

# Gender Pay Gap Report



# Volvo Construction Equipment Haulers Ltd (VCEH)

The UK Government has introduced a requirement for all businesses with 250 or more employees to publish annually updated information about their Gender Pay Gap.

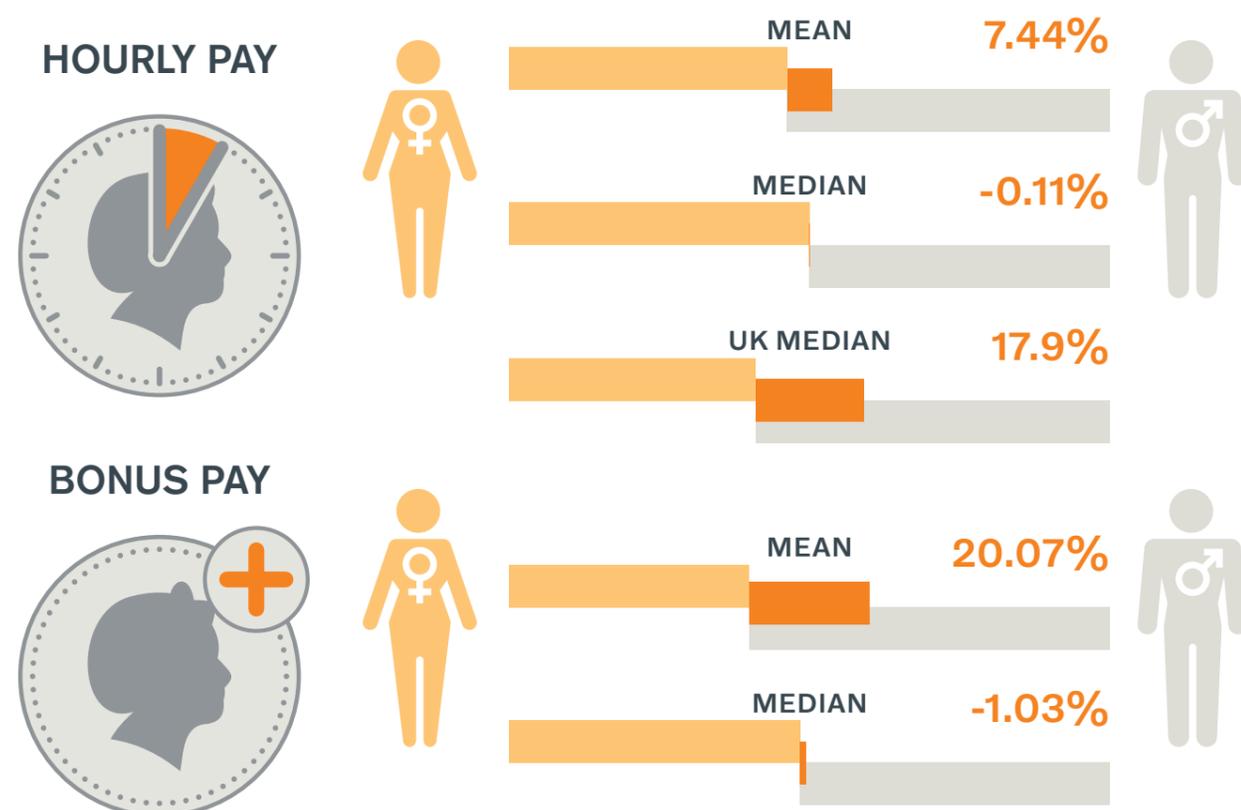
We report our gender pay gap at the end of March each year.

It should be noted that the **Gender Pay Gap is not about Equal Pay**. The Gender Pay Gap calculation takes the average hourly rate for all women across the organisation and compares it to the average hourly rate for all men across the organisation, whereas Equal Pay is about ensuring men and women doing the same job are paid at equivalent rates. Where an organisation has a Gender Pay Gap this does not show that men and women are paid differently for carrying out similar roles.

