

**ENGINE**

**GENDER PAY GAP REPORT  
2018**

## TOPLINE SUMMARY

Engine is committed to creating a workplace that is diverse and inclusive.

We provide equal pay for equal work and review this regularly to ensure parity and fairness across the organisation.

As we explained in 2017, we have a demographic imbalance of men and woman at senior levels, which creates a Gender Pay Gap. Over the last year, we have continued to take steps to address this imbalance.

We have made some modest improvements since the last report, but we are under no illusion that there is still a long way to go.

We remain committed to our goal of achieving 50/50 gender split of Leadership roles across Engine. Our strategy and activity in respect of recruitment and promotion, remain critical in helping us to reach our goal.

We are reviewing what more we can proactively do across both areas to ensure that we are giving ourselves every opportunity to reach our goal.

## GENDER PAY GAP METHODOLOGY

We have calculated Engines gender pay gap according to the UK governments methodology:

Our relevant pay period is April 2018.

Our 'snapshot date' is 5 April 2018.

Only Engine employees receiving their full rate of pay (i.e. those not receiving SSP, SMP, ShPP, SAP, SPP) and who are employed on the snapshot date (5 April 2018) are included in our calculations.

Any employees employed on 5 April 2018 who are part-time have had their pay / bonus payments prorated to a full time equivalent.

Our report includes calculations using both the **mean and the median**. As a quick reminder:

The "**mean**" is the "average", where you add up all the numbers and then divide by the number of numbers.

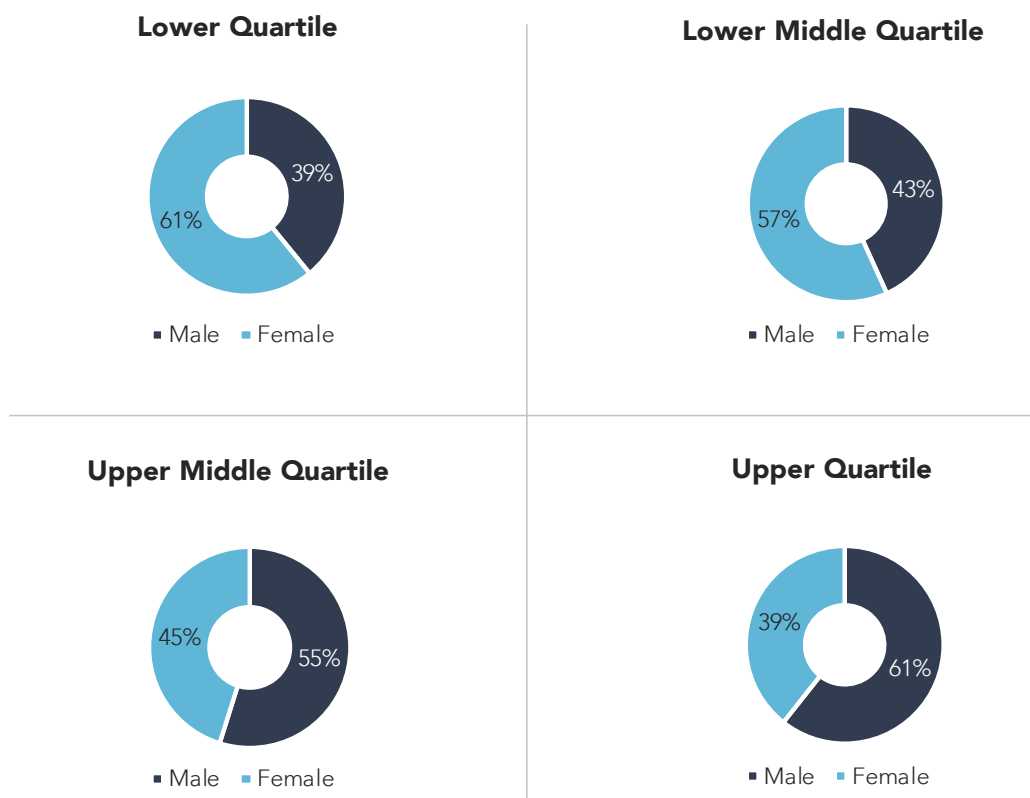
The "**median**" is the "middle" value in the list of numbers.

## GENDER PAY QUARTILES

The charts below illustrate the proportion of male and female employees who fall within the four quartiles that we are required to report on.

For clarity, the percentages do not show salary differential, only the proportion of employees within the bands.

