

# Gender Pay Gap Report 2019



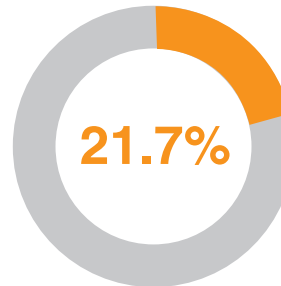
**April 2019**

Report is based on 5th April 2018 data

# Renishaw Gender Pay Gap Report 2019

People are central to the success of our business and over the past 45 years, our innovative, hard-working and loyal employees have helped to make Renishaw a highly successful, globally respected company.

We firmly believe that diversity and inclusion are crucial to our continuing success and we are committed to ensuring that we have a diverse workforce, where everyone is treated equally and with respect, and reflects the world we live in.



Women represented  
21.7% of the 2,730  
UK employees in  
Renishaw plc on  
5th April 2018.

## What is the Gender Pay Gap?

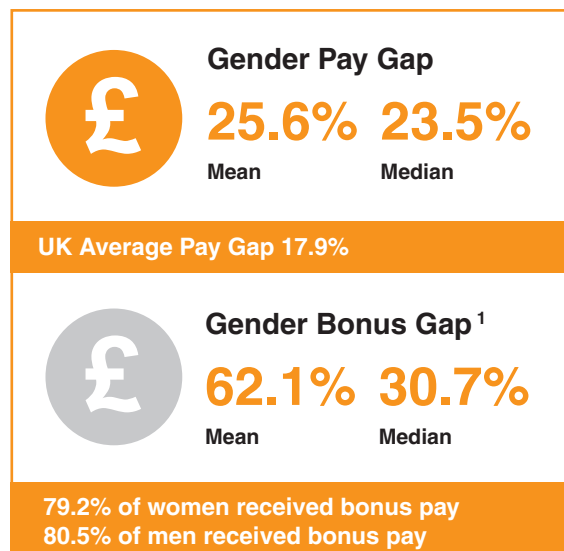
**Gender Pay Gap is different to equal pay.**

The Gender Pay Gap is the difference in the average pay and bonus pay of all men and women across an organisation, irrespective of their role. This is different to equal pay, which is the right for men and women to receive equal pay for equal work.

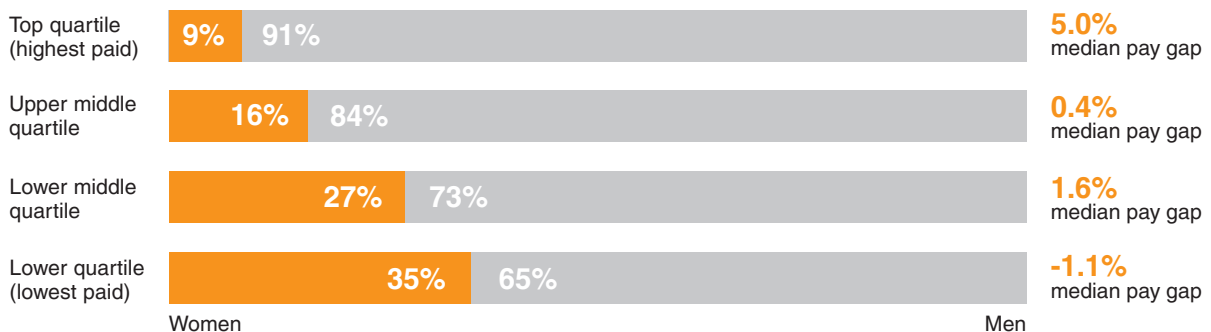
**The Gender Pay Gap in Renishaw is 25.6% mean and 23.5% median. The Gender Bonus Gap is 62.1% mean and 30.7% median.**

The mean is the difference between the average pay or bonus of every woman and every man, regardless of their roles.

The median is mid-point in our range of salaries or bonuses, from lowest to highest, for men and women. The median gap is the difference between the median for males and females. The median is usually more representative of gender pay difference, as the mean can be skewed by a handful of highly-paid individuals.



## The proportion of women and men in each pay quartile



<sup>1</sup> The mean bonus gap is significantly wider than the 40.9% reported in our 5th April 2017 figures, when the Directors were not awarded a July 2016 bonus. On 5th April 2017, our median bonus gap was 29.5%.

## Why do we have a Gender Pay Gap?

Our Gender Pay Gap is largely down to the shape and size of our organisation. The main impact on our figures is because we have more men than women in senior and technical roles.

Renishaw also has a large proportion of long-serving employees, particularly at senior levels.

Changes to the gender balance in Renishaw and the wider industry, will therefore be gradual. The rate of change to our Gender Pay Gap will be heavily influenced by the availability of applicants having the right skills and experience, for roles within our business.

According to a 2018 report by Engineering UK, women account for only 12% of the engineering workforce in the UK<sup>2</sup>. Renishaw is playing an active role to help improve this.

<sup>2</sup> Engineering UK 2018 The state of engineering <https://www.engineeringuk.com/umbraco/surface/report/ReturnReport?file=pdf>

## How we're addressing the Gender Pay Gap

### Increasing diversity

Increasing diversity in our talent pipeline is crucial to helping us address our gender balance.