According to the Office of National Statistics (ONS), the median gender pay gap across the whole of the UK is 17.9%. The following data shows that VCEH has a lower gender pay gap than the UK as a whole. The data uses the following measures:

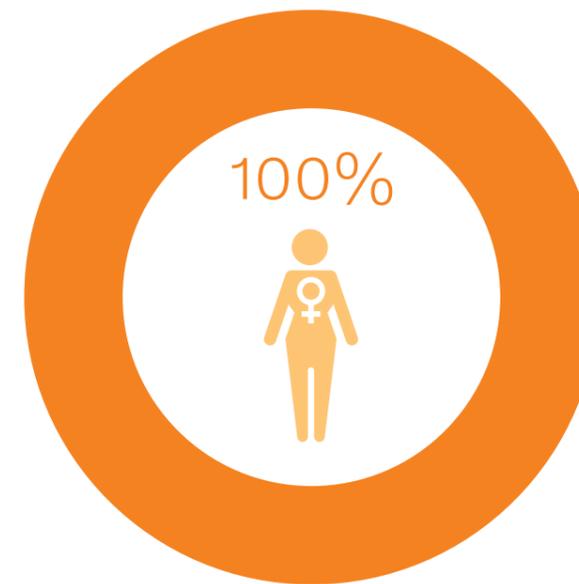
- **Mean** – the average of the total number
- **Median** – the middle number in the complete sequence of pay data
- **Quartile** – the distribution of the data into four groups, including the lowest and highest 25%.

## Gender Pay Gap

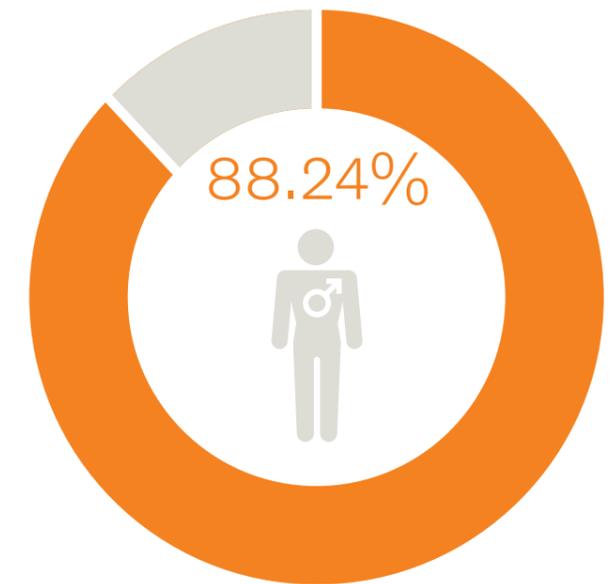


## Bonuses Paid

PROPORTION OF WOMEN RECEIVING A BONUS



PROPORTION OF MEN RECEIVING A BONUS



All VCEH employees are eligible for a bonus payment however the rules of the schemes mean that those who commenced employment between December 2017 and March 2018 are not eligible for a bonus payment until March 2019, which accounts for the variance.

## Quartiles



## Understanding VCEH's Gender Pay Gap

The gender pay gap can be influenced by a range of socio-economic factors- for example women returning to work part-time following career breaks for childcare reasons. The sector in which VCEH operates has traditionally suffered from an inability to attract female employees. Whilst this is an issue for most engineering employers, VCEH's median gender pay gap of -0.11% is slightly positive towards females, and is significantly better than the median gender pay reported by ONS for the economy as a whole. VCEH's mean gender pay gap of 7.44% is also significantly lower than the figure reported by ONS for the economy as a whole. However, VCEH recognises that more progress needs to be made. The bonus pay gap figure is distorted by the high number of males in the most senior roles in the company; progress is being made to address this and the first female director was appointed to the senior management team in 2019.

# What is VCEH doing?

VCEH is part of a global organisation, and as such, we recognise that a **diverse workforce** is a key driver for success. We are committed to being an equal opportunities employer. We take a proactive stance on diversity and, whilst attracting and retaining female employees is a challenge for the whole of the engineering sector, VCEH has been actively working to improve our position.

We have been working with local schools to promote science, technology, engineering and mathematics (STEM) subjects and engineering as a future career opportunity, regularly providing work experience placements to students. Also, when we attend career events **we ensure that we show that engineering is not just a job for men**. We proactively manage our recruitment strategy to ensure we attract a diverse workforce.

We take a positive view on part-time and flexible working and we ensure our managers are fully trained in interview techniques to recognise the importance of making non-biased recruitment decisions. We will also be introducing a mentoring programme which will be open to everyone, and we will be encouraging our high potential female employees to take part.

And finally, as part of a global organisation, we ensure that diversity is a focus all year round.

I confirm the data to be accurate:

---



**Paul Douglas**

VP Volvo Rigid Hauler and MD Terex Trucks