



## **Sixt UK Gender Pay Reporting 2018/19 – Published in April 2020**

*'Driving to close the gap' Sukh- People Director UK*



## 2018/19 UK Gender Pay Gap Report

### Foreword

For the 3<sup>rd</sup> year running Sixt UK looked forward to work through our Gender Pay Report.

As a business this gives us an opportunity to review how and where we offer opportunities for advancement and to ensure we are inclusive across the whole of the business.

We hope through regular reporting our results will demonstrate our commitment to equal opportunities and the measures we put in place to support this vision.

### What is the gender pay gap?

The gender pay gap is several average calculations that are designed to measure the difference between the average earnings of men and woman across the whole of an organisation. They are expressed as numbers that show the percentage of male earnings, e.g. men earn 1% more than women.

### Is this the same as equal pay?

Equal pay is covered by the Equality Act 2010, and states that men and women jobs should be compensated equally for work of an equal value. The gender pay gap information instead will show the distribution of male and females throughout our pay hierarchy and will help to identify where there are opportunities for Sixt to amend working practises to ensure inclusivity.

### About Sixt UK

At Sixt UK we are passionate about targets and ensuring our employees feel that they make a positive contribution to our end goal of reaching our business targets. We believe everyone has a role to play in the businesses success story and we have measures in place to ensure that our people are rewarded fairly for the contribution they provide.

#### Why has this been introduced?

Gender pay reporting has been introduced to provide transparency of pay as part of the government's initiative to ensure women are represented equally in the workplace.

#### What year do the figures relate to?

These figures relate to the reporting year of 2018 - 2019. The pay figures are taken from a snapshot date of April 5<sup>th</sup>, 2019, and the bonus figures relate to employees who were employed from April 2018- April 2019.

**FEMALES – 23%**

**MALES – 77%**

*The split of gender across Sixt UK for our reporting year 2018 – 2019.*

### What is our Gender pay gap?

We continue to work hard to give internal employees and external candidates the opportunity to progress into senior roles. We are proud that throughout our senior leadership team we currently have a good representation of females, and we look forward to reporting on this in the future. Our continued challenge and our focus for 18/19 is how we can increase the number of females attracted to, applying and being successful in our entry level roles and in our operational middle management positions. These roles are currently dominated by male employees.

**Rob Jones- Head of People Management**

#### Methodology

As we employ over 250 people we are required to submit our gender pay gap calculations in line with UK legislation. There are six main calculations which aim to show the distribution of males and females throughout the organisations pay and bonus hierarchy in order to identify any disparity.

The gender pay calculations are completed on employees who received their full pay during the pay period of April 2018.

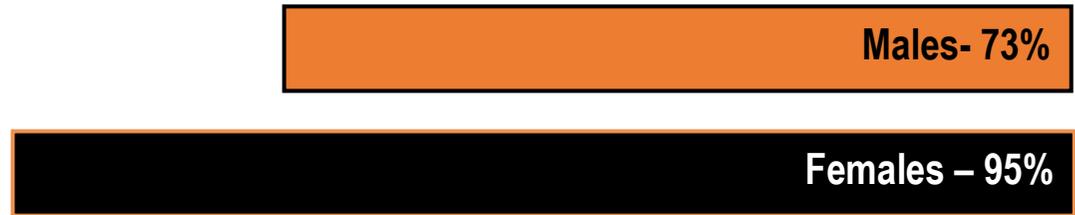
The gender bonus calculations are completed on all relevant employees who received a bonus during the bonus period of April 2018- April 2019.

