

Thatcham
Research
Automotive Risk Intelligence

Gender Pay Gap Report 2023



Thatcham Research Gender Pay Gap Report

Creating an equitable and inclusive workplace lies at the core of our commitments. I am dedicated to fostering a diverse and welcoming business environment - one that mirrors broader society and empowers our colleagues to thrive in their professional journeys.

As a company operating in a male-dominated sector, we bear a significant responsibility in advancing gender parity. The automotive industry continues to grapple with gender disparities, especially at higher leadership levels. Our mission is to transform this landscape and drive positive change.



A handwritten signature in black ink, which appears to read "J. Hewett".

Jonathan Hewett
Chief Executive

| Legislation

The gender pay gap (GPG) is the difference in average hourly pay between men and women across a whole organisation.

Since 2017, large organisations have been legally required to disclose and publish their GPG data. Due to our organisation's size, we are not mandated by law to report these specifics. Nevertheless, in 2022, we voluntarily committed to sharing this information annually. Our aim is to demonstrate transparency and openness in our communication and actions.

This is now the second year we are sharing our GPG data, and the results highlight the ongoing work that lies ahead.

We remain dedicated to improving diversity within our business and promoting equality across all facets of our work. It's important to recognise that our pay gap may fluctuate over time as we actively strive to achieve better gender balance at all levels in our organisation.



