

# Gender Pay Gap

2022 – 2023



## OSL Group

### **Entrepreneurship, Empowerment, Excellence.**

Our six working principles for everyone in the OSL Group are:

- 1. We operate with trust, openness, and honesty**
- 2. We show courage and drive results and accountability**
- 3. We communicate effectively with empathy**
- 4. We share our views and support team decisions**
- 5. We are happy to bring and receive challenge**
- 6. We take the time to involve the team**



## Introduction

The OSL Group is a group of manufacturing businesses primarily in the North of the UK. The heritage of the business dates to 1864 and has grown in recent years both organically and by acquisition.

The OSL Group has around 200 employees globally and last year made the decision to voluntarily submit our Gender Pay Gap figures. The OSL Group see this as a valuable opportunity to scrutinise our own data, hold ourselves to account and use the findings to inform recruitment and diversity and inclusion policies. The CIPD encourage all employers of whatever size to calculate and publish their pay gaps.

## Information

The report analyses our employee data as of the 5th April 2023. The data referring to bonuses is from 1st April 2022 to 31st March 2023. Colleagues were excluded if they did not earn 'full pay' during the snapshot period, for example due to maternity, SSP.

The data reports on six measures:

1. Mean gender pay gap – the difference between the mean hourly rate of pay of male employees and that of female employees
2. Median gender pay gap – the difference between the median hourly rate of pay of male employees and that of female employees
3. Mean bonus gap – the difference between the mean bonus pay paid to male employees and that paid to female employees
4. Median bonus gap – the difference between the median bonus pay paid to male employees and that paid to female employees
5. Bonus proportions – the proportions of male and female relevant employees who were paid bonus pay
6. Quartile pay bands – the proportions of male and female employees in the lower, lower middle, upper middle and upper quartile pay bands

## Context

There are four businesses within the OSL Group:

### OSL Cutting Technologies

Based in Sheffield, OSL Cutting Technologies manufacturers metal cutting tools under several brands. It has a manufacturing, engineering, and shop floor team of around 62 which remains a predominantly male environment.

OSL Cutting Technologies has an office team of around 24.

### CQR

Based in the Wirral, CQR designs and manufactures system components for the security industry. The CQR shop floor of around 40 people includes a cable manufacturing team which is predominantly male and a team of assembly workers



which are predominantly female. The 2022 acquisition of Securefast has now since been incorporated into CQR under one brand and their team of 20. At this snapshot date they were separate entities.

### Owen Springs

Owen Springs is based in Rotherham and manufactures leaf springs and leaf spring products and their shop floor team is entirely male. At Owen Springs there are only three female employees in this snapshot.

### OSL Group Holdings

Staff within OSL Group Holdings work across the three subsidiaries as 'shared services'. This includes the Systems team, some Finance functions, HR & People and Digital teams of a total of 16 people. The majority of staff within this subsidiary were transferred over from OSL Cutting Technologies early 2023.

The calculations completed are done as a whole across all four subsidiaries.

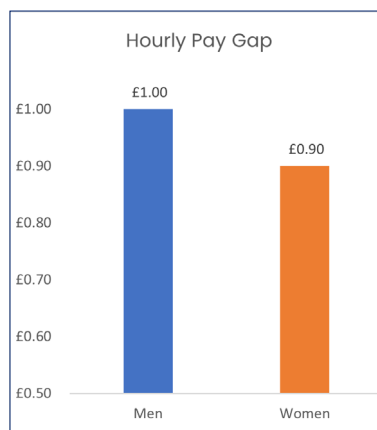
## OSL Group Outcomes

### Benchmark

Among full-time employees the gender pay gap in April 2023 was 7.7%<sup>1</sup>  
The most recent Sheffield data suggests a local gender pay gap of 10.6%<sup>2</sup>

### The Pay Gap

At the OSL Group in 2023 women earned 90p for every £1 that men earned when comparing median hourly pay. Their median hourly pay is 10% lower than men's.



When comparing mean (average) hourly pay, women's mean hourly pay is 16% lower than men's. This is accounted for by some high male earners.

Compared to the previous year, the median hourly pay gap has remained static. The mean hourly pay gap has reduced by four percentage points from 20% to 16%.