### Key Data

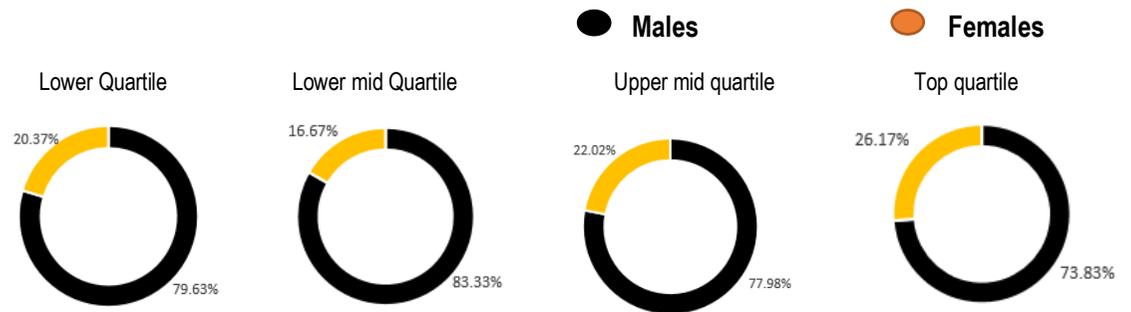
Information presented below relates to Sixt Rent a car UK, for years 2018 – 2019.

Mean and Median Gender Pay Gap	Mean	Median
	1.31%	-10.64%
Mean and Median Bonus Gap		
	-9.03%	-19.81%

#### Proportion of males and females receiving a bonus



#### Proportion of males and females by pay quartile (%)



## What do our figures mean?

### Pay Figures

#### **Mean Pay Gap 1.31%**

Our mean pay gap percentage tells us that we have provided pay and progression opportunities that are relatively similar, albeit with a marginal male advantage, across the internal levels of our organisation.

It tells us that we have provided females with an hourly rate that is extremely similar to males. It is important to note that during the reporting period for this calculation, a small number of male employees were given large bonus payments that do skew the results somewhat.

In November 2018 we significantly raised the base salary of a role that is very male dominated, and this has resulted in the difference from last year, where Females were paid 13% more on the Mean Calculation. It's important to recognise that this does not relate to equal pay for equal roles.

We are proud to have an almost equal Gender Pay Gap using the Mean Calculation and maintaining this will be our one of our main goals for 2019/20.

#### **Median Pay Gap -10.64%**

Our median pay gap percentage demonstrates where we are in terms of the middle of the

organisations pay scales. This shows us the middle value, which helps us to disregard any big outliers that might skew our figures.

We can see from this calculation that females earn a significant higher hourly rate than males. Whilst we are really encouraged to see this, we also wanted to explain why this might be.

As we have a smaller number of females than males in our workforce, we then see that each female individual pay can make a bigger contribution to the percentage figures than the males. Therefore, the way that we are required to report on this doesn't take the ratio of males to females into account. This figure is also impacted by the number of females in Senior Management or Leadership roles.

Nonetheless, we find it really encouraging to know we provide rewarding workplace opportunities for employees of both genders, and feel this commitment really makes us stand out as a good employer.

### **Proportion of Males and Females in each Pay Quartile**

This calculation demonstrates how each gender is spread across our workforce in respect to pay. Pay in this respect is in relation to an hourly rate of pay, which could be different to the actual hourly rate of pay received as we are required by government to use a standardised calculation in order to determine the hourly rate of pay.

We find the results really encouraging as we feel they broadly represent the gender demographic and overall make up of our workforce.

We are particularly proud that the results demonstrate how we are able to progress females through the hierarchy of our organisation and feel this is a really unique finding from within our industry.

We stay committed to ensuring we are providing equal opportunities for all throughout the workforce, regardless of gender or any other protected characteristic and will make sure all activities relating to pay and progression continue to be dealt with in an objective and consistent manner.

### Bonus Figures

#### **Mean Bonus Gap -9.03%**

Our mean bonus gap tells us that on average, females receive a higher bonus payment than males.

The car industry, and in particular Sixt, are a target driven, results orientated business, and we know this is one of the reasons why our employees enjoy working with us. Bonuses at Sixt rely heavily on employee's individual attainment goals, and most are not capped. We recruit, retain and develop people that enjoy this entrepreneurial aspect and feel empowered by it.

