

2021 Gender Pay Gap Report

Introduction

As a global provider of automotive engineering, research and test services our purpose is to improve lives by making journeys safer, cleaner and smarter. We pride ourselves on providing equal opportunities for all and are committed to developing a diverse and talented team to drive our business forward. Everyone who works with us is treated fairly and each salary is dependent upon a person's role, responsibility and contribution to the business.

Within automotive consultancy, we continue to see a larger proportion of men in the industry and we're working hard to ensure all team members have equal opportunities to develop and be rewarded, at all levels. As our industry evolves, so too do the skills required to take us into the future and our business is continuing to broaden to encompass both traditional mechanical engineering and new technologies such as connected and autonomous vehicles and automotive cybersecurity. We continue to recruit based on talent and reward our team fairly and transparently.

2020-2021 saw unprecedented trading circumstances as a result of the Coronavirus pandemic but despite the challenges, HORIBA MIRA continued to grow and adapt.

We have continued to promote and reward fairly the talent within our business and have seen the progression of women through HORIBA MIRA at all levels. 24% of recent promotions have been female and this is proportionately higher than the number of women in the company. We've also seen a number of our colleagues recognised nationally within the industry including Roisin Hopkins our Chief Commercial Officer, Madeline Cheah, Cybersecurity Innovation Lead and Lisa Rowles our Human Resources Director named in the 2020 list of Autocar's Great Women in the British Car Industry, other team members have also been recognised including Bhavisha Lad, Resourcing Lead, who was named as the winner of the People Development category in Autocar's Great Women: Rising Stars 2021 awards.

Organisationally over the last 18 months we have continued to ensure that our business is sized and shaped to meet the changing needs of our customers. Within our technical areas the Capability Groups have brought together the respective Engineering and Technology and Test teams to work efficiently whilst delivering brilliantly to our customers. We have also centralised a number of roles into their functional teams. Having our team members more closely aligned to their functional group ensured that salaries were reviewed by their function manager and benchmarked against the appropriate market rate. We expect this to have a positive impact moving forward and will continue to ensure we're paying competitive salaries.

Data

| MEAN BASIC PAY BY GENDER | | |
|--------------------------|--------|------------|
| Women | Men | Difference |
| £17.77 | £22.01 | 19% |

| MEDIAN BASIC PAY BY GENDER | | |
|----------------------------|--------|------------|
| Women | Men | Difference |
| £14.84 | £19.58 | 24% |

| MEAN BONUS BY GENDER | | |
|----------------------|-----------|------------|
| Women | Men | Difference |
| £2,000.00 | £2,866.67 | 30% |

| MEDIAN BONUS BY GENDER | | |
|---------------------------|-------------------------|--------------------------|
| Women £2,000.00 | Men £2,733.33 | Difference 27% |

| GENDER PAY PROPORTION BONUS | |
|-----------------------------|---------------------|
| Women 1.06% | Men 3.46% |

| PERCENTAGE BONUS BY GENDER | |
|----------------------------|---------------------|
| Women 5.9% | Men 94.1% |

| 2020-21 GENDER PAY QUANTILES | | | | |
|------------------------------|---------------|----------------|----------------|----------------|
| | Q1 | Q2 | Q3 | Q4 |
| | 0.00 - 14.95 | 14.98 - 18.77 | 18.81 - 25.04 | 25.06 - 144.26 |
| Women | 49 - (35.25%) | 16 - (11.51%) | 14 - (10.07%) | 15 - (10.79%) |
| Men | 90 - (64.75%) | 123 - (88.49%) | 125 - (89.93%) | 124 - (89.21%) |

The data shows a year-on-year improvement on the mean and median basic pay metrics and its positive to see the basic pay differential closing with the gap between male and female salaries closing by 4% for mean basic pay, compared to 2019/2020. Significantly the employee engagement survey for the relevant period also saw marginally higher scores from women than men with regards to salary and benefits being perceived as fair.

During this reference period, less than 3% of team members received a bonus as HORIBA MIRA did not have a pay review or a company performance bonus during this time – this would ordinarily be the main data source for bonuses. Instead, the use of bonuses was more focused and specifically used to attract candidates to new technology areas and to reward one off exceptional performance rather than consolidating pay increases, in order to maintain fairness across the grading structure. The few bonuses paid related to referrals, new starter arrangements and secondments. It is important to note that the data shown is from a small sample and not representative of the wider population.

Attracting new talent

In order to attract new talent and showcase the work taking place at HORIBA MIRA, this trading period saw us develop a dedicated 'People and Skills' LinkedIn page with content focused on our culture and people. This promotes the company messaging about diversity and inclusion and is targeted at existing colleagues and future candidates. The page promotes activities taking place on site, training courses, job opportunities and good news from within the business.

To access new candidates, we also utilised the 'Forces Family' platform, a service available as part of our commitment to the Armed Forces Covenant which enabled us to access partners of those in the military.

Although HORIBA MIRA has always had a flexible working policy, the pandemic presented a unique opportunity to adjust our ways of working. It highlighted that we as a business can work flexibly, with many roles carried out remotely, and this has enabled us to widen our pool of candidates for flexible location roles within the business.

Supporting our team

Career development remained a key focus for us, with internal opportunities highlighted via our internal news forum 'News Hub' and increased correspondence from HORIBA MIRA's Resourcing Lead. We also continued to run our popular 'Lunch and Learn' sessions, an opportunity for colleagues to learn about the broader business and the opportunities available.

Investment in training remained critical during these challenging times and we continued to sponsor apprenticeships. 25% of team members that have taken on an apprenticeship over the past 24 months have been female, which is proportionately higher than the percentage of females in our business. Furthermore, female participation has been well balanced across apprenticeship levels 3,4,5,6 and 7 and has not congregated around any specific level or roles.

The recent launch of Life Links; a network that connects team members with information and people on topics that affect people on a day-to-day basis, is also another way that we have promoted and supported important issues within the business. To date we have focused on the Armed Forces, Mental Health and Menopause and have other important topic areas such as unconscious bias coming up in the near future.

Summary

Despite a challenging year, HORIBA MIRA remains committed to developing the very best team with individuals treated fairly and equally and each salary dependent upon a person's role, responsibility, and contribution to the business. It is encouraging to see a year-on-year improvement on the mean and median basic pay metrics and the basic pay differential gap closing as we continue to ensure men and women have equal opportunities to succeed.