

Birtley Group Ltd

Gender Pay Report 2018

The Gender Pay Gap

From April 2017 annual gender pay reporting is mandatory for all UK entities employing over 250 employees. The gender pay gap is defined as the difference in the average earnings of men and women in the relevant entity over a standard period of time, regardless of their role or seniority. It is not the same as equality of pay.

The Company

Birtley Group Ltd is one of the UK's most respected names in construction design technology and product development. And is the home to three of the UK construction industry's most trusted names Birtley, Bowater Doors and Expamet and we employ 367 colleagues in our manufacturing and galvanizing businesses across three sites and the company is a wholly-owned subsidiary of Hill & Smith Holdings PLC.

The Gender Pay Gap vs Equal Pay

Equal pay means that men and women performing equivalent work should receive equal pay. Birtley Group Ltd is committed to providing equal pay for equivalent work, not just because it's a legal requirement but because it's the right thing to do and our policies on equal opportunities and diversity support this.

A gender pay gap does not mean that there are equal pay issues, rather it identifies an unequal distribution of men and women at different grades across the business with an underrepresentation of women or men in certain roles.

The mean pay gap - The mean gender pay gap is the difference in the Ordinary Pay rate for women compared to men taken at a single point in time.

The median pay gap - The median represents the mid-point of a population. If you separately lined up all the women and men, the median pay gap is the difference between the Ordinary Pay rate of the middle women compared to that of the middle man.

The mean bonus gap - The mean bonus gap is the difference in the average bonus paid to women and the average bonus paid to a man.

The median bonus gap - The median represents the mid-point of a population. If you separately lined up all the women and men, the median bonus gap is the difference between the bonus paid to the middle women compared to that of the middle man.

Proportion of males and females receiving a bonus payment - The number of men or women receiving bonus pay as a percentage of the total number of men or women in a company

Proportion of males and females in each pay quartile - If you line up all men and women in the company from smallest hourly pay rate to largest hourly pay rate and then divide them into 4 equal populations, the percentage of men and women in each population, or quartile

In the tables below we set out the gender pay gap information noting that within the businesses the ratio of male and female is:

| | Board Level Staff | | Senior Management | | Other | |
|---------|-------------------|--------|-------------------|--------|-------|--------|
| | Male | Female | Male | Female | Male | Female |
| Birtley | 4 | 0 | 12 | 3 | 254 | 23 |

Gender Pay 2017 amended data

In comparing the 2018 Gender Pay statement with last year's, readers will note that the 2017 comparative data is different. Last year we engaged with an advisor who supported us to calculate our reportable gender pay gap figures. Since this time we have been committed to analysing our data in much more detail for both 2017 and 2018 with the aim of understanding the true drivers of the gender pay gap within our organisation. This deeper analysis has highlighted issues with the approach adopted in our 2017 calculations, and unfortunately, the gender pay gap figures that we reported were not a true representation of the gender pay gaps that existed within the organisation at the time. As such, as a responsible business we have made the necessary amendments to our 2017 disclosures.

Our 2017 and 2018 calculations now adopt a consistent and compliant methodology, which means that meaningful comparisons can be made between the two sets of data.

The disclosable mean pay gap for Birtley Group Ltd is 2.5%. We are pleased to say our figures compare favourably to the average mean pay gap for all UK companies, published by the Office for National Statistics ('ONS') Great Britain of 17.1%. The same can be said of our median pay gap which is -28.0%, against an ONS Great Britain median pay gap of 17.9%.

| Hourly pay gap | 2018 | 2017 | Change | Hourly pay quartiles | 2018 | | 2017 | |
|-----------------------------|-------------|--------------|--------------|--|--------------|--------------|--------------|--------------|
| | | | | | Male | Female | Male | Female |
| Mean hourly pay gap | 2.5% | -7.1% | +9.6% | Upper (highest paid) | 95.3% | 4.7% | 85.2% | 14.8% |
| | | | | Upper middle | 87.3% | 12.7% | 88.5% | 11.5% |
| | | | | Lower middle | 90.6% | 9.4% | 93.4% | 6.6% |
| | | | | Lower (lowest paid) | 98.4% | 1.6% | 98.4% | 1.6% |
| | | | | | | | | |
| Bonus pay gap | 2018 | 2017 | Change | Proportion of employees who received bonus pay | 2018 | | 2017 | |
| | | | | | Male | Female | Male | Female |
| Mean bonus pay gap | n/a | 87.3% | n/a | Male | | 48.2% | | 67.1% |
| | | | | Female | | 0.0% | | 60.9% |
| Median bonus pay gap | n/a | 90.7% | n/a | | | | | |

2018 - 296 relevant employees
2017 - 306 relevant employees

The amended pay gaps reported for 2017 are generally much lower than we originally anticipated. Both our mean and median hourly pay gaps are in favour of women, and significant below the national average in the manufacturing industry at that time (mean: 17.0%, median: 20.9% - based on ONS data collated from taxable earnings). We are committed to understanding our pay gaps in more detail and taking action to address the gender diversity issues we face across our organisation and the sector in which we operate.

We confirm that the data reported is accurate.


Graeme Miller
Managing Director


Alex Henderson
Group Company Secretary