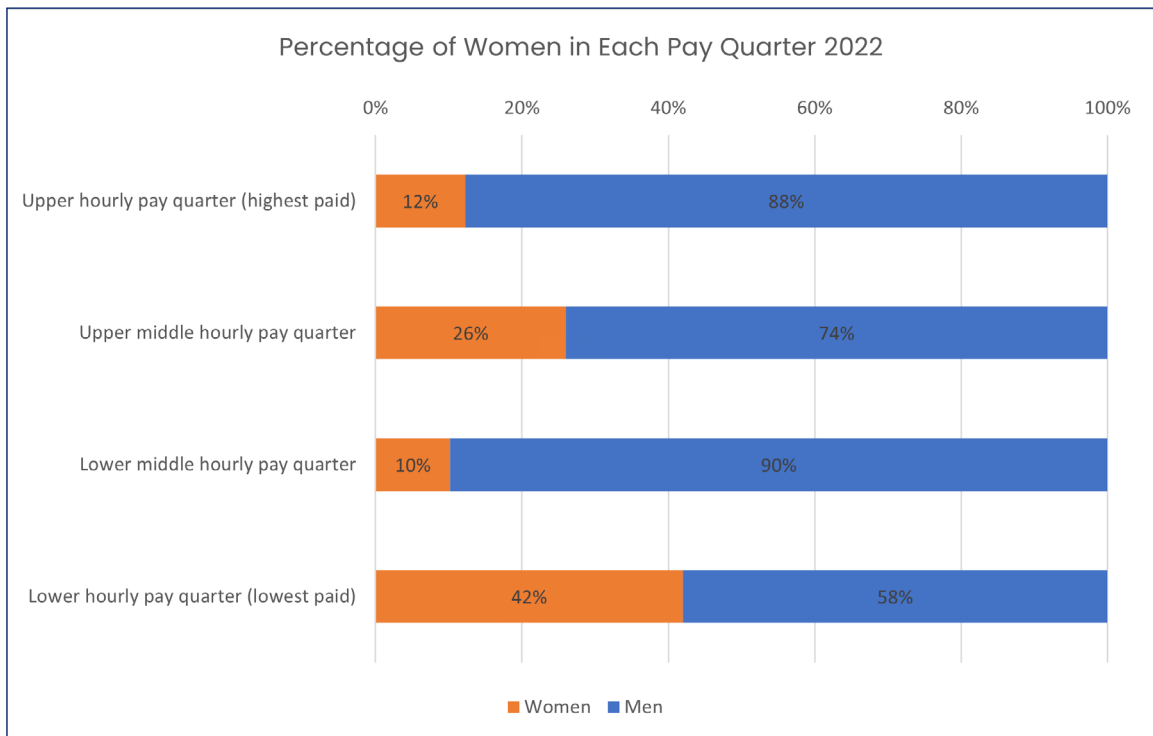
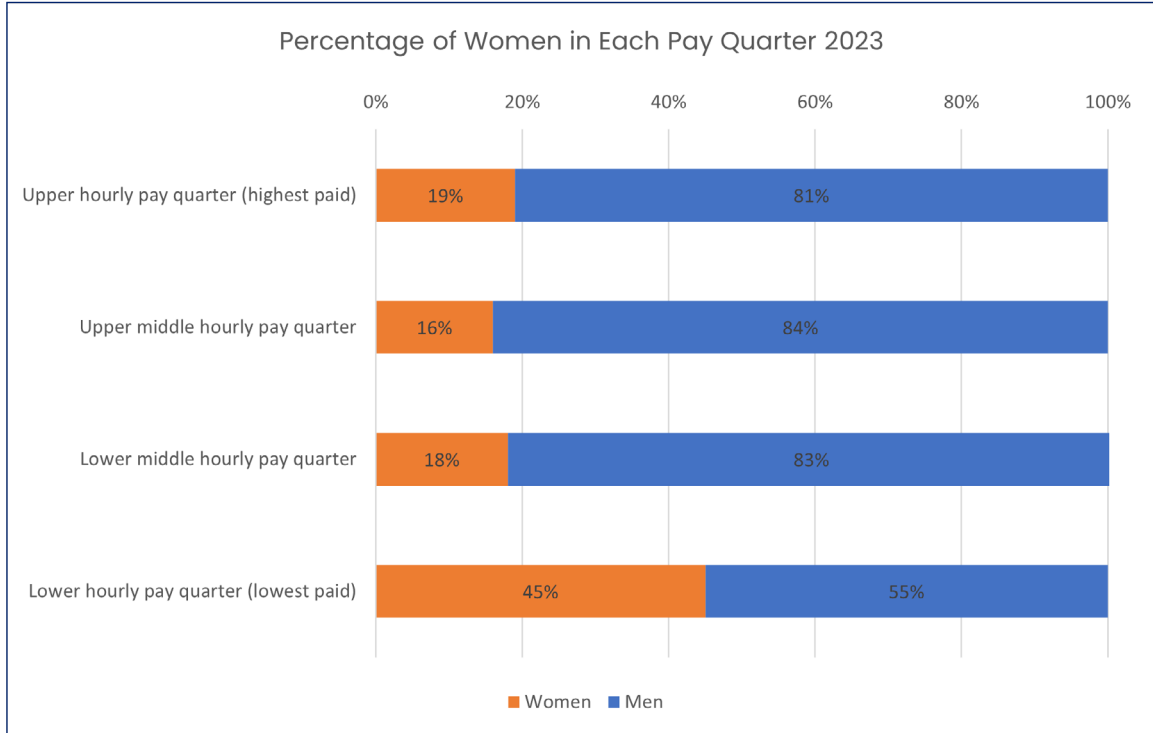
<sup>1</sup> <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2023>