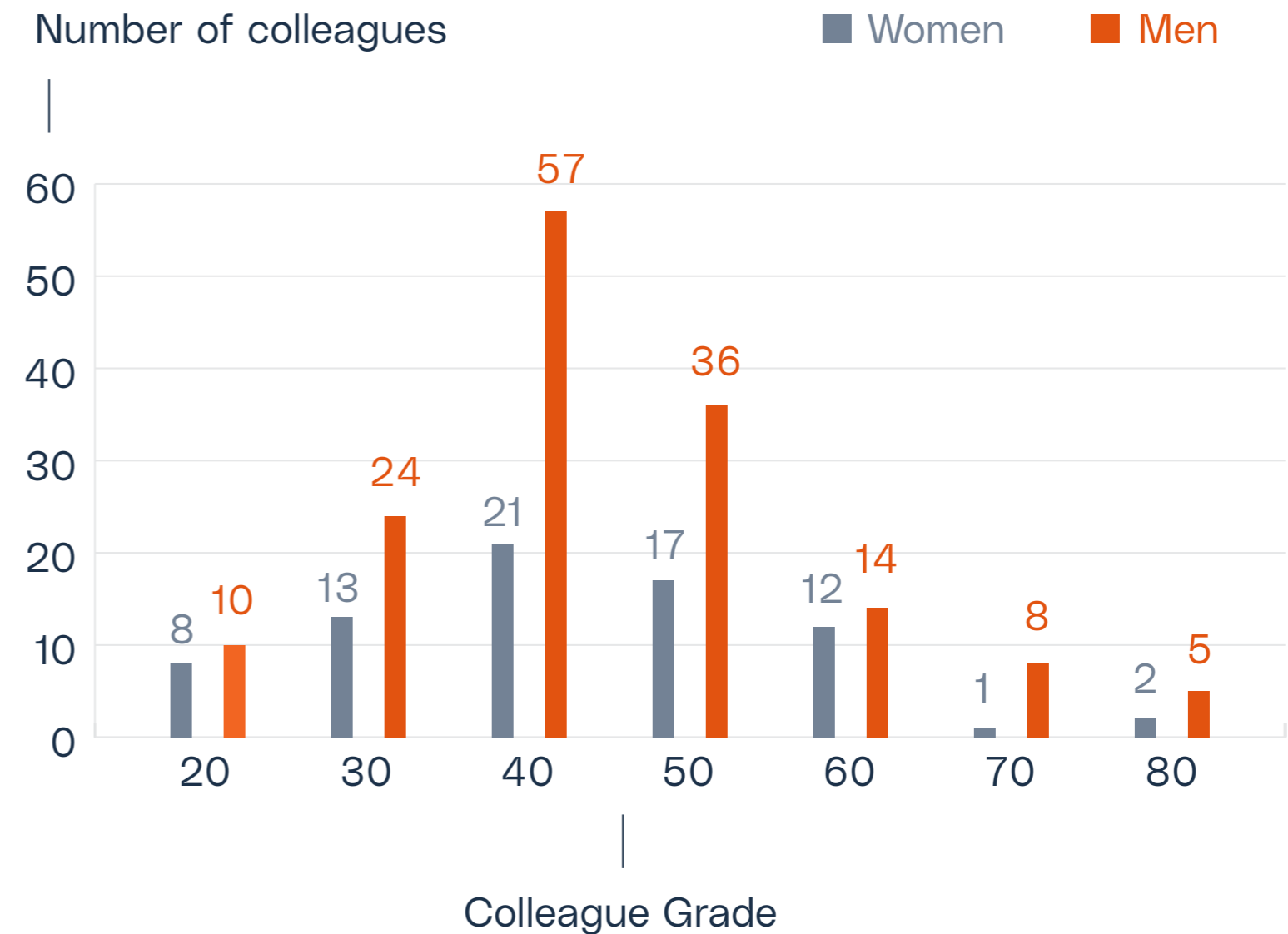
| Our Data

We have a fair approach to pay across all levels of the organisation and this is regularly monitored and reviewed.

We do not pay colleagues differently based on gender.

Our GPG is influenced by the unequal representation of men and women within our organisation. In simple terms, there are fewer women. This disparity is visually depicted in the graph, which illustrates our headcount distribution by gender at each grade, as of April 2023.

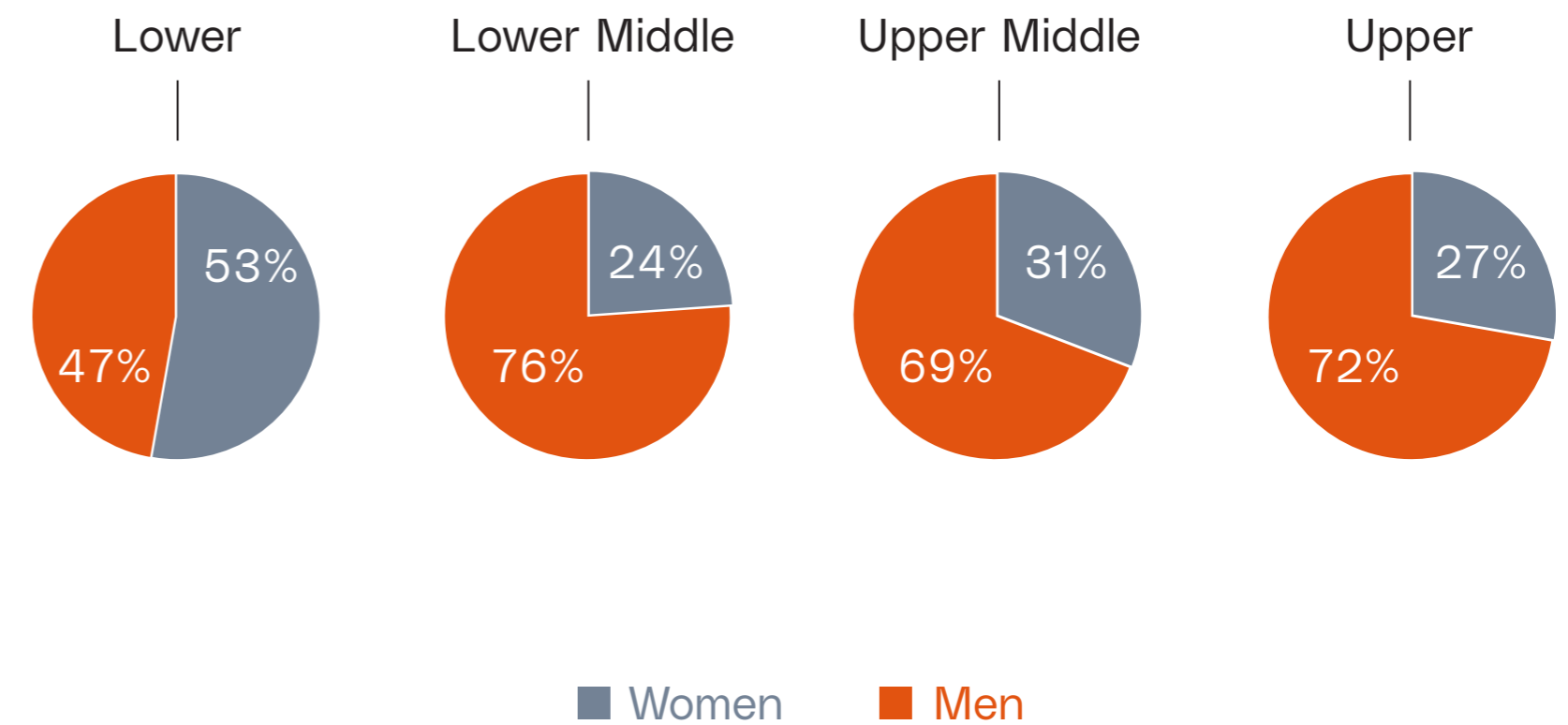
Since 2022, the proportion of female representation has seen an overall increase of 5%, rising from 29% to 34%. However, in the upper quartiles, there has been a slight decline of -1%. This indicates that men have an increased share of the highest-paying positions.