We operate a number of bonus schemes that are regulated by ensuring employees working at the same level are on the same bonus scheme.

Therefore, we feel the reason why our bonus disparity is favoured towards females is because of a number of high performers that we reward fairly and consistently in line with the scheme rules.

We have made a commitment to ensure we provide equal bonus opportunities for all and through a new tool (Rental Agent Score) that allows us to enhance our performance based culture and easily track and support underperformers. We will try and bridge the gap between bonus pay-outs in 2019/20. This will be driven centrally through the HR team in partnership with specialised employees that partner with branches. This helps us identify employees requiring development to maximise their potential. We are soon welcoming new more intuitive systems and operating platforms which will support employees in their roles everyday. We are confident we ensure all of our employees receive support required in order to achieve the highest bonus pay-outs.

### **Median Bonus Gap -19.81%**

Our median bonus gap gives us a middle average which aims to refocus so any

significant outliers do not contribute to the overall figure.

The majority of the bonus schemes that apply to this calculation are commission based, with a structured set of principles that govern the scheme.

Our Median Bonus Gap calculation shows that again our Female population receive on average more bonus than male colleagues.

### **Proportion of males and females receiving a bonus payment**

This calculation shows us out of our whole workforce during the reporting period of April 2018 – 2019, how many employees of each gender received a bonus.

We know from the calculation output, that a higher percentage of females received a bonus than males.

One of the reasons for this is because a role that is predominantly occupied by males in our workforce is not rewarded with a bonus scheme.

Since the last reporting year, we have focussed on raising the profile of this role and added progression pathways. Whilst this was not aimed specifically at females we have seen an

increase in successful female applicants to this role.

## **Our Equal Opportunities Commitment**

Our results have changed since the 2017/18 report, and we know there is more that we can do to continue to make the right changes. We feel that our results are encouraging and broadly represent the car rental industry as we look to review our competitors reporting as well.

However, there is more that can be done to support equal opportunities throughout the whole workforce and we want to commit to our employees, customers and stakeholders in order to ensure we do this.

### **What have we already done?**

Since the 2017 / 2018 Reporting year, we have completed the following actions;

- Created a salary strategy that addresses the disparity in pay between our Entry Level roles and our Sales Roles. Creating a higher base rate for those whose role does not attract a bonus.
- Created a salary strategy that addresses the cost of living in different cities in the UK, and reacts to this, in order to provide a greater quality of living in expensive housing locations.

- Created a bonus structure that allows all employees in Rental Sales Agent roles to receive a guaranteed bonus amount, regardless of performance. This aims to ensure pay parity.
- Relunched our Management Trainee Scheme to no longer encompass the requirement to work nationally, but just within Area Pathways which are pre-determined. We believe this opens up Management training possibilities that were previously not considered by some groups of candidates and employees.
- Created leadership and supervisory training programmes that can be run throughout the UK, with the aim to impact a higher number of employees, and those previously less accessible to training provisions.
- Created and delivered Management and Senior Management Diversity and Inclusion, Recruitment and Employee Relations training.
- Launched a global grading framework to ensure accurate grading and parity of similar sized/ specialist roles. This also paves the way for career pathways for our teams.

### What will we be doing next?

These are all parts of our People strategy, and areas we want to focus on over the next few reporting years;

- Improving Employer Branding material to ensuring it is inclusive to all, and to attract a diverse workforce throughout recruitment interactions, with a specific focus on platforms and mechanisms which provide the ability to attract more women to Sixt.
- Reviewing our family friendly policies and practises.
- Launching technological platforms within our customer service space creating greater transparency and engagement with customers. This then allows us to recruit for a broader skills set across these service/ sales roles
- Ensuring we continually review our progression programmes to ensure that they are inclusive to all genders and lifestyle.
- Really focus on the number of females we are hiring and try and increase their representation across all roles in the business.

I can confirm the information in this report is correct.



**Per Voegerl- Managing Director**

