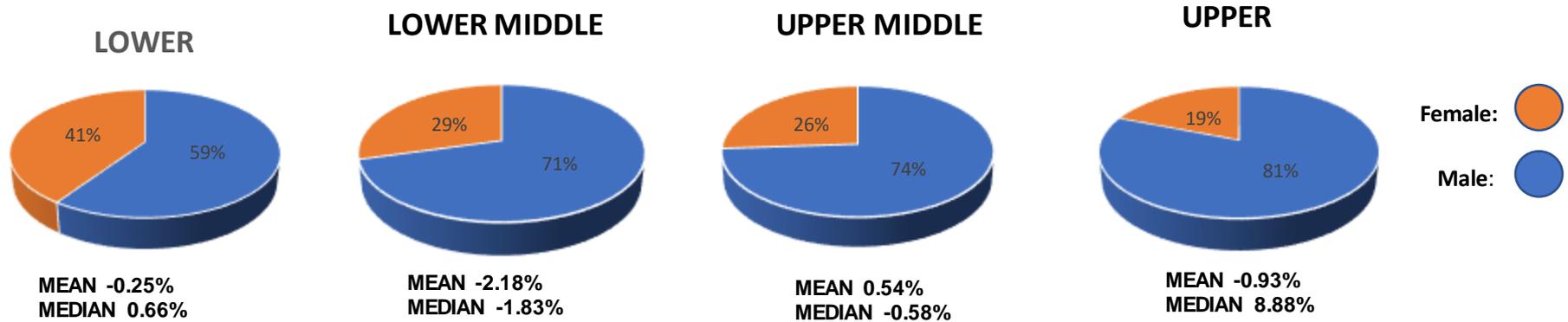


The national mean gender pay gap (all employees) is 14.3%. Our mean pay gap is well below the national average. The calculation for ordinary pay is based on a snapshot period that includes 5 April 2023. The bonus pay calculation is based on the 12-month period 6 April 2022 to 5 April 2023 inclusive.

Proportion of men and women paid a bonus during the bonus pay period

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Salary Quartiles



What do our results show? The proportion of females has increased in the upper middle quartile, which has a positive effect on the pay gap. However, the proportion of females in the lower middle and upper quartiles has reduced, whereas the proportion of females in the lower quartile has increased. The gender split across the business is 70% male and 30% female.

	Proportion of females in Lower Quartile	Proportion of females in Lower Middle Quartile	Proportion of females in Upper Middle Quartile	Proportion of females in Upper Quartile
2022	33.95%	31.9%	24.54%	22.22%
2023	41 %	29%	26%	19%

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Closing the Gap

- We continue to aspire to make the MTC a great place to work
- Key to this aim is having a diverse and inclusive workforce who feel empowered to innovate and deliver great outcomes in a supportive environment.
- Our current gender pay gap continues to be well below the national average. (11.2% vs 14.3%)

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Closing the Gap – a year in review

Women into Engineering

The Tilly Shilling Initiative is MTC's Science, Technology, Engineering and Mathematics (STEM) Outreach Programme.

Our **STEM Ambassadors** volunteer to support the initiative, regularly deliver a range of activities and workshops in schools.

Our **apprenticeship programme** also continues to host open evenings, encouraging young people from diverse backgrounds, as well as young women.

Affinity Groups

And, our Women at the MTC affinity group (which is open to everyone) continues to meet on a regular basis, hosting guest speakers and featuring topics of the moment.

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Closing the Gap – a year in review

Our working environment

- The annual Equality, Diversity & Inclusion (EDI) survey was delivered to gather data on demographics, experiences and perceptions.
- We are continuing to monitor EDI data throughout colleague experience, identifying trends/ focus areas.
- The growing network of EDI Champions is engaging colleagues, arranging a series of 'Let's talk sessions' on a range of topics and promotion of EDI celebration events throughout the year.
- In 2023, MTC was selected to be part of the Royal Academy of Engineering's pilot Inclusive Leadership Programme. The programme aims to increase inclusivity within the engineering industry.
- All new colleagues are required to attend a Respect training workshop.

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Closing the Gap – a year in review

Recruitment

- Research from EngineeringUK* has shown that 16.5% of those working in engineering are female, compared to 10.5% as reported in 2010. (At MTC, 30% of our workforce is female).
- In 2023, of the new colleagues who joined MTC, 37% were female; 48% of the new female colleagues are in the Upper Middle and Upper pay bands and 20% of job applicants overall were female.
- The percentage of females joining the Graduate Programme in 2023 increased from 14% to over 20% and we are pleased to note that 45% of this year's Graduate cohort will be female.
- Of the 686 apprentices currently on programme at MTC, 13% are female.
- Female turnover is slightly lower at 9.5%, compared to 9.6% for males.

* [New analysis shows increase of women working in engineering - EngineeringUK | Inspiring tomorrow's engineers.](#)

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Closing the Gap – looking ahead

Our commitment to enable a more diverse and inclusive workplace

Women into engineering

- Flexible and hybrid working
- Family friendly policies – enhanced maternity and, paternity *NEW*

Working environment

- Over the last year gathered EDI data – Taylor Culey internal/external audit of HVM Catapult centres
- EDI champions each have a specific area of focus – awareness-raising

Recruitment

- Aim to recruit from diverse backgrounds
- New team created in 2023 with a new focus to review and enable fair and equitable recruitment processes – right people, right skills
- Recruitment strategy that enables us to be fully inclusive – leading to more female grads and more females in upper pay bands