**2018**



Although it's not a legal requirement, we have also chosen to include the mean and median pay gap within each quartile.

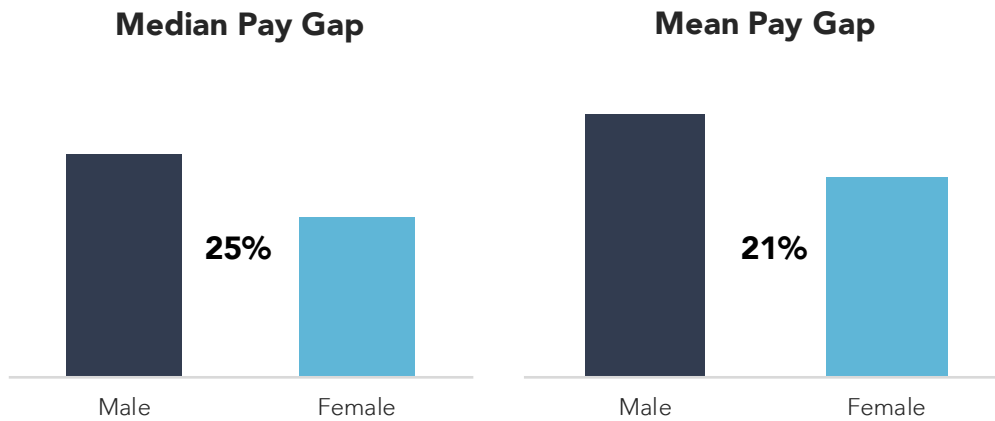
This data shows that for the different quartiles of our population, we have extremely low levels of gender pay gap, except for the senior level quartile. This increase can be explained as a result of higher numbers of male employees than female employees in senior positions.

	Median GPG	Mean GPG
Lower Quartile	0%	-1%
Lower Middle Quartile	3%	3%
Upper Middle Quartile	-1%	0%
Upper Quartile	7%	11%

## GENDER PAY GAP

The charts below illustrate the mean and median gender pay gap across Engine based on hourly rates of pay.

**2018**

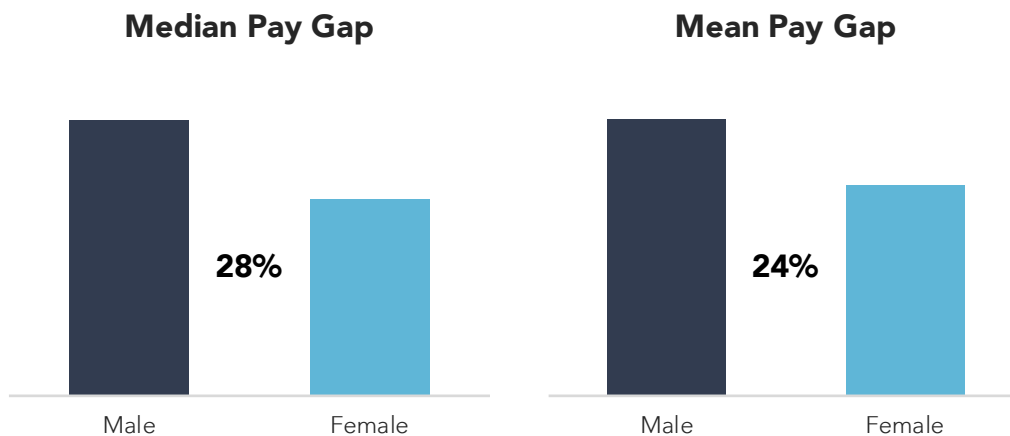


Following our first year of reporting the Gender Pay Gap, we can confirm the Median and Mean Pay Gap have each decreased by 3%.

