

FUCHS LUBRICANTS (UK) PLC
GENDER PAY GAP REPORT 2017



Fuchs Lubricants (UK) PLC ensures that people are treated equally at work, across all levels and locations. This includes making sure they have the same opportunities for recognition, reward and career development.

As a company, we create a culture where people can be themselves at work, regardless of their gender or any other attributes. Diversity and inclusion are central to our business.

We are confident that we have equal pay for equal work within the Company, however there is still a gender pay gap. This gap is caused by the unequal distribution of male and female employees across the company, not because of our pay policies and practices. The main reasons for this are that it is typical for our industry that there are fewer women in senior positions, and fewer women working in certain roles that attract higher levels of bonuses, such as sales.

We are continually working to bring gender balance to our workforce, and while progress has been made, there is still some way to go within the chemical industry.

We support the UK Government 's leadership in gender equality and the requirement for companies to publish their figures.

We confirm that the Gender Pay Gap data included in this report for Fuchs Lubricants (UK) PLC is accurate and has been produced in accordance with the guidance on managing gender pay developed by the Arbitration and Conciliation Service (ACAS)



Richard Halhead
Managing Director

Mean and Median pay and bonus gap			
Gender Pay Gap	Men's is higher by		Men's is higher by
	(Mean)	(Median)	(Median)
	32.4%		8.6%
Gender Bonus Gap	Men's is higher by		Women's is higher by
	(Mean)	(Median)	(Median)
	76.1%		37.7%
Proportion of Employees receiving Bonuses			
	Male	Female	
	51.1%	50.9%	
Proportion of Employees in each pay quartile band			
Pay Quartile	Men	Women	Employees in Quartile
Lower Quartile	76.5%	23.5%	81
Lower Middle Quartile	84%	16%	81
Upper Middle Quartile	79%	21%	81
Upper Quartile	95.1%	4.9%	82

Key:

Pay: Pay relates to the hourly rate at the snapshot date (05/04/2017). The hourly rate is worked out by dividing total pay for the month closest to the snapshot date, in our case being March's payday, by the number of hours worked. This includes any bonuses paid in that month.

Mean and Median: The gender pay gap shows the difference between the **Mean** and **Median** pay and bonus earnings of male and female employees. Mean is worked out by adding each person's individual amount together and dividing by the number of employees. The median is worked out by putting each employee into a list, smallest to largest and using the mid-point.

Proportion of males and females receiving a bonus: The proportion of male and female employees who were paid any amount of bonus pay.

Proportion of males and females in each quartile band: The proportion of male and female employees in four quartile hourly rate pay bands from lowest to highest. It is done by dividing the workforce into four equal parts

Equal Pay

Fuchs Lubricants is committed to providing equal pay for equal work, not only because it is a legal requirement, but because it is the right thing to do. We regularly conduct analysis which shows male and female employees are paid equally for equal work.

Our pay policies and practices are designed to control potential bias and to ensure equal pay for equivalent jobs regardless of gender.

The Gender Pay Gap

The Gender Pay Gap refers to the difference in the average pay and bonuses of all men and women across an organisation. We are confident that we have equal pay for equal work, however when comparing an overall average there is still a Gender Pay Gap.

Understanding the Gap

Men have traditionally dominated the lubricants sector, and this is reflected within our organisation where 80% of our employees are male and 20% are female.

There are two main reasons for our gender pay and bonus gaps; we have more men than women in senior positions, and women are under-represented in scientific, engineering, technical and sales roles. These positions attract high levels of remuneration due to scarcity of skills and highly competitive markets.

Our bonus awards are gender neutral. However, in some areas, such as sales, we see a greater bonus gap because of higher variable pay, reflecting market practice and few women in these roles. These bonuses have a significant impact on our mean bonus gap.

Fuchs Value Added Reward Scheme

In addition to traditional incentive schemes, in 2017, the Fuchs Value Added Reward Scheme was launched to ensure that all employees are recognised for their contributions to the business.

Inside Fuchs

To address gender balance, we maintain a culture of inclusion in which people from all backgrounds can fully contribute to the growth and success of our business. To achieve this, we remain focused on 3 areas:

- **Visible Leadership**
- **Inclusive Culture**
- **Attraction and Development**

Visible Leadership:

In line with our leadership principles and code of conduct, we conduct leadership meetings with a focus on collaboration and unconscious bias to ensure leaders understand their impact on others and how they can create a more inclusive working environment.

Inclusive Culture:

We offer maternity, adoption, surrogacy and shared parental leave policies equalised to balance the demands of parenting between both parents.

We raise awareness in areas including gender identity, inclusive leadership, unconscious bias, disability, cultural awareness and sexual orientation.

Attraction and Development:

We have gender neutral practices in our recruitment process including ensuring job adverts have gender neutral language and diverse candidate shortlists.

We mitigate unconscious bias during selection processes by having diverse and gender-balanced selection panels.