Our Pay Quartiles

The following data illustrates the proportion of men and women at Thatcham Research within four pay quartiles as of 5 April 2023.

Apart from the lowest quartile, where gender balance is relatively equal, men make up a larger proportion across all organisational levels. The most pronounced imbalance occurs in the lower middle quartile, closely followed by the upper quartile. Our data highlights that the gender pay gap is influenced by a higher concentration of men in roles associated with higher salaries due to seniority.



| Salary

Gender Pay Gap

15% Mean in favour of men.

Our average, or mean GPG is 14.8% in favour of males. This means that for every £1 earned by a male, a woman will earn 85p. This is a decline of 1 penny since 2022.

3% Median in favour of men

Our median pay gap is categorised into quartiles based on hourly rates, ranked from highest to lowest. When examining the median pay gap, we observe that for every £1 earned by a man, a woman earns 97p—an increase of 4p since our 2022 report.

Let's delve into the concept of the median. Imagine there are nine individuals in an organisation, and their salaries are arranged in ascending order. The median corresponds to the salary of the person in the middle (i.e., the 5th individual).

Our data reveals that the primary factor influencing our GPG is the composition of our workforce. Specifically, we have fewer women in senior leadership roles and a higher proportion of women in junior positions.

| Bonuses

The data below shows our mean and median bonus pay gap figures:

86% of males
received a bonus.

70% of women
received a bonus.

29.26% (Mean)

For every £1 bonus earned by a male, a woman receives 75p—an increase of 4p since our 2022 report.

Our mean bonus pay gap reflects a higher proportion of men in roles eligible for regular bonus payments. Typically, bonus recipients occupy managerial positions and above, where men outnumber women within our organisation.

0% (Median)

For every £1 bonus earned by a man, a woman earns £1. Signalling no change since our 2022 report.

Working towards gender balance

We recognise that there is progress to be made. Our unwavering commitment is to bridge the gap and create an inclusive culture where individuals feel valued, included, and empowered to achieve their fullest potential, irrespective of their gender identity. To achieve this, we have implemented a mix of short- and long-term initiatives aimed at creating genuine and lasting transformation.

For example:

Partner Networks

In 2023 we renewed our silver membership of the Automotive 30% Club, a voluntary network of CEOs with a shared objective of achieving a better gender balance within the automotive industry. Along with the other member organisations, we aim to fill at least 30% of key leadership roles with diverse women by 2030 through a “30 by 30” strategy. When we refer to diverse female representation, we mean women who represent the intersectionality of our communities. For more information on the importance of intersectional / diverse representation click [here](#).

It is not a quota and we do not advocate positive discrimination, we simply want to do the right thing, by everyone. There is still a significant gender imbalance within the wider automotive industry and our silver membership signifies an extension of our commitment to diversity, inclusion and equality, both internally and across the industry.