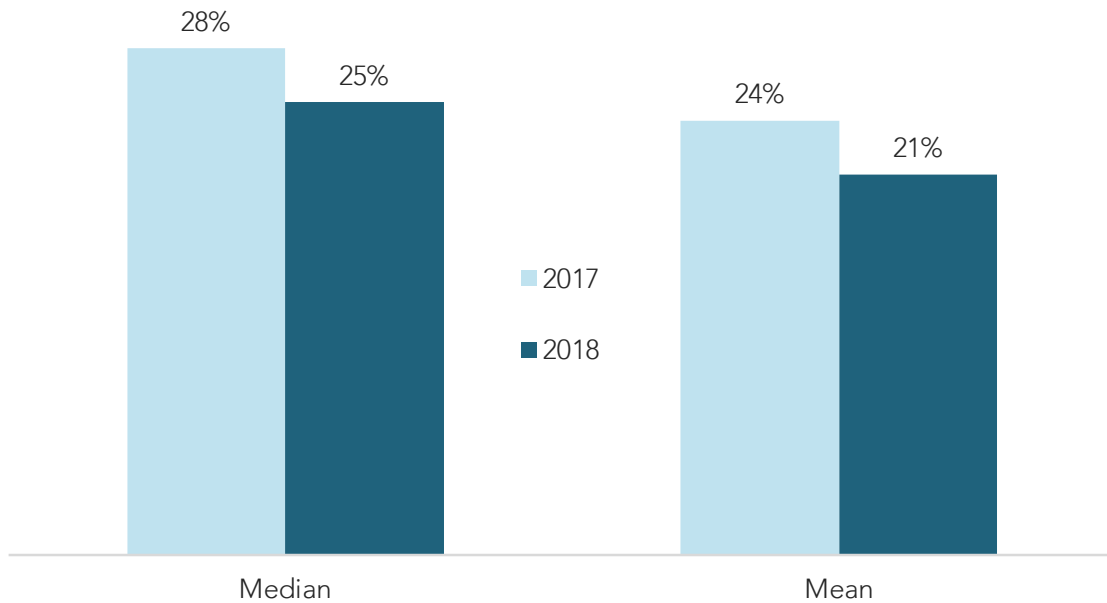
Our Median Pay Gap has decreased from 28% in 2017 to 25% in 2018.

Our Mean Gap has decreased from 24% in 2017 to 21% in 2018.

**2017**



### Gender Pay Gap 2017 v 2018



### WHAT ARE WE DOING TO ADDRESS OUR GENDER PAY GAP?

We are continuing to take a proactive approach to tackling our demographic balance at the senior level. As shown above, we have made progress this year, and our gap has decreased by 3%.

However, we continue to have more men in senior roles than women in senior role and this explains the gap as it did when we reported in 2017. We remain committed to closing this gap through initiatives such as Better with Balance and the recent launch of our Diversity and Inclusion Workstream.

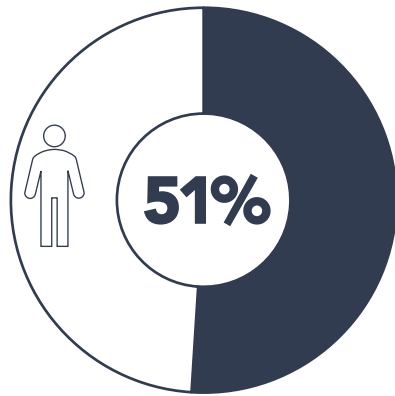
### GENDER BONUS GAP REPORTING

In Addition to reporting our Gender Pay Gap we must also report our Gender Bonus Gap. Our reporting must outline the:

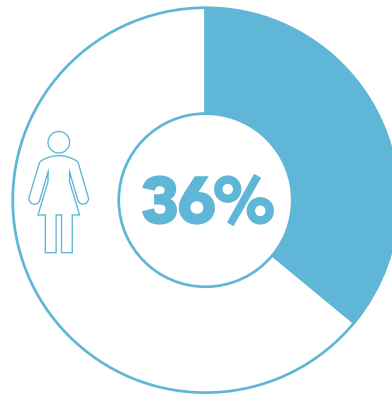
- Difference between male and female median and mean bonus pay
- Proportion of men and women receiving a bonus.

Engines Bonus Gap data for 2018 is illustrated in the charts below

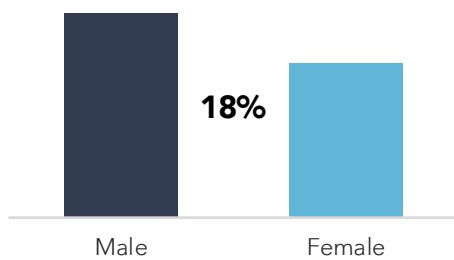
**Proportion of Males receiving bonus**



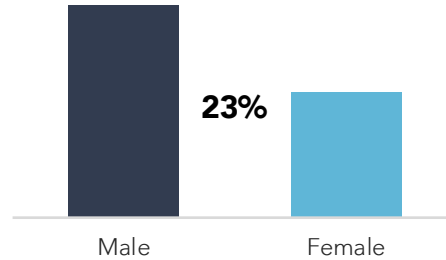
**Proportion of Females receiving bonus**



**Median Bonus Gap**



**Mean Bonus Gap**



Following our first year of reporting the Gender Bonus Gap, the Median and Mean Gaps have both decreased.

