

VOLVO

VOLVO GROUP UK LTD

Gender Pay Gap Report 2023

Volvo Group

Human Resources | Gender Pay Gap Report 2023 | External

2024-06-13

Background

- The UK government introduced a requirement for all businesses with 250 or more employees to publish annually updated information about their **Gender Pay Gap**. The data in this report relates to pay received by employees in **April 2023**, with bonus information relating to the period **April 2022 – March 2023**
- It should be noted that the **Gender Pay Gap** is not about **Equal Pay**. The **Gender Pay Gap** calculation takes the average hourly rate for all women across the organisation and compares it to the average hourly rate for all men across the organisation, whereas **Equal Pay** is about ensuring men and women doing the same job are paid at equivalent rates. Where an organisation has a **Gender Pay Gap** this does not show that men and women are paid differently for carrying out similar roles, however it can indicate that there are more men in senior roles than women.
- According to **Office of National Statistics** figures for **2023**, the median **Gender Pay Gap** across the whole of the UK amongst all employees was **14.3%**. This means that **Volvo Group UK Ltd** is slightly ahead of UK industry as a whole, however, more needs to be done.
- The data uses the following measures:

Mean – the average of the total number

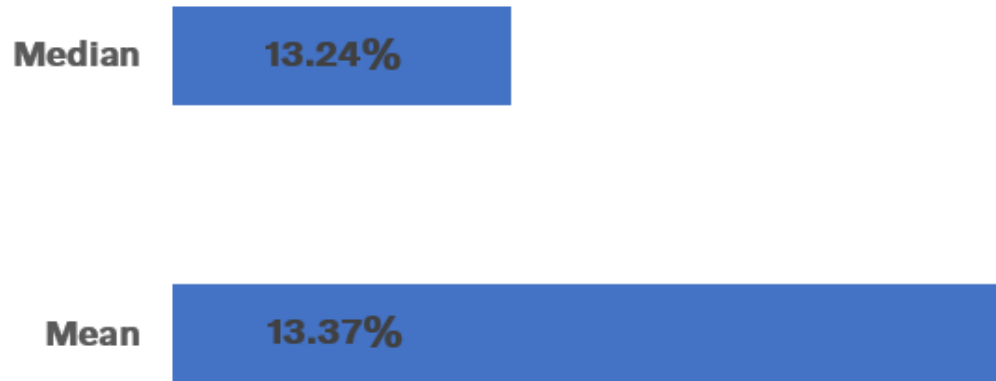
Median – the middle number in the complete sequence of pay data

Quartile – the distribution of the data into four groups, including the lowest and highest 25%.

