

# GENDER PAY GAP (GPG) REPORT

## APRIL 2024

### INTRODUCTION

Here at Onnec we have been extremely focused over the last few years on our Equality, Diversity and Inclusion programme. We have a dedicated focus group who meet on a monthly basis and we work very closely with Investors in Diversity who help support our current roadmap and who have endorsed our achievements so far.

One key output from this group is working on gender diversity and attracting more females to Onnec as we operate in a historically male dominated industry. We also hope to achieve more females working in higher paid roles and to close our gender pay gap.

The senior team are fully committed to making progress on this as we grow.

### ONNEC GENDER PAY GAP - DETAIL

Gender pay gap figures look at all of the people employed in an organisation on a snapshot date (in this case 5 April 2023) to compare the hourly rate of pay of all the women to all the men using a methodology prescribed by the UK government. RSM have used the government's prescribed methodology when calculating Onnec's gender pay gap figures as detailed in correspondence with Onnec.

The gender pay gap looks at the:



- Percentage of men and women in each hourly pay quartile
- Mean (average) gender pay gap for hourly pay
- Median gender pay gap for hourly pay
- Percentage of men and women receiving bonus pay
- Mean (average) gender pay gap for bonus pay
- Median gender pay gap for bonus pay

According to the Office of National Statistics (ONS) the mean gender pay gap among all employees in the UK fell slightly from 14.4% in 2022 to 14.3% in 2023. This is still below the levels seen in 2019 at 17.4%

The gender pay gap is different from unequal pay. Unequal pay is when an organisation pays men and women differently for carrying out equal work.

## ONNEC GROUP UK LIMITED GENDER PAY GAP - SUMMARY DASHBOARD

Figures based on the following employee numbers:

	Relevant employees	Full pay relevant employees
Male 	419	403
Female 	54	48
<b>Total</b>	<b>473</b>	<b>451</b>

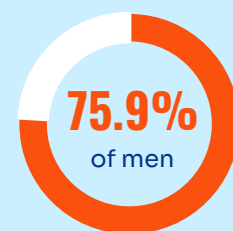
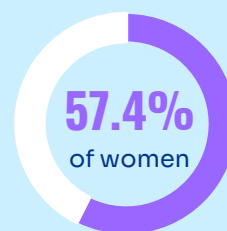
Mean pay gap **11.3%**

Median pay gap **17.9%**



Mean bonus gap **22.7%**

Median bonus gap **-14.3%**

Percentage receiving a bonus:



### Pay Quartiles

	Full pay relevant employees	Lower	Lower middle	Upper middle	Upper
	89.4%	85.7%	84.1%	96.5%	91.2%
	10.6%	14.3%	15.9%	3.5%	8.8%

## ANALYSIS

Onnec's gender pay gap figures have changed slightly this year, compared to 2022. Most notably:

### Pay Gap

- The mean and median gender pay gap have both narrowed since last year.
- This year the mean pay gap is 11.3%, which has decreased from 20.8% last year.
- This year the median pay gap is 17.9%, which has decreased from 19.9% last year.
- Compared to last year the mean and median hourly rate of pay for women has moved closer to those of men overall which tells us that the gender pay gap has improved.

### Bonus Gap

- The bonus gap figures have changed more significantly since last year.
- This year the mean bonus gap is 22.7% which has shifted more in favour of men compared to the mean bonus gap of 0.2% last year.
- This year the median bonus gap is -14.3% which has shifted in favour of women compared to the median bonus gap of 82.6% last year.
- We often see a lot of change in the bonus gap so a deeper dive and a review of the bonus policy would be recommended.

### Quartile Distribution & Workforce Profile

- This year there are 451 full pay relevant employees (403 males and 48 females).
- Last year there were 430 full pay relevant employees (392 males and 38 females).
- The workforce gender distribution is similar therefore to last year and Onnec's workforce profile remains heavily male dominated.
- An interesting point to note is this year there are 103 males in the upper quartile and 10 females – when comparing this to last year there were 103 males and only 5 females in the upper quartile which has had a positive impact on the gender pay gap figures.

## INSIGHTS

Both the mean and median gender pay gap have narrowed slightly since last year.

Mean calculations are more sensitive to outlier data points than median calculations, which results in the mean figure being impacted by salary values that are particularly high or particularly low in a way that the median figure would not be. For example, if there are some very highly paid individuals who are male, these figures have the capacity to significantly impact the overall mean.

Conversely, the median is a calculation of the difference between the mid-point value of the hourly rate of pay for men and the mid-point value of the hourly rate of pay for women, and as such it is not so impacted by extreme values. The median is therefore regarded by some as more representative of the gender pay gap than the mean, because it gives a better indication of typical pay.

**Both the mean and the median pay gap figures have improved compared to last year.**

**A higher number of women received a bonus in 2023 (31) compared to 2022 (5) and more men received larger bonuses compared to women which can be seen in the mean bonus gap. The median figure provides a truer reflection of the majority of the bonuses paid to women this year.**

The gender pay gap at Onnec for 2023 fell below the national gender pay gap for all employees in the UK according to the ONS (2023 estimated figures).

## **MOVING FORWARDS**

We will now analyse the data in more detail to see if there are any specific areas that would benefit from more focus and ensure efforts to address pay parity at Onnec.

Given the mean bonus gap is higher than the mean pay gap we will review the total reward package offered to employees to address this with the launch of a revised bonus scheme for 2024.