<sup>2</sup> <https://www.thestar.co.uk/news/revealed-companies-sheffield-biggest-gender-pay-gaps-436666>



### Percentage of Men and Women in Each Hourly Pay Quarter

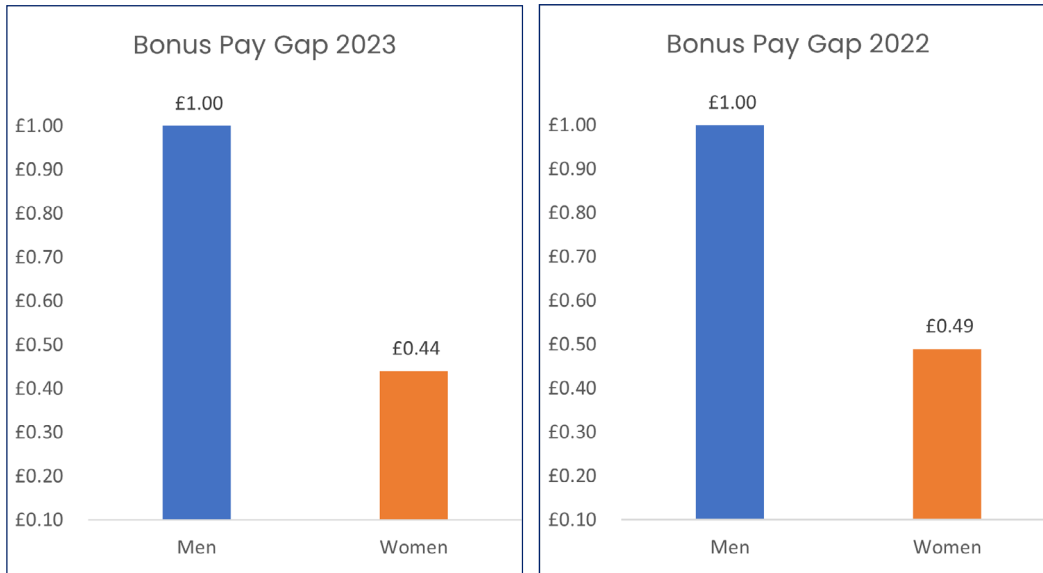
In the OSL Group, women occupy 19% of the highest paid jobs, an increase on previous year (12%). Women occupy 45% of the lowest paid jobs, an increase on previous year (42%).





## Bonus Pay

In the OSL Group, women earned 44p for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 56% lower than men's.



When comparing mean (average) bonus pay, women's mean bonus pay is 13% lower than men's. Previous year was 52%. This reduction is due to nearly all staff receiving a Cost of Living bonus in 2023, including teams who are ordinarily not part of a bonus scheme.

Receiving bonus pay was men at 93% and women at 96%. Previous year was men at 86% and women at 87%.