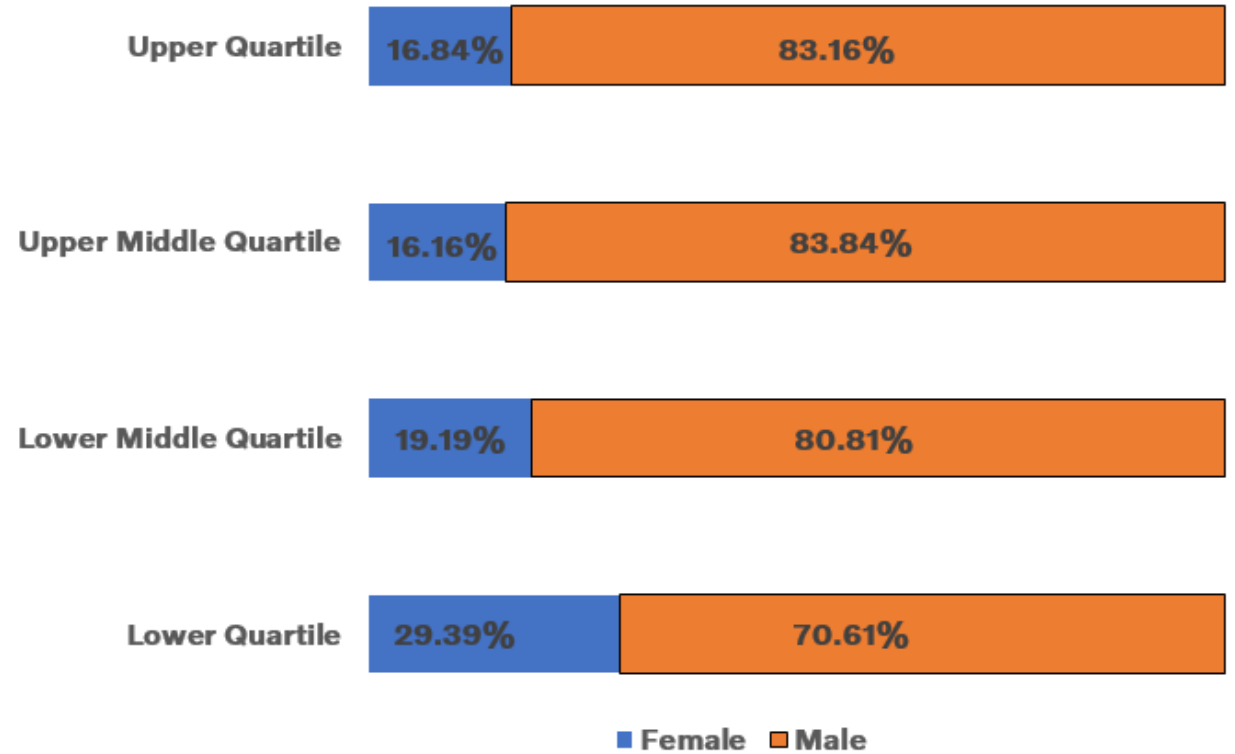


Gender Pay Gap

GENDER PAY GAP

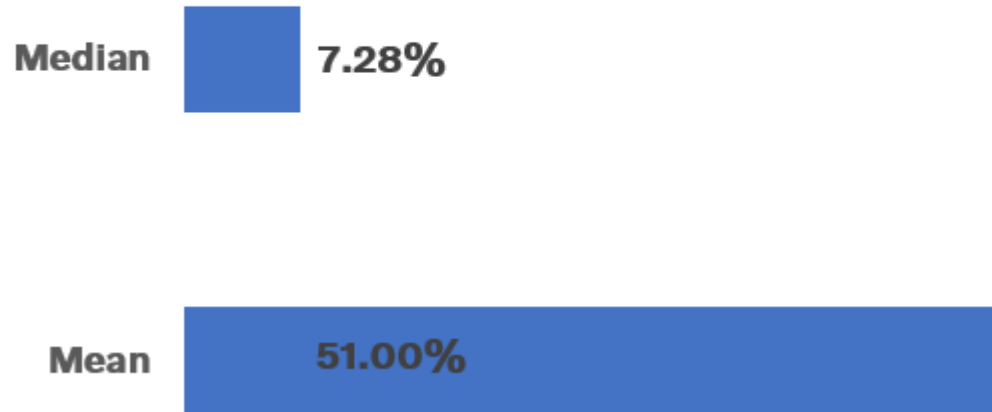


PROPORTION OF FEMALE / MALE EMPLOYEES BY QUARTILE

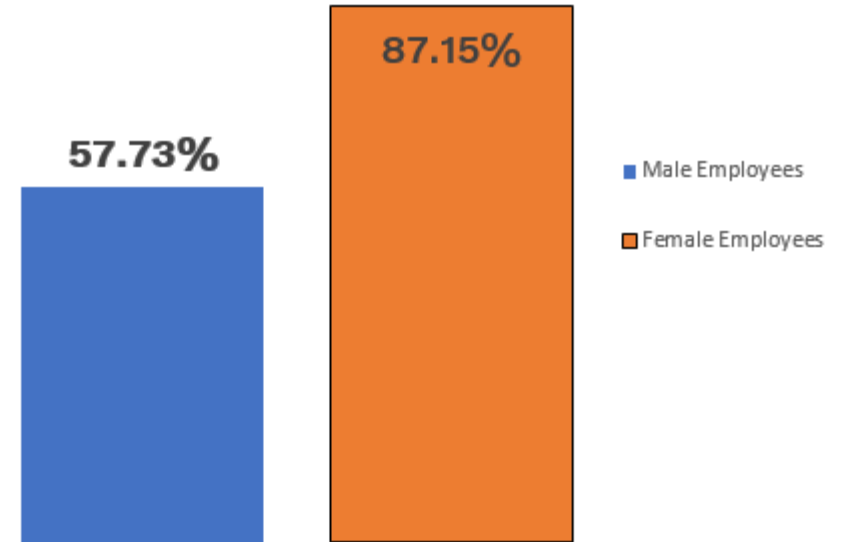


Gender Bonus Gap

BONUS GAP



PROPORTION OF MALE / FEMALE EMPLOYEES RECEIVING A BONUS



Understanding Volvo Group UK Ltd's Gender Pay Gap

Some progress is being made, with the median Gender Pay Gap decreasing from 17.34% in 2020 to 13.24% in 2023. More progress needs to be made to ensure Volvo Group UK Ltd can attract women into more senior roles, whilst also focussing on developing female talent internally.

The gender pay gap can be influenced by a range of socio-economic factors – for example women returning to work part-time following career breaks for childcare reasons. The sector in which Volvo Group UK Ltd operates has traditionally suffered from an inability to attract female employees.

The bonus pay gap figure is distorted by the high number of males in senior roles, as evidenced by the quartile figures, which show that 83% of Volvo Group UK Ltd's most highly paid employees are male.

The figures showing that females are more likely to receive a bonus than males are because female employees tend to be employed in White Collar roles, which attract a bonus, whereas Blue Collar roles are dominated by male employees, which do not always attract a bonus.



What is Volvo Group UK Ltd Doing?

Volvo Group UK Ltd is part of a global organisation and, as such, recognises that a positive approach to diversity and inclusion is a key factor in business success. There is an acknowledgement that increasing the number of female managers will lead to greater innovation and help the business continue to succeed into the future. As such a “Gender Challenge” to increase the number of female leaders globally to 35% by 2025 has been implemented, alongside the requirement to identify at least one female successor in all key roles as part of our Talent review process.

We ensure that mentoring and coaching opportunities are open to all, and actively promote this type of support to our female talent. We have also held internal career fairs, encouraging individuals across the organisation to look at and apply for roles in different Business Areas. A key part of these career fairs have been giving examples of women at all levels, and across Business Areas, sharing their career story to encourage and inspire others.



