

Koito Europe Limited (KEL)

Gender Pay Gap Report – 22/23 reporting year

Under duties set out in the Equality Act 2010 (Gender Pay Gap Information) Managing Gender Pay Reporting Regulations 2017, KEL, as an employer of more than 250 people, is required by UK law to publish our gender pay gap information.

This gender pay gap report was created using information gathered on a snapshot date of **31 March 2022** using hourly rates of basic pay.

The results were as follows.

1 Mean Gender Pay Gap

Women's mean hourly rate is **17.4 %** lower than men.

(Previous year result: **19.3 %** - Gap closed by **1.9 %**)

2 Median Gender Pay Gap

Women's median hourly rate is **10.9 %** lower than men.

(Previous year result: **12.0 %** - Gap closed by **1.1 %**)

3 Mean Bonus Gender Pay Gap

Not Applicable (No Bonus scheme)

4 Median Bonus Gender Pay Gap

Not Applicable (No Bonus scheme)

5 Proportion of Males and Females Receiving a Bonus

Not Applicable (No Bonus scheme)

6 Pay Quartiles

Top Quartile	92 % men, 8 % women.	(-1.3%)
Upper middle quartile	69 % men, 31 % women.	(-1.1%)
Lower middle quartile	61 % men, 39 % women.	(+8.4%)
Lower quartile	55 % men, 45 % women.	(- 2.2%)

Why do we have a gender pay gap?

Our pay gap has been reviewed and the findings show that KEL have fewer female employees working in and applying to work in senior management, professional positions and the skilled engineering and mechanical roles.

Legally, men and women must receive equal pay for;

- The same or broadly similar work;
- Work rated as equivalent under a job evaluation scheme; or
- Work of equal value

As a large multi-cultural employer, we are committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability.

We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above).

We are confident that our gender pay gap is not because we pay men and women differently for the same or equivalent work. Instead, our gender gap is because men and women work in different roles and those roles have different salaries.

Across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Men are more likely to be in the Engineering/Technical and IT-related roles, which are paid more highly than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

This pattern from the UK economy as a whole can be seen in the make-up of our organisation. Most line managers and senior managers are men.

Addressing the pay gap

One of the ways in which we sought to reduce the pay gap is by working towards a more even male/female split across all roles including senior management and professional positions and skilled

engineering and mechanical roles which, in our business and across manufacturing generally, traditionally attract men.

By encouraging all to apply for vacancies arising we have seen a significant improvement in the Lower middle quartile and it is anticipated that this trend will continue and that in time these changes will impact the higher middle and upper quartile's.

Other initiatives include encouraging our recruitment agency to best sell the merits of working in manufacturing to those who may be hesitant to do so due to historic or stereo-typical views of the industry and also, we are proactively reviewing the way to encourage females in school to work in manufacturing as a career or apprenticeship.

We are committed to fairness, equality and inclusion at KEL and we continue working over the coming year to reduce the gender pay gap that exists.

Guidance from documentation produced by ACAS and the Government Equalities Office was taken into account when producing the data and calculations used in preparing the pay gap report and the information provided in this report is accurate based on the data as of **31st March 2023**.



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Y Aoshima

Managing Director

Koito Europe Limited