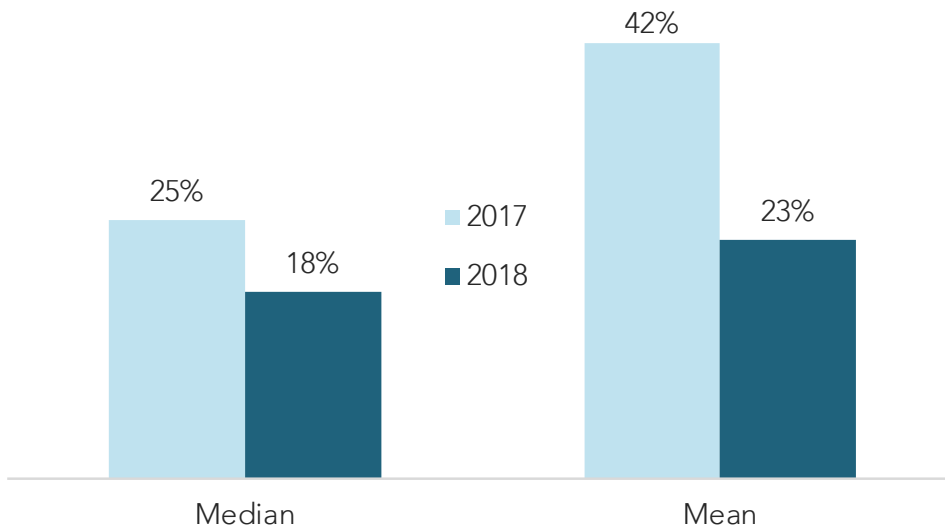
- Our Median Bonus Gap has decreased by 7% from 25% in 2017 to 18% in 2018.
- Our Mean Bonus Gap has decreased by 19% from 42% in 2017 to 23% in 2018.

We can see that the proportion of males and females receiving a bonus differs.

The proportion of men receiving a bonus in 2018 decreased to 51% (from 56% in 2017) however the proportion of women receiving a bonus also decreased to 36% (from 46% in 2017).

Having scrutinised the data we cannot find one single cause/reason for the difference but can confirm that the awards were made on a fair and consistent basis in line with individual and company performance.

### Bonus Gap 2017 v 2018



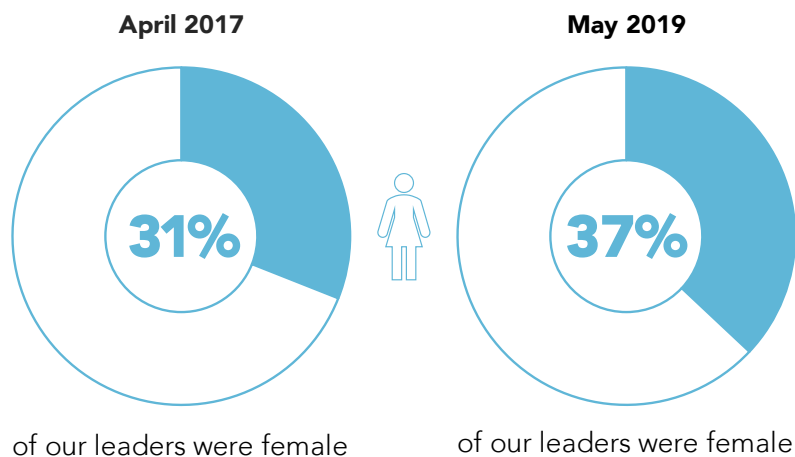
## IN SUMMARY

Engine pay equal pay for equal work

Our imbalance of men and woman at senior levels creates our gender pay gap which is currently 25% Median and 21% Mean.

We have already made steps to proactively address this through our Better with Balance initiative. We remain committed to achieving gender equality across our leadership teams. We have recently launched Engines Diversity and Inclusion 2019 strategy and councils, doubling down on our effort to create a better-balanced workplace for all.

To date we've seen an increase in the % of females holding Leadership roles across Engine, taking us from 31% (2017) - 36% (2018) – 37% (as at March 2019).



There is still a lot of work to do and we know it will take time. We continue to learn from our experiences as we look to the future. We now need to leverage our recently launched Diversity & Inclusion council and must pick up speed on embedding further initiatives that will drive more meaningful change.