

Altran UK Gender Pay Gap Report

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The subject of the report that follows is Altran UK's gender pay gap. Publishing this report is an obligation under UK law, but the Altran UK Management Team has prepared the following complementary statement to accompany its content.

Our vision

The existence of a gender pay gap at Altran UK and across UK industry is a direct result of a lack of representation of women in leadership positions. This is compounded by the underrepresentation of women in the engineering sector, which stands at 11% on the distribution date of this report.

If we fail to take proactive action to address neglecting this talent pool, both as a company and as an industry, then we will all suffer as a result. By attracting more women to the industry and supporting their development into senior roles, we will reap the proven benefits that greater diversity brings. It is for this reason that Altran UK is committed to being an employer of choice for women in engineering. The company made a concrete commitment to industry in this regard in July 2016 by signing WISE's Ten Step Pledge, an industry-led campaign to ensure that women in science, technology, engineering and manufacturing have the same opportunities to progress in their career as their male counterparts.

Since that time the organisation has made progress in identifying and addressing barriers that female employees might encounter in their professional life, including actions that have the potential to positively affect the gender pay gap. Alongside significant strides forward in the form of offering enhanced maternity pay and an employee mentoring scheme focused on career development, a dedicated working group was established to hold the business accountable to its WISE commitment that all permanent employees in the UK business were invited to join. The working group undertook data analysis and issued a questionnaire to gather qualitative information on women's experience at Altran UK. After thorough review the working group recommended that training should be given to employees in recognising and addressing unconscious bias, which will be implemented in 2018. The group will continue its work this year by presenting recommendations for company targets to move Altran UK closer to its desired position.

When reading the report that follows, it should be noted that:

- Altran UK is against employment discrimination and fully compliant with the Equality Act 2010, ensuring equal pay is awarded for equal work
- The statistics do not differentiate on the types of roles being carried out
- A review completed at the end of January 2018 based on a total of 395 employees (90 female and 305 male) revealed that a slight overall improvement has been made on the mean gender pay gap in hourly pay, as it has decreased from 16.7% to 14.5%
- Bonuses are paid at different times of the year for eligible employees and not all had been paid at the time of this review

While we recognise that closing the gender pay gap will take time, we are committed to building a more diverse workforce.

Altran UK Management Team

Introduction

This report contains Altran UK's statutory disclosure of the gender pay gap. All companies with 250 or more employees are now required to publish their gender pay gap under new legislation that came into force in April 2017. Employers have to publish the gap in pay between men and women on both a median basis (pay per hour based on the person 'in the middle' of the distribution of pay) and a mean basis (average hourly salary). In addition, employers are required to disclose the distribution of gender by pay quartile – in other words, splitting the workforce into four groups based on their pay and showing the proportion of men and women in each group. Employers are also required to disclose percentages of staff receiving bonuses by gender and the gender gap on bonuses.

This report contains the following six pieces of gender pay gap reporting information:

1. Mean gender pay gap in hourly pay
2. Median gender pay gap in hourly pay
3. Mean bonus gender pay gap
4. Median bonus gender pay gap
5. Proportion of males and females receiving a bonus payment
6. Proportion of males and females in each pay quartile

Gender pay gap

The gender pay gap is the difference between the hourly rate of pay of male employees and female employees (as set out in the regulations), expressed as a percentage of the hourly pay rate of the male employees. The gender pay gap is reported on both a mean (average) and median (mid-point on a distribution) basis.

Equal pay

UK law prohibits paying different amounts to men and women who are doing 'like work', 'work of equal value' or 'work rated as equivalent' unless there is a 'genuine material factor' for the difference.

Why equal pay and the gender pay gap are not the same

- Equal Pay – Men and women are paid the same for like work.
- The Gender Pay Gap – The difference between the gross hourly earnings for both men and women across an organisation.
- National Statistics – The mean national gender pay gap is 17.4% and the median is 18.4%, as reported by the Office for National Statistics, 2017.

Nationally, one of the main reasons for the gender pay gap is that more men are likely to hold senior positions.

Mean vs. median

The gender pay gap reporting regulations specifically require both the median and mean to be reported. These metrics are complementary, and illustrate different aspects of the distribution of pay across an organisation. The median is a statistic commonly used in analysing both internal pay tendency and external market norms, because it looks at the

central tendency of the market or sample, showing the middle-most salary of a sample. Calculating the median involves taking all salaries in a sample, lining them up in order from lowest to highest, and picking the middle-most salary.

The mean is the overall average of the whole sample and thus can be subject to the influences of any higher or lower salaries at the top or bottom of the sample. In other words, the mean is much more subject to skewing by a small number of outliers.

Gender pay gap at Altran UK

Overall, Altran UK had 422 employees on snapshot date, 5 April 2017. The gender split in the workforce was 97 female and 325 male.

Gender	Percentage
Male	77.00%
Female	23.00%

1 - Mean gender pay gap in hourly pay

Our analysis shows that **16.7%** is the overall mean (average) pay gap at Altran UK as on 5 April 2017. This compares to the UK mean which, as reported by the Office for National Statistics, is **17.4%**

2 - Median gender pay gap in hourly pay

The overall gender pay gap at Altran UK as on 5 April 2017 is **13.6%** on a median basis. This compares to the UK median which, as reported by the Office for National Statistics, is **18.4%**.

3 - Mean bonus gender pay gap

The overall mean gender bonus gap was **79.2%**, based on bonuses paid in the year to 5 April 2017.

4 - Median bonus gender pay gap

The overall median gender bonus gap was **6.7%**, based on bonuses paid in the year to 5 April 2017.

5 - Proportion of males and females receiving a bonus payment

The table below shows the proportion of employees receiving a bonus.

Gender	Proportion receiving a bonus payment
Male	62.40%
Female	51.00%

6 - Proportion of males and females in each pay quartile

For the purpose of this section of the report 408 out of 422 employees were classed as 'full-pay relevant employees' – those who were paid their usual full pay in the pay period that included the snapshot date. If the employee is paid less

than their usual rate because of being on unpaid leave for received a lower statutory pay in that period, they should not be counted as a full-pay relevant employee.

Quartile (102 employees in each quartile)	Male	Female
Lower Quartile	66.70%	33.30%
Lower Middle Quartile	80.40%	19.60%
Upper Middle Quartile	77.40%	22.60%
Upper Quartile	84.30%	15.70%

