

Hoover Limited - Gender Pay Gap Report April 2023

Gender Pay Gap Reporting

All businesses who employ 250 or more employees are required to carry out an annual assessment and produce an annual report on key pay differentials relating to gender within their organisation. This is our report for the period to 5 April 2023.

Gender Pay Gap Reporting compares the average pay of male and female employees employed by the same organisation, regardless of the job that they do. This is very different to equal pay legislation, which compares like with like to ensure that women and men who carry out the same work, work of equal value or work rated as equivalent under a job evaluation scheme receive the same pay.

What is Hoover's Gender Pay Gap?

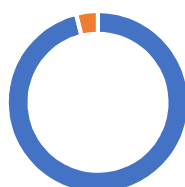
As of 5 April 2023, Hoover employed 630 people in a wide range of roles.

We calculated our mean (the sum of all relevant employees' hourly rates of pay, divided by the number of employees) and median (the middle value where employees' hourly rates of pay are listed in numerical order) pay gaps for both hourly rates of pay and bonus pay.

	Mean	Median
Hourly pay	19.1% (27.0% in 2022)	15.5% (33.1% in 2022)
Bonus pay	37.7% (57.8% in 2022)	74.1% (80.3% in 2022)

We also assessed what proportion of our female and male employees received bonus pay between 6 April 2022 and 5 April 2023.

96.2% of female employees received bonus payments
(88.1% in 2022)



93.1% of male employees received bonus payments
(92.0% in 2022)



Finally, we assessed the proportion of male and female employees within four equally sized quartiles according to their hourly rates of pay.

	Female	Male
Upper quartile	25.2% (21.2% in 2022)	74.8% (78.8% in 2022)
Upper middle quartile	20.7% (12.8% in 2022)	79.3% (87.1% in 2022)
Lower middle quartile	10.4% (23.5% in 2022)	89.6% (76.5% in 2022)
Lower quartile	54.8% (60.6% in 2022)	45.2% (39.4% in 2022)

What are the reasons for our gender pay gap?

Our gender pay gap results from the under-representation of females in executive roles that attract the highest levels of pay within our organisation (in the top two quartiles). As at April 2023, only 25.2% of our upper quartile was female, an improvement of 4% year-on-year.

Whilst we are pleased to have increased representation of females in the upper quartile in the current reporting period and recent years, we recognise that we still have a long way to go to achieve equal representation. This continues to be a challenge for us, as all of our Directors and the majority of our executive team (who are our highest paid employees and amongst whom there is negligible staff turnover) are male, as are the vast majority of our Field Service Engineers (who account for just over one third of our workforce and most of whom fall within both the upper and lower middle quartiles).

During the 2023 reporting period, we have seen a positive reduction in the proportion of women in the lower quartile, we believe this is due to our new commitment to the Living Wage Foundation and the higher Real Living Wage thresholds set by the foundation each year, this impacts a large majority of Contact Centre based roles which has a large female representation.

Overall the good news is that female representation in the two lowest quartiles has reduced significantly and female representation in the highest two quartiles has increased by 4% in the upper quartile and 7.9% in the upper middle quartile.

What are the reasons for our gender bonus gap?

During the 2022/23 reporting period, we operated a variety of bonus schemes, including:

- a Sales Incentive Plan (SIP), Management By Objective (MBO) Plan, program participation is based on your role and management level.
- a £50 Christmas bonus voucher for everyone who is employed in December when the vouchers are distributed;
- commission-based bonuses for role specific employees working in our contact centre.

A number of employees joined our business during 2022/23, whom received no bonus as they fell outside of the eligibility window for 2023 payments or they received lower bonuses than employees with longer service.

Whilst Directors', Commercial roles' and Field Sales Engineers' bonuses account for our highest bonus payments, contact centre employees' commission-based bonuses are unlimited, which in some cases place them in the upper middle quartile (regardless of gender).

The rules for the calculation of the bonus pay gap don't allow pro-rating of bonus payments. As a higher proportion of our female employees work part-time compared with our male employees, this adversely affects our bonus pay gap, as does the fact that the majority of our administration staff (most of whom are female) are only eligible to participate in our profit related bonus and Christmas bonus voucher schemes.

Addressing our gender pay gap

We continue to be a committed equal opportunities employer. We support diversity and inclusion within our business. We are committed to promoting equal treatment for all employees and potential employees. We are confident that we pay individual employee's appropriate rates for the jobs that they do based on robust external market data we receive.

We continue to seek ways to achieve a closer gender balance across our business and during 2023, we have taken a number of positive steps in driving forward our agenda for change including:

- Full implementation of new Menopause policy and IVF policy to promote the view of a positive and consistent colleague experience.
- All recruitment advertising continues to be gender decoded to increase applicant diversity, in addition to our very clear recruitment policy which promotes diversity and inclusion.
- We became a committed member of Inclusive Employers in 2022, which shares a host of educational resources and workshops for colleagues and managers on Diversity & Inclusion and consistently provides educational sessions via Teams to all colleagues.
- We recently launched a leadership academy whereby a number of places were reserved for women to promote their development and promotion opportunities.

We continue to seek to identify ways in which we can make a positive difference and to ensure that none of our employees (or prospective employees), feel constrained by their gender or perceptions of their gender or feel limited by real or perceived barriers to their career development and advancement.

I confirm that the data reported has been calculated in accordance with the gender pay gap reporting requirements and that the figures used are accurate.

A handwritten signature in black ink, appearing to read 'M Given', with a stylized, cursive script.

Matthew Given,
UK Group Director, Human Resources