Additionally, we collaborate with the Employers Network for Equality & Inclusion (ENEI), a non-profit organisation committed to promoting Diversity, Inclusion, and Belonging (DI&B). ENEI guides us on our path and helps us to introduce fresh DI&B and Wellbeing initiatives to support all colleagues.

Culture

As part of our Diversity, Inclusion and Belonging (DI&B) programme, we curate a dynamic calendar of activities helping colleagues to be aware of and develop inclusive behaviours. Through a combination of training and awareness programmes, we partner with specialists to share knowledge and resources to support our people. For instance, we've established a dedicated Menopause Awareness SharePoint site providing expert information, podcasts, insights and details about upcoming menopause-related events. We also collaborated with menopause specialists 'Over the Bloody Moon' to host a "Menopause Allies" Workshop. This workshop delved into the crucial role of supporting colleagues during this significant life transition. Notably, our Chief Technical Officer, and our Chief Executive, volunteered for the MenoVest experience, providing first-hand insights into the physical aspects of menopause. Their contributions illuminated challenges and sparked valuable discussions on effective support strategies, which we continue to champion alongside our colleagues.

Colleague voice is integral to inclusion. To encourage and welcome colleague perspectives on topics that matter, we offer multiple communication channels including an employee representative group, surveys, anonymous submissions, and focus groups. This enables us to understand how colleagues experience our culture and identify our strengths, as well as any areas needing attention, helping to create a more inclusive workplace for everyone.

We've implemented diversity data collection and monitoring across the employee lifecycle. This serves multiple purposes: measuring our progress, identifying areas for enhancement, and shaping our ongoing DI&B strategy.

In addition, by offering complementary health checks, we ensure that everyone has access to health resources.

Flexible Working

From feedback provided by our people we know that flexible working is important.

The disruption caused by the pandemic demonstrated that we can enjoy the benefits of working from home and still deliver great results. That's why wherever possible, we offer a hybrid working model, where our people can choose to spend time working from the office and from home.

We understand that flexible ways of working benefit us all, but particularly those who have childcare and caring responsibilities.

Recruitment and Promotion Practices

We continuously review ways to make recruitment more inclusive and utilise feedback surveys to gather information from candidates throughout the recruitment lifecycle. We utilise this data to take a continuous improvement approach to our processes. For example, we trialled sharing interview questions with candidates ahead of their interviews. Due to its success we intend to roll this out on a larger scale this year. We feel that providing this transparency fosters our trusted and supportive values and provides a more inclusive process by removing unnecessary anxieties and stress.

We consistently explore methods to enhance the inclusivity of our recruitment practices. We utilise software to ensure job adverts are created using gender neutral language and provide transparency by sharing details about what to expect from our recruitment processes on all job adverts. In addition, we've introduced voluntary diversity reporting for applicants, helping us to monitor and ensure fairness and drive positive outcomes for all.

Schools Outreach Activities

We recognise there is great opportunity to have a positive impact on the lives of young people and raise the profile of our industry with future generations.

Through our Community Outreach Programme, we collaborate with local schools to deliver workshops, presentations, work experiences, and facility tours to guide students into the world of work, highlighting the industry's abundant opportunities for innovation, creativity, communication, collaboration, customer service, enterprise, and commerce.

By maintaining a minimum 50% female participation, we challenge gender stereotypes by providing all students with a range of perspectives and experiences. This encourages them to pursue their interests freely, without the constraints of traditional gender roles and biases. This approach could lead to a more diverse and innovative workforce, as students are encouraged to consider careers they might have otherwise overlooked.

In 2023, we engaged with over three hundred students, and we remain committed to supporting young people at this important stage of their lives.

