



Gender Pay Gap Report

November 2021



Overview

All business with 250+ employees are legally required to report their Gender Pay Gap Annually.

The "Gap" is calculated by adding up the wages of all male and female employees and dividing it by the number of employees. The pay gap is the difference between the mean figures for men and women, which is reported as a percentage.

The pay gap refers to the total salary bill, and is a factor of the number of men and women in the business, and the gender balance at different levels of seniority.

It's important to highlight that the gender pay gap and pay equity are 2 different things. Pay equity is where men and woman are paid equally for similar roles and work. Engine continue to provide equal pay for equal work and we review this regularly to ensure parity and fairness across the organisation.

Topline Summary

Engine's median Gender Pay Gap for the snapshot date 5th April 2021 is 24% and our mean Gender Pay Gap is 19%.

Our median Gender Pay Gap has reduced by 1% and our mean Gender Pay Gap has reduced by 4% from last year's snapshot date.

Whilst these are relatively small movements, this is the second year running that we have reduced our Gender pay gap and these figures represent our lowest Gender pay gap since we began reporting in 2017.

Methodology

We have calculated Engines gender pay gap according to the UK governments methodology:

- Our relevant pay period is April 2021.
- Our 'snapshot date' is 5 April 2021.

Only Engine employees receiving their full rate of pay (i.e. those not receiving SSP, SMP, ShPP, SAP, SPP) and who are employed on the snapshot date (5 April 202) are included in our calculations.

Any Engine employees employed on 5 April 2021 who are part-time have had their pay / bonus payments prorated to a full time equivalent.

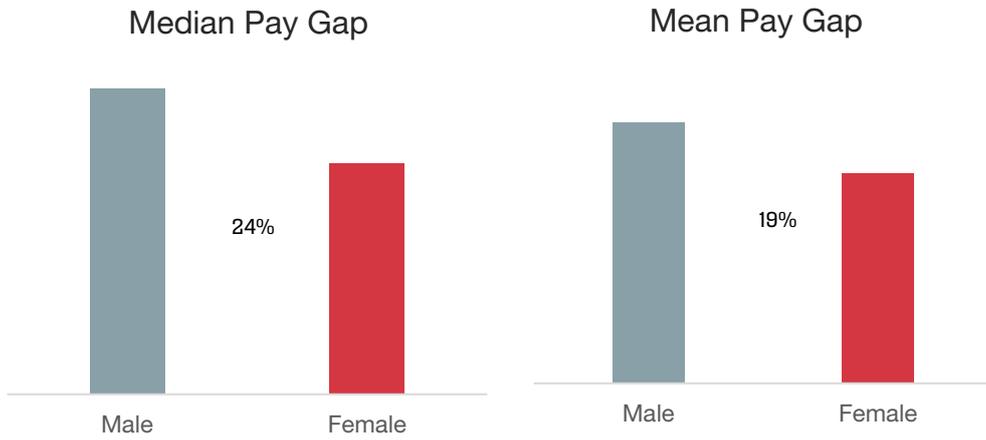
Our report includes calculations using both the **mean and the median**. As a quick reminder:

The "**mean**" is the "average", where you add up all the numbers and then divide by the number of numbers.

The "**median**" is the "middle" value in the list of numbers.

Gender Pay Gap

The charts below illustrate the mean and median gender pay gap for 2020 across Engine based on hourly rates of pay.

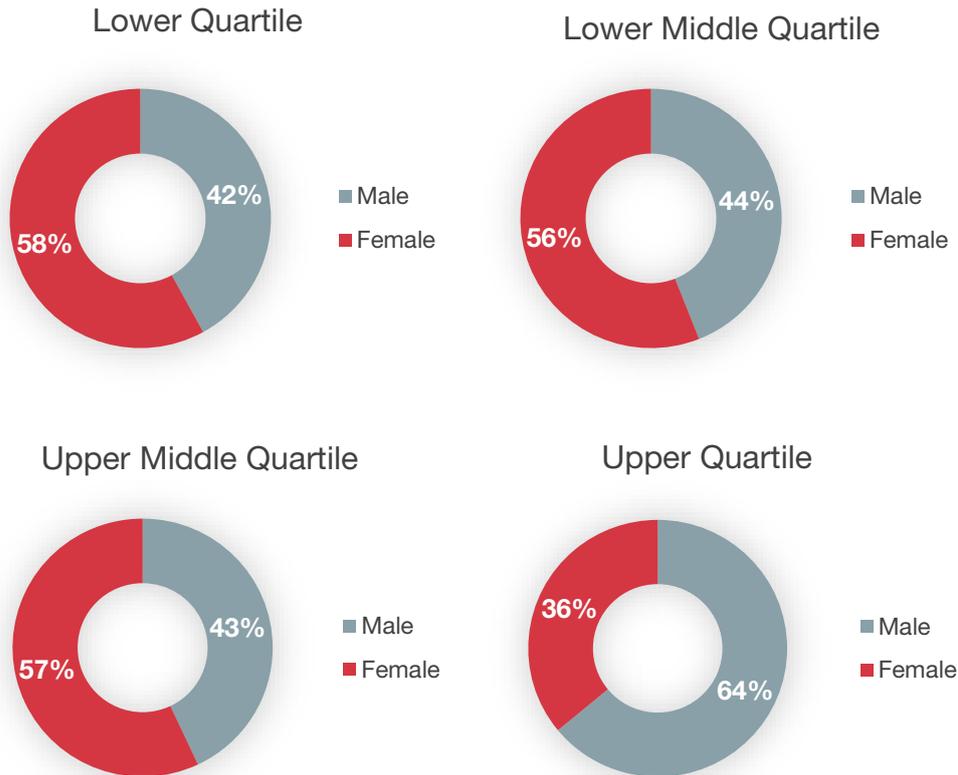


Gender splits – baseline data

The charts below illustrate the proportion of male and female employees who fall within each of the four quartiles that we are required to report on.

