



UK GENDER PAY GAP REPORT REPORTING PERIOD DATE APRIL 2019

Introduction

This report details the gender pay gap reporting requirements covered under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The regulations require companies with more than 250 employees to publish information on their gender pay gap.

Our Organisation and Business Structure

The AFE Group Ltd is recognised as a leading international business specializing in the innovative design, manufacture and service support of professional cooking, bakery and refrigeration equipment for the global food service market. We operate from 15 locations worldwide, including eight in the UK, together with operations based in France, UAE, China and Australia.

AFE Group Ltd is organised into five autonomous business units trading under the business and brand names of:-



Brand	Business Activity	Web Site
Williams Refrigeration	Refrigeration Equipment	www.williams-refrigeration.com
Falcon Foodservice Equipment	Commercial cooking and catering equipment	www.falconfoodservice.com
Mono Equipment	Bakery Equipment	www.monoequip.com
Millers Vanguard	Maintenance and service of bakery and foodservice equipment	www.millersvanguard.co.uk
ServiceLine	Maintenance and service of foodservice equipment	www.service-line.co.uk

This report covers gender pay gap reporting for the UK based entities.

AFE Group Gender Pay Gap Results

AFE Group's gender pay results are calculated for 1,173 colleagues working for our five business units (April 2018:1,217). In 2019 we have seen our median pay gap for all UK employees fall from 15.86% to 12.44%. Our median bonus gap is 51.5% in 2019. As part of our ongoing business review and performance management targeting there have been significant changes made to certain targets and bonus scheme arrangements in the year. The new arrangements are included in performance related bonus schemes for both male and female workers.

Key Reporting Data

Employees at snapshot date:	
 980	 193
Gender Balance	
84%	16%

Base Pay:

	% gap 2019	% gap 2018
Mean	19.99 %	21.94%
Median	12.44 %	15.86%

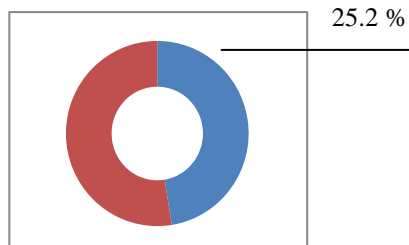
Quartiles	Male	Female
Pay Band A	77.35%	22.65%
Pay Band B	74.56%	25.44%
Pay Band C	88.85%	11.15%
Pay Band D	93.36%	6.64%

Bonus:

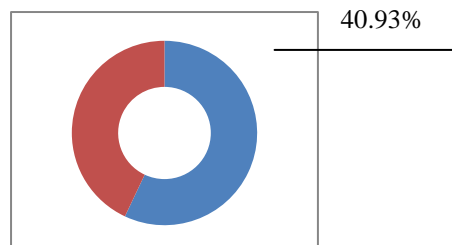
	% gap 2019	% gap 2018
Mean	69.47%	66.82%
Median	51.5%	-66.67%

Percentage in receipt of bonus

Male



Female



Key Findings

- **Pay**

The overall mean average pay gap for AFE Group is 19.99% and median is 12.44%.

The percentages reflect the gender distribution across the principal occupations within our business.

The manufacturing and field service nature of AFE Group Ltd business is such that we have high numbers of mechanical, engineering, field service and technical roles. Many of these roles are undertaken by males.

We have pay structures in place which ensure roles at equivalent levels are paid equally irrespective of gender.

- Our analysis shows that:

- Each business unit operates autonomously and in distinct market segments and geographic regions.
- Males make up a significant majority of our workforce
- A higher proportion of males hold mechanical, engineering, field service and technical roles which are typically higher paid
- Females are seen more predominantly in functional support roles which are typically lower paid than the mechanical, engineering, field service and technical roles
- AFE Group Ltd has a number of director and senior management positions held by females
- The majority of director and senior management roles are however held by males.
- Senior management positions are in general higher paying roles attracting higher levels of participation in bonus and incentive reward plans.

- **Bonus**

The overall mean bonus pay gap is 69.47% and median is 51.5%.

There are a variety of bonus arrangements in place across the business units with conditions typically based on individual attendance, performance and business success. Types of bonus arrangement include management, staff, sales, attendance and long service award plans. Eligibility to the respective bonus plans is linked to the position held; ensuring the application of bonus is free from gender bias. We regularly review bonus arrangements and their application against the business key performance measures.

The impact of gender distribution and the roles held by males and females is shown to have an impact on the bonus gap whereby typically more males occupy senior management roles which attract higher bonus payments than females. As with pay we believe the application of bonus awards are free from gender bias.

Addressing the Gap

There is wide reporting that the reasons behind the gender pay gap are complex.

We are confident that our gender pay gap does not reflect an equal pay issue nor is it related to paying males and females differently. We believe it is a result of the types of roles males and females are doing in our business. This is consistent with the reported pattern seen across our industry as a whole.

As an organisation we are committed to diversity and equality in areas which we can control as a business, and will continue to strive to address the gaps ensuring policies, practices and processes are fair and free from bias.

This includes ensuring males and females are paid equally for the same job and fair pay is awarded reflective of job evaluation, and talent. We aim to attract, develop and retain the best person for the job.

Although not directly associated to addressing the gender pay gap, we operate a number of initiatives that seek to develop positive and long term retention of our workforce and offer balanced support to the needs of both male and female colleagues. These include:-

- Flexible working policies
- Employee assistance, well being and return to work programmes
- Local partnerships with education establishments
- Regular evaluation and review of work roles and job grades

Accuracy Statement

I confirm the gender pay gap data contained in this report is accurate and has been produced in accordance with the regulations.

A handwritten signature in black ink, appearing to read 'T.S. Smith', with a long horizontal line extending to the left.

T.S. Smith
Chief Executive Officer
AFE Group Ltd