

TWI Gender Pay Report 2017

TWI is committed to treating all employees fairly and being a diverse employer. We are determined to enable all employees to reach their full potential, and our pay is designed to attract and motivate the best people, regardless of gender, ethnicity, age, disability or any other factor except performance, experience and responsibilities held.

TWI welcomes the UK Government's requirement to be more transparent on gender pay gap (GPG). We want to create a diverse and inclusive place to work and are pleased that almost a quarter of TWI's engineering professionals (managers, technologists, business development and lecturing staff) are women, compared to a national average of around 10%. We already support initiatives to encourage more women into engineering within the UK as a whole, but acknowledge that there is more work to be done.

GPG is very distinct from equal pay. Equal pay is concerned with pay differences between men and women who carry out work of equal value. This is covered by UK law. Men and women with the same performance and experience in equivalent roles are paid equally. For years, TWI has been reviewing pay in this regard and we will continue to identify and address any equal pay issue that may arise.

In contrast, the following GPG analysis shows the differences in the average pay between men and women across all UK employees at TWI irrespective of their responsibilities, performance and experience. As required by recent UK legislation, we now publish this information.

The analysis looked at the situation of UK-based TWI employees on 5 April 2017.

Difference between the hourly pay of women and men

The results show that when we compare female and male average pay, irrespective of the seniority of the role, men earn on average 23% more than women. More accurately, the difference is 22.6% with respect to the mean and 23.9% with respect to the median. (The median being a different measure of the average based on the value for which an equal number of female, or male, employees are below and above that value.)

The main reasons for this outcome include:

- There is a lower number of women than men in the executive team and in senior management and leadership, senior business development and senior specialist roles.
- There is a higher representation of women than men in support roles.

Difference in bonuses between women and men

TWI operates a Share-in-Success scheme which pays a percentage of basic salary based on TWI's overall performance. During the reference pay period for this report (the twelve months preceding 5 April 2017), no Share-in-Success bonus was paid. However, a number of ad-hoc bonuses were awarded to certain staff based on their performance (e.g. for completing successfully key projects; leading high-performing profit centres; winning new income streams; or growing TWI's reputation).

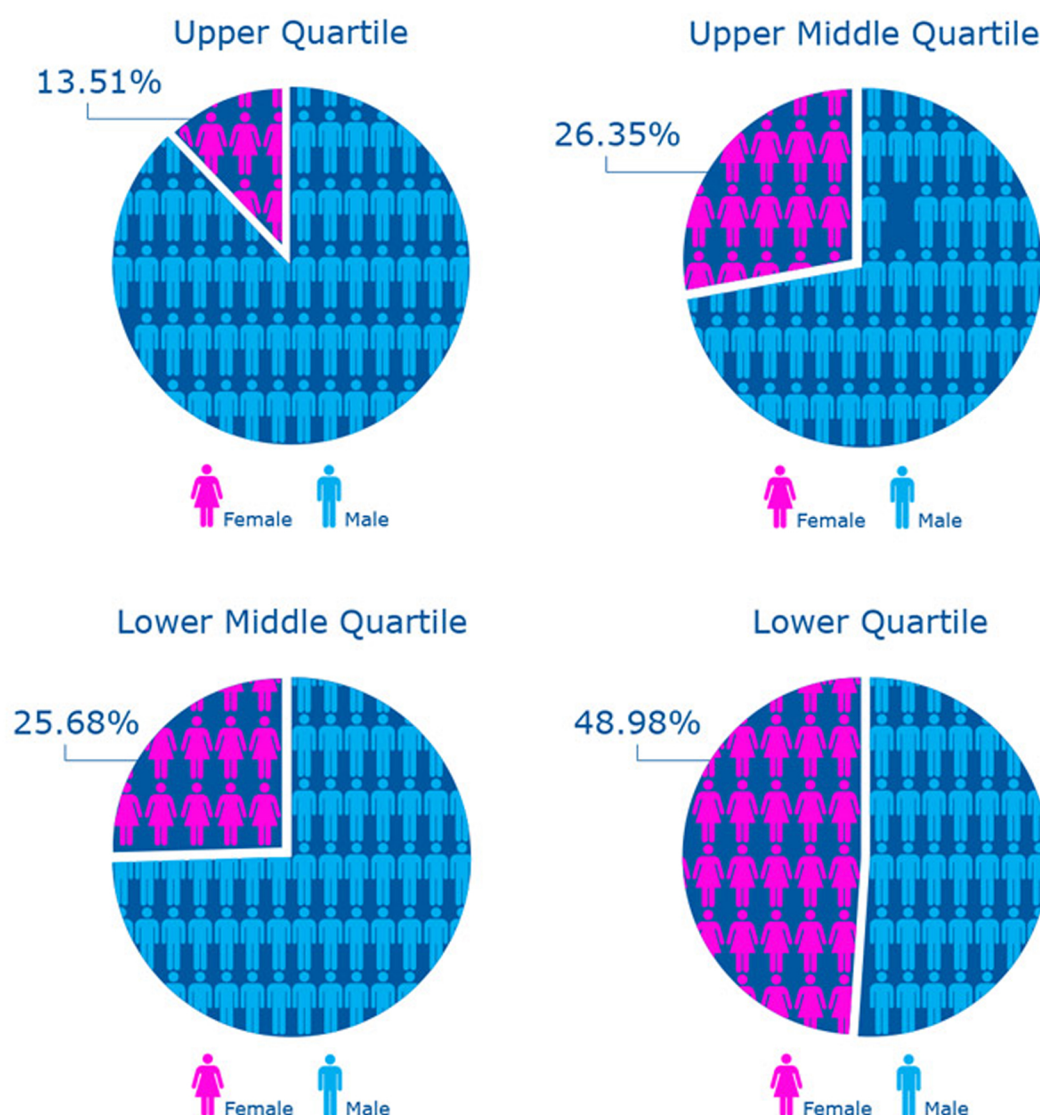
The average bonus for women was 10.6% lower than for men with respect to the mean and 50.0% with respect to the median (the high latter figure is caused by a skewed distribution of bonus awards due to their relatively small number in the period in question). The proportion of employees receiving a bonus was 9.2% for men and 4.1% for women.

