

FMG
THINKING AHEAD

Gender Pay Gap Report

2018

www.fmg.co.uk

Introduction

Building a Diverse And Talented Workforce

The Gender Pay Regulations were introduced in 2017 and require all companies in the UK with more than 250 employees to report on gender pay, through the publication of an annual gender pay gap report. The gap is a measure of the difference in the average pay of men and women, regardless of role or seniority, across an organisation. It is different to equal pay, which directly compares men and women carrying out the same or similar work. Equal pay is a legal requirement in the UK, to which FMG is absolutely committed.

The aim of reporting gender pay in this way is to create transparency across businesses and sectors to accelerate the closing of the gender pay gap across the whole UK economy.

Our Commitment

FMG is committed to attracting, retaining and developing the best people, creating a culture where excellence is rewarded and talent thrives. We are proud of our diverse people population, ensuring all feel included, valued and respected, and provided with the support and empowerment to achieve career progression and reach their full potential.

We need diverse teams which truly reflect the customers we serve, bringing together the perspectives of people from all backgrounds to create a culture where talent, creativity and innovation can support our evolution.

Beyond FMG, there must be a wider, collective effort to bring more women into the automotive industry. To achieve gender equality we must focus on maintaining a culture of inclusiveness, with fair treatment and reward for all.



“Excellence is rewarded and talent thrives”

Reporting Figures

The gender pay gap is a measure of the difference in average pay between men and women across an organisation, irrespective of role, grade or seniority, and is expressed as a % of male pay.

Regulation Requirements

All UK companies with 250 or more employees are required to publish the following specific gender pay information annually:

- Mean and Median gender pay gap
- Mean and Median gender bonus gap
- Proportion of males and females receiving a bonus
- Proportion of males and females by quartile pay band

Regulation Calculations

The mean and median gender pay gap figures are based on hourly rates of pay as at the snapshot date, 5th April 2018.

What's included in our hourly pay?

At FMG, hourly pay includes (but is not limited to) base pay, premium payments (e.g. unsociable hours) and allowances as applicable. Excluded are payments for redundancy and benefits-in-kind. Employees on family or sick leave are also not included.

What is the mean?

The mean is the average of the numbers. It's calculated by adding up all the numbers, and then dividing by how many numbers there are.

What is the median?

The median is the middle number. It's calculated by listing all the numbers in numerical order and picking the one in the middle.

What are pay quartiles?

Pay quartiles order all employees by hourly rate of pay from lowest to highest, before splitting that list into four equal-sized segments; lower quartile, lower-middle quartile, upper-middle quartile, upper quartile. The reporting reflects the percentage of males and females in each segment.

Gender Pay Statistics

Within FMG, 46% of our colleagues are male, and 54% are female. The difference in hourly pay between males and females is as follows:

Gender Pay Gap

21.0%

Mean (Average)
24.4% (2017)

13.2%

Median (Midpoint)
9.2% (2017)

Bonus Pay Gap

52.7%

Mean (Average)
44.4% (2017)

0.00%

Median (Midpoint)
0.00% (2017)