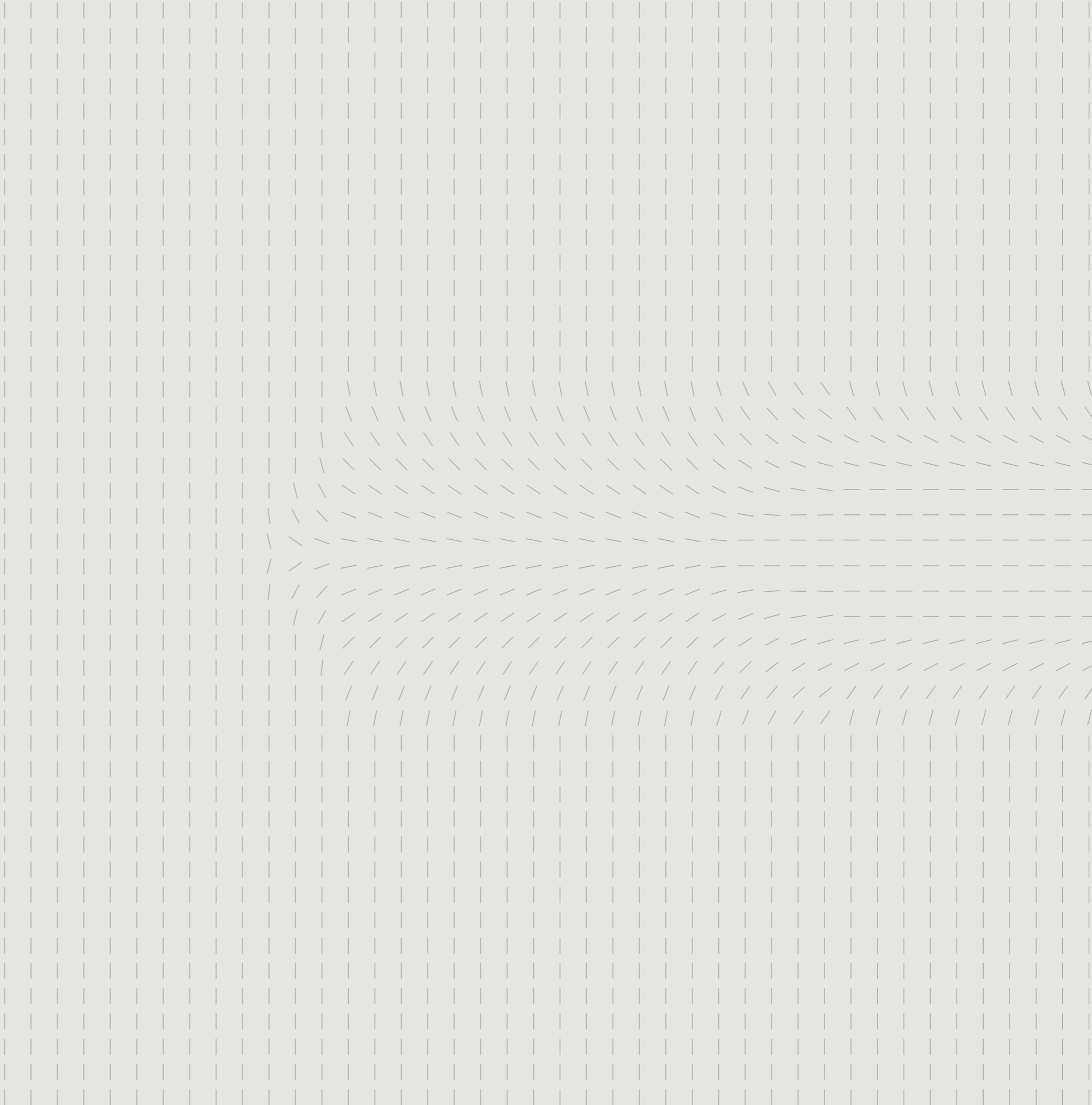


| What's Next?

We are dedicated to inclusion and closing the GPG.

We embark on an ongoing journey and understand that achieving gender balance won't happen overnight. By consistently monitoring data, actively listening to feedback from our colleagues, and driving necessary changes, we aspire for steady progress.

The GPG will remain a vital metric for tracking and reporting our advancements on our inclusion journey.



Thank you for reading the Thatcham Research - Gender pay gap report.



Share your views with us:
by e-mail:
belonging@thatcham.org



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