What is Volvo Group UK Ltd Doing?

Recruitment is an area where we know we are able to make a difference in female representation in the workforce. Volvo Group globally has a directive to ensure that all recruitment panels have at least one female, who is taking an active part in the decision-making process. We now aim to use non-gender specific vocabulary in recruitment advertising, utilising tools to ensure that “masculine” language is reviewed and amended where appropriate. There is also an emphasis on using diverse images in external recruitment and social media campaigns.

Support is provided to managers throughout the recruitment and interview process to ensure a fair, non-discriminatory and gender-neutral approach to appointments, both internal and external. Prior to beginning the recruitment process managers are provided with material to help them understand and challenge their own unconscious biases.

As part of external career promotion activity we also try to actively target girls in schools and young women at college or university to promote engineering as a career, including apprenticeships in our dealer network. We also have a successful intern programme, which aims to have an equal split between genders, and has also led to some interns returning to Volvo Group UK Ltd as permanent employees after their studies.



What is Volvo Group UK Ltd Doing?



We have updated our maternity policy to ensure that eligible individuals are entitled to 6 months at full pay and 6 months at half pay during their maternity leave.

Menopause awareness training has also been rolled out for managers, including signposting support for employees and managers, and a menopause champions group

We also recognise that building a culture of flexibility is good for everyone, not just women. Therefore, where the role allows, we have retained flexibility and informal hybrid working arrangements and encourage employees to manage their working time how they see fit. In practice, this means a mix of both home-working and office-working.

I confirm the data to be accurate

Danny Nussbaum

HR Director, Volvo Group UK Ltd