Proportion of Males and Females Receiving a Bonus

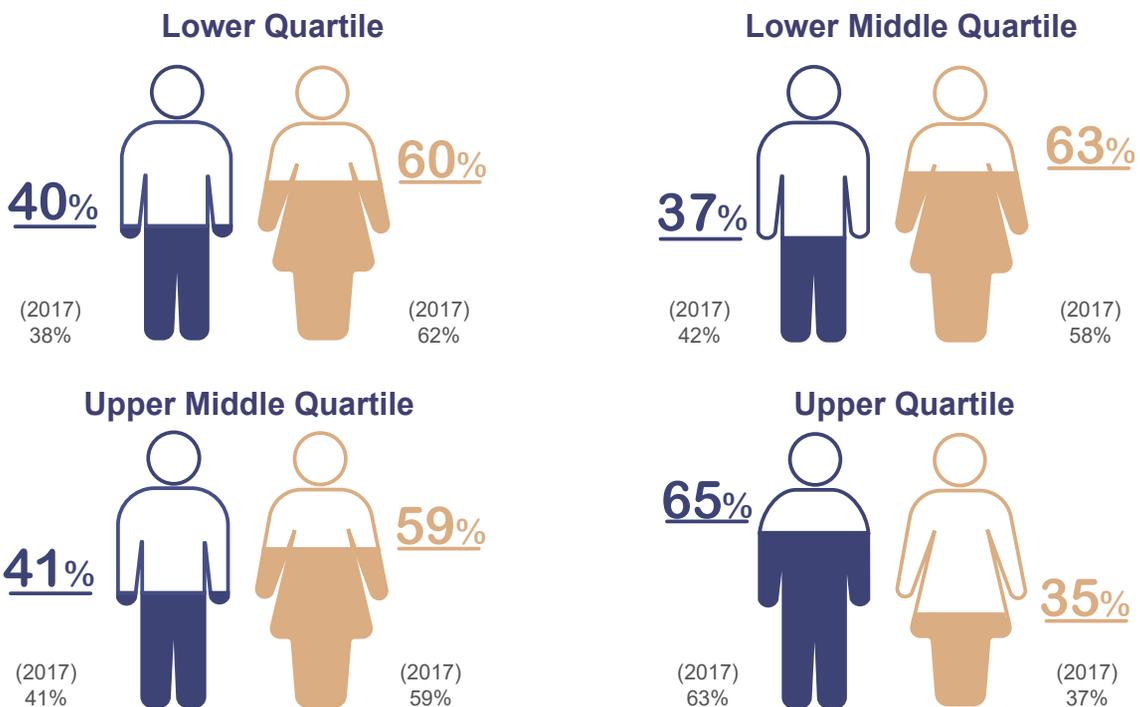
90.1%

84.1% (2017)

89.3%

86.5% (2017)

Pay Quartiles Bonus



Understanding Our Gender Pay Gap

We are committed to understanding the main drivers behind our pay gap, and to finding solutions that can help us build a balanced and diverse workforce.

We conclude that our 2018 gender pay gap reporting figures reflect the imbalance in the structure of our workforce. To highlight the three main contributors that drive our reporting figures:

1

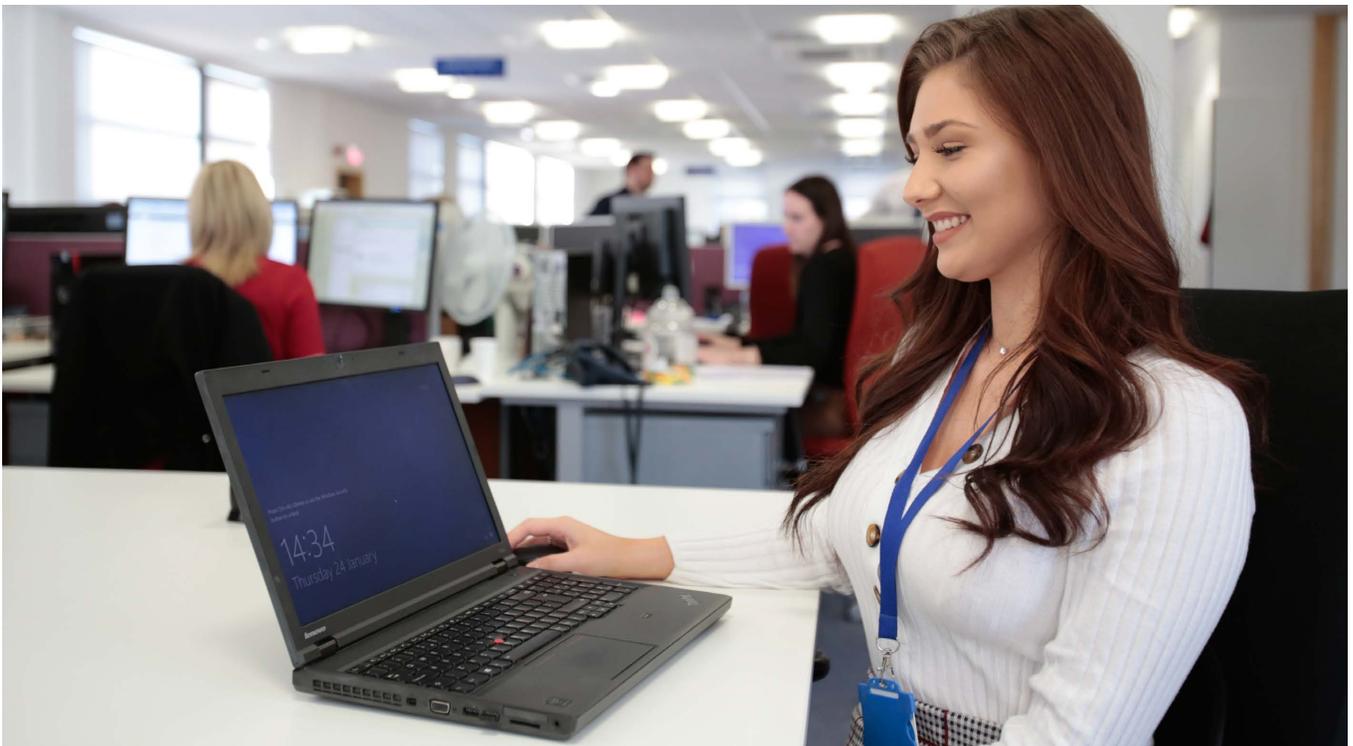
Higher representation of males in senior roles: Across our senior and technical roles there are significantly more men than women, and these roles attract our higher salaries.