## Analysis

### Context

- The shop floor staff at OSL Cutting Technologies (our largest shop floor contingent) are all male
- The Owen Springs shop floor are all male
- The cable team at CQR are all male, their assembly team are almost all female
- Of the part time staff, we now have two males (previously all female)
- The executive team is all but one male

### Analysis

- The Pay Gap (median) has remained static year on year. Despite senior men leaving the business and not being replaced in certain areas, this has been countered in these numbers by pay rises across the business for inflation (5%) and exceptional pay rises being awarded to a number of more senior women.
  - The mean hourly pay gap has reduced by 4% from 20% prior year to 16% this year for the same reasons.
- In reference to the Percentage of Men and Women in Each Hourly Pay Quarter,



the increase in women in the upper hourly pay quarter is primarily driven by men leaving the organisation whose roles were temporarily not replaced. Senior roles in engineering, production, procurement, planning, finance, and a managing director all left since the previous figures and were not replaced in this snapshot. The impact of these roles being replaced (where applicable) will be seen in the 2024 snapshot.

- This is shown in the decrease of women (10% less) in the upper middle hourly pay quarter, many of these women have displaced these male held roles and moved into the upper level.
- In November, December and January of 2022 – 2023 the OSL Group paid a Cost of Living bonus to all staff, excluding executive level staff, making payments to 97% of staff. The bonus was a total of £450 split across the three months. The payment was in acknowledgement of rising inflation and the increase in energy prices.
  - Those in the executive team who did not receive the bonus were all men. However, these men received other bonuses.
  - Staff who were in notice periods and those who left prior in the year drive the 7% of men 'not receiving bonus'. The 4% of women who did not receive bonus will be those who left in the year prior to the Cost of Living bonus or who were in notice period.
  - Despite this, the Bonus Pay Gap has worsened year on year (44p for women in 2023, 49p in 2022). This is driven by Owen Springs' strong performance in the year meaning their executive bonuses were higher. Additionally, of those receiving the highest bonuses across the Group, 11 were men and three were women. This is driven by the same issue of a lack of female representation at the top of the business.
  - The mean (average) bonus pay paid to women is 13% lower than men's, compared to previous year of 52%. This is a vast improvement driven by the Cost of Living Bonus. The assembly team of primarily women at CQR do not receive bonuses ordinarily so this has driven the improvement.

## Conclusion

According to the latest ONS data, the gender split in manufacturing is 76% men and 24% women. Within the OSL Group the gender split is 75% men and 25% women. Within manufacturing businesses 80% of STEM occupations are held by men, and 70.7% of non-stem occupations are held by men.<sup>1</sup>

The attraction of women into manufacturing businesses remains a challenge for the OSL Group. Key hires made in 2023 in Operations, Health and Safety, Quality, a Managing Director, Product, Finance, and Sales were all men. This is driven by status quo; as more men work in manufacturing this affects the applicants that we receive. Often the ideal applicants are those with similar experience, i.e. working in manufacturing. This creates a cyclical hiring homogeneity.

There are positive signs of change however, with three new female team members at Owen Springs for 2024.

Additionally, in July of 2023 the OSL Group became a Living Wage employer. This

<sup>3</sup> <https://www.makeuk.org/insights/blogs/unfinished-business-women-in-engineering-and-manufacturing>



means that we have committed to pay above the 'National Minimum' and 'Living Wage' rates set by the Government. The Real Living Wage foundation measures the actual cost of living and creates a wage for people to live on accordingly. This means that all staff in the OSL Group are now paid the Living Wage as a minimum, and in fact, the Group already paid above these rates. Despite this we wanted to make a public pledge to continue to pay over the living wage and to hold ourselves to an accreditation that benefits our employees.

Transforming traditional manufacturing businesses into modern and progressive employers is a slow transition and attracting female talent into all of our businesses is going to be fundamental to this change. The reasons to do so are not only moral, a recent study has shown that in the UK, greater gender diversity on the senior-executive team corresponded to the highest performance uplift in the data set; for every 10 percent increase in gender diversity, EBIT rose by 3.5%.<sup>2</sup>

### Declaration

We confirm that the information and data reporting is accurate as at the snapshot date of 5 April 2023.

Mathew Grey  
CEO  
OSL Group

Neil Berry  
CFO  
OSL Group

Imogen Temple  
Chief of Staff  
OSL Group

<sup>4</sup> <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/diversity-wins-how-inclusion-matters#/>



**OSL**  
**GROUP**