The charts do not show salary differences, only the proportion of employees within the bands.

2021



This year the data shows us that we can see a continuing trend of levelling up in regards to the percentage of males and females across the lower, lower middle and upper middle quartiles.

In the two lower quartiles we can see a decrease in the percentage of females, whilst in the upper middle we can see an increase in the percentage of females.

In the upper quartile we have not seen a similar trend in that the data has not changed significantly.

Because we know that Engine provide equitable pay for men and women who are working in similar roles we also know that having a 50/50 M:F representation in all quartiles gives us a much better opportunity to reduce our pay gap.

Whilst the trends in the first 3 quartiles are encouraging, ultimately we need to see increased female representation within the upper quartile to ensure that we can further reduce our pay gap.

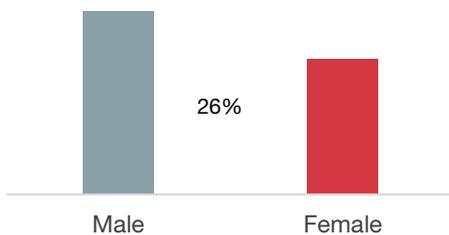
Gender Bonus Gap Reporting

In Addition to reporting our Gender Pay Gap we are also required to report our Gender Bonus Gap. Our reporting must outline the:

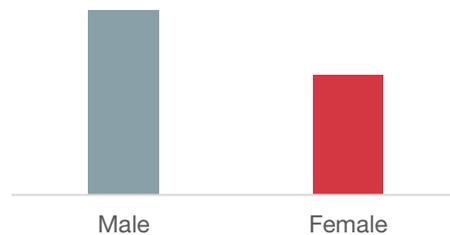
- Difference between male and female median and mean bonus pay
- Proportion of men and women receiving a bonus.

Engines Bonus Gap data for 2021 is illustrated in the charts below

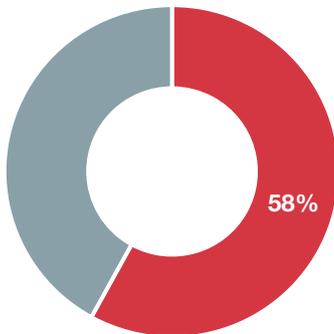
Median Bonus Gap



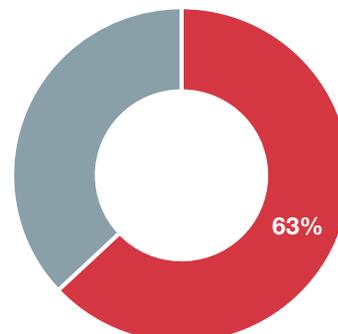
Mean Bonus Gap



Proportion of Men Receiving a bonus



Proportion of Women Receiving a bonus



- Our Median Bonus Gap has decreased from 46% in 2020 to 26% in 2021
- Our Mean Bonus Gap has decreased from 41% in 2020 to 35% in 2021
- The proportion of males receiving a bonus in 2021 was 58%
- The proportion of females receiving a bonus in 2021 was 63%.

We can see that we have made some progress in reducing our Median and Mean bonus gaps.

However as with previous years bonuses are always paid according to individual and company performance. Typically those in more senior positions traditionally receive higher awards. Where we continue to have an imbalance of men vs women in senior positions this impacts our Bonus Gap.

It is encouraging to see that this year we have a more equal proportion of men and women receiving a bonus.



What are we doing to address our Gender Pay and Bonus Gap?

In 2020 in support of our strategy to increase representation, diversity and foster a culture of inclusion we launched our 7 point plan.

As part of this plan we've communicated to reach a minimum threshold of 50% female representation across all areas of our business by 2023. To help support this ambition we have taken some specific actions that we believe will drive further change.

We've had a thorough review of our talent attraction and recruitment processes to enable parity and reduce bias.

New inclusive hiring guidelines set out these changes in full but key highlights include using a Gender Decoder for Job Specs, a structured interview process, interview scorecards, commitment to diverse shortlists.

The launch of our new recruitment portal enables us to track our progress in this area and also allows us to transparently share all our open vacancies internally with our employees.

In 2021 we've established a more integrated approach with the re-launch of our RDI council and I-Networks at Engine. This has embedded a new level of focus on how we can deliver against our 7 point plan with the Engine Exec, Pillars, RD&I Council and i-Networks all coming together to deliver change.

We currently have representation from junior and senior women across two I-Networks and are specifically looking at how we can support women at different stages of their careers at Engine.

To keep us focused on delivering against our strategy and 7 point plan, we have recently partnered with an external specialist D,E & I consultancy.

We are working with them to gain a deeper understanding of our strengths, how we can leverage them and what more we can do to remove barriers and help make Engine a truly Inclusive place to work where everyone can flourish.

In summary

Engine pay equal pay for equal work.

We know that an imbalance of men and women at senior levels is the primary reason for our Gender Pay gap. If we can increase female representation across senior and leadership roles we will continue to reduce our Gender pay Gap.

We also know that sustainable change doesn't happen overnight.

We remain committed to closing our pay gap and believe that the strategy and activity outlining in this report will support our commitment.