2

Higher proportion of females in junior roles: Across our more junior roles there are more women than men and these roles typically attract lower salaries.

3

Part-time working effect on gender bonus gap: Whilst we are proud to operate a flexible working solution to ensure our people achieve work/life balance, a significantly higher proportion of females opt for working reduced hours with bonuses paid on a pro-rata'd basis.



Our Continued Commitment

FMG is committed to ensuring that all our people are treated and rewarded fairly, irrespective of gender, or any other characteristic. We already ensure that we offer equal pay for work of equal value, so that we do not discriminate unlawfully against any individual within our business.

Our focus remains on promoting an inclusive culture, where all of our people have the support to contribute towards our visions and goals, and are rewarded fairly for their contributions.

We welcome diversity because we believe that a range of perspectives leads to innovation, promotes an engaged workforce and drives better results for our business and our customers.

We encourage honest feedback from all our colleagues and benchmark ourselves against the best UK employers; we are proud to be listed as a Sunday Times Best Companies Regional employer for Yorkshire & Humberside in 2019, and are equally proud of our status as an Investor in People.

Over the next 12 months we will:

Continue to ensure that our employer branding and role adverts are gender neutral and designed to attract a diverse applicant pool

Continue to instruct agencies who work on our behalf that they are to put forward a diverse range of candidates for roles

Encourage an inclusive approach to succession management, challenging unconscious bias

Introduce a robust benchmarking process to ensure that salaries are aligned with role scope and market sources

Listen to feedback through employee surveys and Voice of the Colleague and use the feedback to drive positive change across our business.

Message from Harvey Stead

Our gender pay gap report highlights that there are a number of areas where improvements can be made to ensure we strive for equality across FMG. We have a consistent and gender-neutral approach to determining pay for roles at all levels, and whilst we are confident that our data shows men and women receive equal pay, we are reporting a median gender pay gap of 13.2%. This is largely due to the fact that we currently have a higher proportion of males in senior and technical roles across the business.

Although our figure is below the U.K. median gender pay gap figure of 17.9%, and significantly lower than that experienced by the Financial & Insurance Services sector of 35.7%, I remain committed to supporting our continued programme of work and looking at new ways to further promote gender equality across FMG.

We have continued to deliver our management development programme “LEAP” (Learn, Engage, Apply and Perform) to those aspiring for leadership roles within the business, and have recently seen a number of females progress through internal opportunities. In addition, over the last 12 months we’ve complemented our senior female cohort with the addition of seven external recruits into senior roles across the business.

I am proud that as a business we are able to offer flexible working, and a core aim will be to make this accessible to all, but acknowledge that in the short-term this will continue to affect our mean bonus and salary gaps due to the high proportion of female employees currently embracing the opportunity to balance work and home life.

There is more to do, and we will continue to promote equality and diversity because we believe that this is the right thing to do. I am confident that the activities already underway will help to improve our gender pay gap statistics over the long-term, as well as strengthening our talent pipeline and enabling career progression for existing colleagues.

Declaration

I can confirm that the figures contained within this report are accurate and have been calculated in accordance with the gender pay gap reporting requirements, as outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Harvey Stead,
Managing Director, FMG





Innovation
“Thinking ahead, being creative and delivering”



Expertise
“We use our experience and talent to provide”



Excellence
“We challenge ourselves and others to be the best that we can”



Partnership
“We build long term partnerships based on trust,”



Integrity
“We deliver our promises. Always honest, always”

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