

What is the Gender Pay Gap?

The “Gender Pay Gap” shows the difference between the mean and median earnings of men and women regardless of job role. This is not the same as “Equal Pay” which looks at the differences between men and women who carry out the same/similar job role or work of equal value.

The snapshot date for calculating this information is annually on 5th April and applies to any legal entity with in excess of 250 employees. The figures published for the Vaillant Group in the UK relate only to Vaillant Group UK Limited. Vaillant Group Industrial Limited and Vaillant Holdings both have less than 250 employees therefore they are not reportable.

Mean

The mean hourly pay gap is calculated by adding the individual hourly pay rates for all men divided by the total number of men and the individual hourly pay rates for all women divided by the total number of women. The difference between the two is the mean hourly pay gap

Median

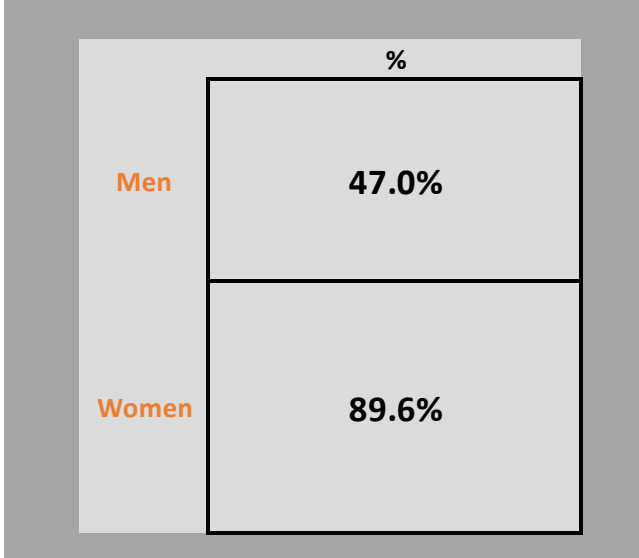
The median average pay gap is the difference between the hourly pay of the mid point male and mid point female when employees are listed this is the median hourly pay gap

Vaillant Group UK Ltd April 2020 pay gap figures:

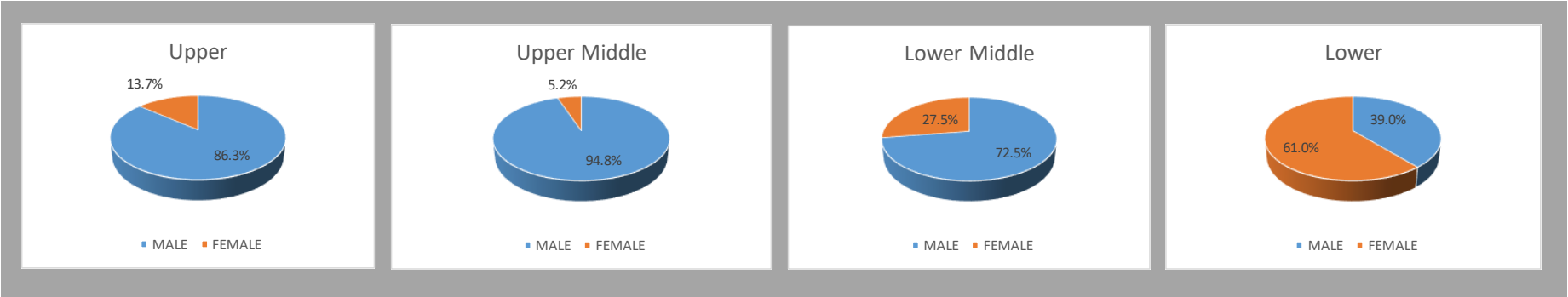
PAY GAP FOR PAY AND BONUS PAYMENTS

	GENDER PAY GAP (%)	GENDER BONUS GAP (%)
Mean	27.4%	56.7%
Median	36.1%	58.4%

% OF MEN AND WOMEN RECEIVING A BONUS



QUARTILES – PROPORTION OF MEN AND WOMEN



Key Factors impacting on the pay gaps

The following factors should be taken into account when considering these results:

- ❑ at April 2020 the total female employees equated to 26% of the workforce. This shows a further 1% increase of recruiting more females into the business since 2018 of 1% (2018: 25%)
- ❑ our median gender pay gap is 36.1% which gives a positive reduction of 5.1% from 2018 to 2021. (2018: 41.2%) Again, this is essentially due to the nature of our business having a large part of our workforce employed within our sales and service engineer functions - a majority demographic being men (93.3%). Our Contact Centre has a majority demographic being women (64.4%)
- ❑ whilst more women than men receive a bonus the mean and median bonus gap is higher for men due to higher bonuses paid in Sales and management positions, which have higher proportions of men.

Vaillant Group Statement

Our Gender Pay Gap results are largely influenced by the majority male demographics of our Service Engineering and Sales teams, also more male employees being employed in senior positions. Since 2018 we have started to address the recruitment of more women into senior roles and this is evident from the increase. We are continually looking to attract/promote more female employees into management and engineering roles and we are seeing a continued positive growth. To improve this we are continuing our engagement with the Women into Manufacturing and Engineering (WIME) initiative to encourage more female employees into engineering.

We are committed to taking action to continue to close our Gender Pay Gap and we are committed and endorse the ongoing and new initiatives stated below:

- ❑ Vaillant Group encourages and promotes a diverse culture and to reinforce this we continue working together on our “culture journey”. This is paramount to the business to enable us to grow and succeed.
- ❑ We pride ourselves that we are an Employer of Choice and this is endorsed by the Investors in People Gold award which was awarded to us in 2017 and 2019. This was predominantly based on the successful onboarding and Learning and Development we invest for all employees.
- ❑ We continue to promote Wellbeing and additional benefits to employees to enhance our current portfolio and we have added a reward and recognition scheme during 2020 as well as other benefits such as Gym membership and Cycle scheme.
- ❑ We are committed to supporting employees with work / life balance and wherever possible offer flexible working and homeworking options. We continue to encourage women to pursue their careers at work and to support this we have enhanced our maternity and flexible working policies.
- ❑ Our recruitment process ensures that we take positive action to appoint the right person into the role irrespective of race, gender, sexual orientation, disability etc. and following a successful introduction of Diversity and Inclusion into the workplace during 2018 we have continued with this to ensure all employees are fully trained and knowledgeable in order to drive equality and embrace diversity within the workplace.