To assist this, Renishaw are committed to:

#### Continue activities to encourage more women to study STEM

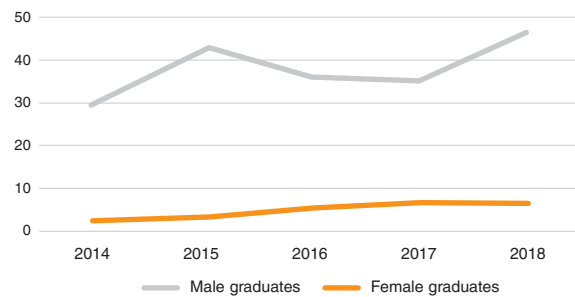
Renishaw is maintaining its active involvement in education outreach projects, particularly those intended to engage young people in science, technology, engineering and maths (STEM) subjects. Our UK-based education outreach team works with schools and in higher education, encouraging young people of all backgrounds to learn about engineering, and presenting it as an appealing career.

In the short-to medium-term, the gender mix of those studying STEM subjects to degree level remains a barrier to increasing the number of women in senior technical roles. For example, women represented only around 18% of UK Engineering and Computer Science students in 2015/16.

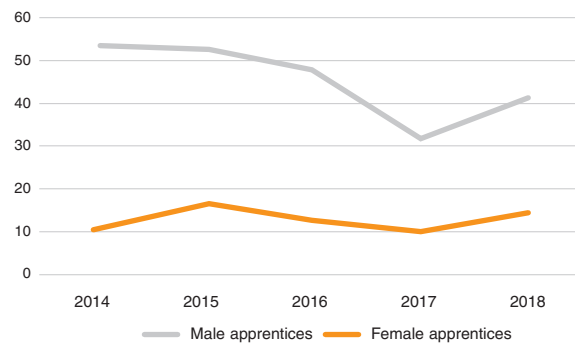
We offer STEM outreach training to all our new graduates and second-year apprentices, and have 164 trained ambassadors involved in STEM activities, of whom around one-third are women.

In 2017/18 we engaged with 9,625 students, and 19 of our 169 outreach events were with all-female groups. Student feedback on workshops hosted at our headquarters suggests that 44% would now consider science or engineering careers as a result of attending. These efforts are having an impact on our recruitment, shown by improving gender diversity of our apprentice and graduate intake over time.

**Graduate Scheme**



**Apprenticeship Scheme**



Like many organisations, we hope that this long-term strategy of encouraging women to pursue STEM careers, will result in a more diverse pool of potential candidates for senior roles in the future.



A STEM ambassador helping a school student at our Education Centre in Miskin, South Wales



Renishaw apprentices and graduates



### Attracting a more diverse workforce

Renishaw will ensure that our job adverts are written in an inclusive, gender neutral manner.

When working with recruitment agencies, Renishaw will ask that women are included in any long list and where possible we would ask that this is a 50/50 split. We will also keep a database of female applicants that meet the requirements for alternative future vacancies.

We will investigate how technology can help us to reduce the effects of unconscious bias, by generating diverse candidate pools and applicant profiles as part of our screening process.

### Diversity and Inclusion Policy and Committee

Our Diversity and Inclusion Policy is now in place and specific training will be rolled out in 2019/20.

We will be forming a Diversity Committee in 2019/20 to help us raise awareness of the importance of diversity within our business and ensure everyone, in every area of the UK, has access to the same opportunities. The Committee will monitor progress on the actions listed in the report and make proposals to the Board.

## Ensure equal development opportunities and career progression

Our ambition is to have a more balanced senior leadership team.

We recognise that the more diverse the backgrounds and experiences of our colleagues, the more opportunity we have as a business. A diverse workforce can deliver an innovative, creative environment and variety of ideas which provides us with our pioneering culture.

**'Our latest research finds that companies in the top quartile for gender or racial and ethnic diversity are more likely to have financial returns above their national industry medians.'**  
**McKinsey & Company – 'Diversity matters' 2015**

To achieve this we are implementing a range of initiatives which will allow us to develop a more diverse pipeline for future succession, these include:

### Learning & Development

In 2018, Renishaw enhanced its learning and development offering and our new modular based training for all management will include:

- Unconscious bias training
- Recruitment training for all recruiting managers
- How to hold open, constructive conversations with team members about career development and progression

### Succession planning

A new HR system will be introduced in 2019 which will allow colleagues to indicate their career aspirations, assess performance and highlight potential. Succession planning and continuous feedback will also be available in the new system. This will allow management to identify individuals who want to progress, and who have the skills to fill vacant senior positions. It will also increase the visibility of any available opportunities.

During 2019/20 Renishaw will implement a mentoring scheme, which will give access to senior managers, and assist with career development advice outside of the line management structure.

## Enhancing the employee experience

### Trial of more-flexible working

To better increase flexibility for colleagues and to promote work/life balance, we are currently piloting flexible working in two different areas. If the pilots are successful, we will look to roll this out further in 2019.

### Engagement survey

To help us engage more with our people and prioritise areas in which we can improve, we conducted an engagement survey in January 2019. The results of this will help us identify and prioritise areas to develop our business further.

Increasing diversity at Renishaw requires both short-term actions and long-term commitment. We are pleased to introduce these new initiatives that will deliver meaningful change to our business and we are committed to monitoring our progress and identifying any future activities.

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We confirm the data reported is accurate.



**Will Lee**  
**Chief Executive Officer**



**Diane Canadine**  
**Head of Group HR**