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Gender Pay Gap Reporting 2020

Introduction

Welcome to the Annual Gender Pay Gap Report for 2020, which is based on the data of SMR Automotive Mirrors UK Ltd as of April 2020. For the purposes of the report, I can confirm that the data is accurate and representative of our organisation.

Due to the implications of the global pandemic, 2020 was a difficult year and it meant that we had to make the decision to place 94% of our workforce on furlough leave under the Coronavirus Job Retention Scheme. This decision was made to ultimately support the longevity of our business, resulting in 2020's Pay Gap Report figures being misaligned from previous years.

Despite these challenges, the decision was made to continue with the annual merit review process in January 2021 which is supported by our job evaluation and pay grading strategy – demonstrating our commitment to a continued transparent and fair approach on how we reward our staff.

It is evident that we need to continue to address our Gender Pay Gap and, in doing so, we are continuously evolving and thinking of new ways to address the gap; our efforts to date are detailed in this report. Main examples of addressing the gap are our efforts as an organisation in continuing to challenge our thinking around how we recruit, develop existing talent and support a work-life balance to create an inclusive environment for all.

A handwritten signature in black ink that reads "CNO'Connell".

Craig O'Connell
Managing Director

What is the Gender Pay Gap?

The Gender Pay Gap specifies the salaries of male and female employees, the types of roles they fulfil and the gender diversity across the organisation at all levels.

It is important to remember that the Gender Pay Gap is different from 'Equal Pay', which is to ensure that women and men doing equal work receive equal pay.

How is the Gender Pay Gap calculated?

The Gender Pay Gap considers two metrics - the **Median Gender Pay Gap** and the **Mean Gender Pay Gap**.

MEDIAN GENDER PAY GAP

The Median Gender Pay Gap is calculated by comparing the middle values in the range of salaries for men and women.

MEAN GENDER PAY GAP

The Mean Gender Pay Gap is the average difference between the average salary of all female employees and the average salary of all male employees.

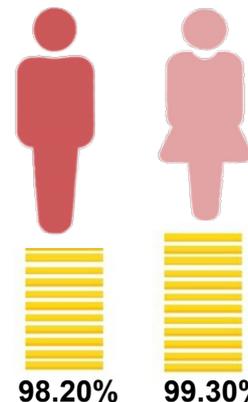
Gender Pay Gap – The 2020 Statistics

Difference between Men and Women

	Mean	Median
Pay Gap (%)	47.00%	44.60%
Bonus Gap (%)	16.53%	13.69%

Our Gender Pay Gap is due to our workforce predominantly being male with a high % of males currently in management positions. Also, due to the majority of the workforce being furloughed, they have had to be excluded from the calculations for the mean and median Gender Pay Gap, affecting the proportion of males and females in each quartile band.

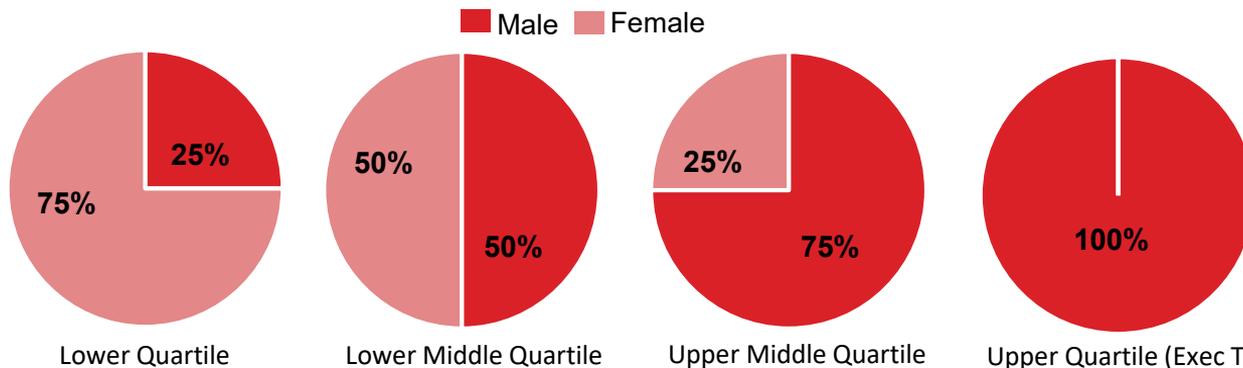
As SMR do not typically pay bonuses, any one-off bonus payments will affect our results.



Proportion of males and females receiving a bonus payment

All employees receive a Christmas gift payment in December; in 2020, this was to a total of £50 per employee.

We also offer recognition payments on a monthly basis to our Employee and Team of the Month members which are considered bonus payments.



Pay Quartiles - the proportion of males and females in each pay quartile

Due to the impact of the global pandemic, our numbers are misaligned, and therefore there is a bias towards male representation in each quartile.

Addressing our Gender Pay Gap

Our Gender Pay Gap is driven by the fact that, although 29% of our employees are women, we have more males in senior level roles. To maintain pay equality, we ensure that we follow strict processes and have certain practices in place. Examples of processes/practices that we have in place to bridge our Gender Pay Gap are:

Job Evaluation and Pay Grading

We continue to use the job evaluation and pay grading strategy to enable accurate salary comparisons to market and make fair decisions when allocating merit as part of our annual merit review process.

Recruitment

We use gender neutral language in our job advertisements and job descriptions in order to eliminate potential recruitment biases and we are transparent about pay when sourcing applicants for interview.

Employee Development

We are committed to developing our existing talent through investing in development potential for both men and women. We do this through using our training and development programmes which include company sponsorship for further education qualifications and identifying high potential employees.

Family Friendly Policies

We offer Family Friendly Policies that help to balance and benefit both work and family life for men and women and we are committed to ensuring that our policies and practices are fair to all. Examples are: our Maternity Policy, Paternity Policy, Flexible Working Policy and Shared Parental Leave Policy.

STEM

We continue to work with STEM NOW as it's important to us to inspire females who are under represented within Engineering into our industry. As such, we are excited to be partnering with local schools to promote women into Engineering as part of our STEM strategy.