

# GENDER PAY REPORT 2019

AETC LTD



## Introduction

In line with UK government regulations AETC has published its third annual Gender Pay Gap report based on snapshot data from April 2019

The gender pay gap is different to the principle of equal pay and shows the variance between the average hourly earnings and bonus payments of men and women across the workforce. This means that, to a large extent, the report is a reflection of the representation of women within the workplace.

AETC maintains an excellent track record on ensuring the fundamental principles of equal pay are upheld and promoted across the Company

## Company Background

AETC operates within the UK engineering and manufacturing sector and as such relies on skilled workers from STEM (science, technology, engineering and maths) related fields. It is well documented that, whilst improving, female representation in these areas continues to be relatively low and this presents a significant challenge to diversity within the engineering sector as a whole.

At the data capture date (5<sup>th</sup> April 2019) AETC employed 305 employees across two UK sites with females representing 10.81% of our total workforce. Challenging business conditions in late 2018 resulted in a 13.4% reduction in our total number of employees, however against this back drop female representation in the workplace saw a slight increase (+1.15%)

AETC remains strongly committed to creating, maintaining and promoting a diverse workplace, which empowers all employees to achieve their full potential.

Our Gender Pay Gap report for 2019 is indicative of both the challenges facing the engineering sector in general and the transition the Company is undertaking to proactively develop future generations of talent across a wide spectrum of roles and responsibilities.

## Our results

### AETC

#### Pay and Bonus difference between women and men

	Mean	Median
Hourly Pay	18.6%	16.1%
Bonus	16.6%	1.0%

*\* This is the percentage that females average pay is lower in comparison to males average pay*

#### Percentage of employees receiving a bonus

Male	97.1%
Female	87.9%

#### Pay Quartiles

■ Male ■ Female





## Our results explained

Despite our continued efforts encouraging females to develop a career within the Engineering Sector, our 2019 report indicates a median gender hourly pay gap of 16.1%

The gap is predominantly driven by the limited representation of female employees in senior leadership and technically specialist roles, which are naturally higher paid positions. This disparity is a consequence of there being proportionally more men within the workplace setting and is also evident within the pay quartiles that form part of our results

The median hourly pay result in 2019 highlights a 7.6% increase from the 2018 data published last year. This has been significantly impacted by both the retirement and intercompany (PCC) transfer of female employees in key business positions. It is also partly a consequence of our success in achieving increased diversity within our under graduate placement roles. Due to their nature these roles, regardless of employee gender, traditionally fall into the lower pay quartiles within the Company.

This trend also partly impacts the percentage of female employees receiving a bonus payment in the snapshot period, the timing of new recruits joining the business is an additional contributing factor in this area.

Whilst this period of transition impacts the gender pay gap reported today, it will support the Company in developing a diverse and skilled team of talented individuals for our future workforce.

Notwithstanding the challenges faced by the business since the 2018 report, AETC's pay figures continue to be more favourable for women than the UK national average of 17.3% (Office of National statistics 2018)

A positive reduction of 1% in our median gender pay gap for bonus payment is evident in our 2019 results.

## Our commitment

AETC is committed to providing an inclusive workplace which develops and empowers a diverse and talented team of skilled employees. Through our leadership and technical strategies we encourage career progression and provide equal opportunity for all team members to achieve their career ambitions. The Company continues to take proactive steps to combat the gender pay gap, whilst investing in all team members, including:

- A structured approach to pay in production areas and fair pay determination assessments in all other business areas
- The consistent application of a renowned profit bonus sharing scheme, which has been further enhanced recently to reward newer team members
- An expanded programme of under graduate and development programme opportunities which encourages future talent to build a lifelong career in engineering
- An enhanced range of developmental training and skills diversification opportunities across our workforce
- A continuing and dedicated focus on employee wellbeing and the greater integration and promotion of flexible working opportunities



## Our Pledge

AETC will continue to monitor our gender pay gap records and will maintain its position of attracting, retaining and investing in our talent across all employees and all sections of the business

I confirm that the data reported for AETC is accurate

**Jill Lewis, Group Human Resources Manager**