The reasons for these outcomes include:

- There is a lower number of women than men in leadership and senior business development roles with the responsibilities to manage and grow profit centres or identify and win new business.
- There is a lower proportion of women than men in senior management and senior specialist roles with responsibilities to develop the business and grow its reputation.

Proportion of women in different pay quartiles at TWI

Overall, women currently represent 29% of TWI's UK employees. The following charts show the percentage split between male and female employees at each pay quartile. The pay quartile is the range of all salaries divided into four bands.



The charts show that there are fewer women than men represented in the upper quartiles.

The reasons for this include the following:

- ▮ TWI employs fewer female (23%) than male (77%) engineering professionals (managers, technologists, business development and lecturing staff). Nationwide, the UK has also a lower proportion of women than men in this sector. Only around 10% of engineering professionals are female, and only 16% of engineering and technology undergraduates are female.
- ▮ There is a lower number of women than men in the executive team and in senior management / leadership, senior business development and senior specialist roles.
- ▮ There is a higher representation of women than men in support roles within TWI.

What are we doing to address the results?

The data tells us that an increased pipeline of female talent is needed at TWI to achieve a greater female representation, particularly in senior management and leadership, senior business development and senior specialist roles. This is where the main imbalance lies, and this requires attention at the earliest stages to attract more women into professional engineering and engineering management careers.

We will continue to develop our recruitment practices to ensure we attract women to our organisations at all levels and put mechanisms in place to support the progression of female employees within TWI. Some of the initiatives to help achieve this aim include:

- ▮ Supporting our current outreach initiatives (more in the next section), as well as identifying new opportunities, to help encourage more women into science, technology and engineering subjects at school, university and in the workplace.
- ▮ Providing more focused development opportunities for female employees who aspire to work in senior management roles.
- ▮ Launching refresher recruitment training for all recruiting managers to include avoiding unconscious bias in selection decisions for all interviewers.
- ▮ Reviewing our recruitment practices to ensure that we attract a diverse range of applicants.
- ▮ Further developing the monitoring and reporting of our recruitment, progression and pay arrangements.

We recognise the changes we are making will not lead immediately to a significant reduction of our GPG. However, this is an ongoing journey and we are committed to achieving positive change in the long term and we will develop objectives and targets to allow progress to be monitored.

Encouraging more women into science, technology and engineering careers

We recognise that increasing the number of women entering engineering, technology and science careers, and their subsequent progression into senior roles, is a nationwide issue, but it is a long-term aim of TWI. We will continue to encourage women to take up careers in technology subjects, and to support women aspiring to work in senior positions at TWI via a variety of programmes including:

- ▮ Supporting the activities of [The Tipper Group](#), which was launched in 2016. The Tipper Group holds events and organises networking opportunities to support and inspire female engineers in welding, joining and associated technologies in order to offer support and professional development. It promotes engineering careers for women and showcases senior female role models, linking like-minded professional and contributing to TWI's outreach programmes.
- ▮ Organising TWI's long-standing outreach programmes at local schools at primary and secondary levels, encouraging female pupils and students to embark into careers in science, technology and engineering subjects.
- ▮ Operating the [National Structural Integrity Research Centre \(NSIRC\)](#), a state-of-the-art postgraduate engineering facility to train the next generation of structural integrity engineers. TWI is proud that 30% of its current post-graduate students are women and that the proportion of women recruits by TWI from NSIRC has been over 40%.
- ▮ Supporting 'The 5% Club', a general campaign to increase 'earn and learn' training opportunities, via the recruitment of apprentices, sponsored students and graduates (both female and male) into the workforce.

Despite these initiatives and actions, we appreciate that we do not have all the answers as yet and delivering the results we aspire to, will take time. However, we are striving to improve the understanding of what is holding back progress. Our Gender Pay Gap results are a reminder that we have some way to go, but we are encouraged by the progress we are making and we intend to improve further in the future.

TWI, March 2018



Christoph Wiesner
CEO - TWI Ltd