

Gender Pay Gap Report

Precision Polymer
Engineering Limited

April 2024

Contents

1. Introduction	Page 2
2. Gender Pay Data	Page 5
3. Our progress so far	Page 9
4. Action Plan and Gender Pay Pledges	Page 10
5. Summary - Gender Pay Data	Page 11
6. Director's Statement of Compliance	Page 12

Introduction

The government has introduced legislation requiring obligatory reporting on gender pay for all companies employing more than 250 employees, in line with its commitment to eliminate the gender pay gap within a generation. Even though the UK gender pay gap is at its lowest levels since the Office for National Statistics (ONS) commenced recording the gap, the government are hopeful that the legislation will result in employers taking positive action and implementing change to help eradicate the gap.

Precision Polymer Engineering Limited (“PPE”) is a subsidiary of **IDEX Corporation** and is part of the wider IDEX family which includes several separate legal entities. The information in this report relates solely to PPE and does not include any data from the wider **IDEX Corporation**.

PPE is completely committed to inclusion and equality for our workforce. PPE and the wider IDEX Corporation have already been working hard behind the scenes for several years on our inclusion policy to ensure that we are doing all that we can to ensure inclusion is achieved and that women are proportionately represented and employed in all areas and at all levels of our business. IDEX Corporation have achieved their aim to have 20% of Women on their Board by 2022.

PPE therefore welcomes and supports the government’s legislative steps addressing the existing gender pay gap and will continue to develop existing strategies and new plans to address the gender pay gap which exists within our own business and the sector in which we operate. We aim to reduce our own gender pay gap and are fully committed to ensuring equality of opportunity throughout our business. PPE considers that all our workforce should be awarded fair and equal opportunities, regardless of their gender.

We do however understand and have considered the obstacles and difficulties that our industry faces in relation to female representation. PPE recognises that people are its greatest asset and representation of women within our business is essential. As such, we will continue to nurture and develop existing and new strategies within our corporate vision to ensure that women are represented across our business, including within our Senior Leadership Team. We aim to accelerate gender parity and provide a diverse and inclusive environment.

What is the gender pay gap?

The gender pay gap outlines the difference in average earnings between men and women. It is important to note that this is different from and should not be confused with equal pay. Equal pay is the premise that men and women performing work of equal value should receive equal pay for that work. The law prohibits employers from paying their workforce unequally for carrying out work of equal value because of a person's gender. It is therefore possible, and likely for many businesses throughout the UK, to have genuine equality of pay yet still have a significant gender pay gap.

Why the gender pay gap exists

It is not straight forward to identify the reasons behind and causes of the existing gender pay gap in the UK.

It is widely understood that some of the complex and overlapping reasons behind the existing gender pay gap relate to:

- A higher proportion of women working part-time/reduced hours than their male counterparts and the link with part-time workers receiving on average a lower salary than full-time equivalents.
- Women taking up caring roles within their families including caring for their children and elderly relatives.
- A higher proportion of women opting to work in roles and professions which are less financially rewarding.
- Women taking time out of their careers for maternity and parental leave.
- Women being less likely to progress to more senior, higher paying roles.

The PPE Gender Pay Gap

PPE's gender pay gap exists essentially because the business employs nearly three quarters more men than women. There are more males in our most senior roles. Given the industries within which we operate, including Aerospace and Defence, Pharmaceutical and Biomedical, Marine and Power Engines, Oil and Gas, this is not unusual and more men than women train and ultimately develop careers in the industries we operate, than other sectors. We employ individuals who have qualifications, skills and experience in, for example, Chemistry and Engineering. It is a fact that more men than women study and work in these fields. Consequently, we have less females available within the recruitment pool for such roles.

It is important to highlight that the PPE gender pay gap figures (mean and medium) may be distorted by the inclusion of salary figures for members of the Senior Leadership Team, who are employed in platform roles and are consequently paid by PPE in the UK, yet their time (and ultimately a reflective proportion of their salary) is shared across several other multiple business units across Europe and the United States of America.

Gender Pay Data

1.) The Mean Gender Pay Gap for PPE Limited 8.1 %

This calculation shows the difference between the mean (mean average) hourly rate of pay of male and female full-pay relevant employees.

To calculate this, the Company has calculated the hourly rate for all full-pay relevant employees and has then calculated the mean hourly rate of pay for males and females.

The mean average is the sum of all the values in a list divided by the number of values.

Formula:-

$$\frac{\text{Male mean hourly rate for full-pay relevant employees} - \text{Female mean hourly rate for full-pay relevant employees}}{\text{Male mean hourly rate for full-pay relevant employees}} \times 100$$

This means that on average women at PPE are paid 8.1% less than men.

For every £1 earned by a man at PPE a woman will earn 0.92p.

A gender pay gap exists in most organisations.

PPE's Mean Gender Pay Gap of **8.1%** is lower than the UK average which is 14.3%*.

*Statistics from ONS Survey 2023

2.) The Median Gender Pay Gap for PPE Limited -9.1 %

This calculation shows the difference between the median mid-point (the average using the middle number in a sorted list of numbers) hourly rate of pay of male and female full-pay relevant employees. This is often due to a selection bias, especially when the employment rate is lower for women than for men as is the case at PPE - 1 woman to every 3 men. A negative percentage shows that men have lower Median pay than women in the organisation. This can be attributed to the fact that there are a greater proportion of Men who work in lower paid roles.

The Company has calculated the median hourly rate for all full-pay relevant employees, and it has then calculated the median hourly rate of pay for males and females.

The median is the middle value in a list where the values are listed in numerical order from lowest value to highest value.

Formula:-

$$\frac{\text{Male median hourly rate for full-pay relevant employees} - \text{Female median hourly rate for full-pay relevant employees}}{\text{Male median hourly rate for full-pay relevant employees}} \times 100$$

3.) The difference between the mean bonus pay paid to relevant male employees and that of female relevant employees 30.3%

To calculate the mean bonus pay for relevant employees, the Company has taken the sum of all bonus payments paid to its relevant employees over the course of the 12-month period ending on 5th April 2024 (“relevant bonus period”). The Company has then calculated the mean bonus payments made to its relevant male employees and that of its female employees.

Formula:-

$$\frac{\text{Male mean bonus pay for relevant employees} - \text{Female mean bonus pay for relevant employees}}{\text{Male mean bonus pay for relevant employees}} \times 100$$

4.) The difference between the median bonus pay paid to relevant male employees and that of female relevant employees 10.9 %

As with 3 above, only calculating the median bonus payments made to its relevant male employees and that of its female employees.

Formula:-

$$\frac{\text{Male median bonus pay for relevant employees} - \text{Female median bonus pay for relevant employees}}{\text{Male median bonus pay for relevant employees}} \times 100$$

5.) **The proportions of male and female relevant employees who were paid a bonus* during the relevant bonus period.**

In order to calculate the proportion of male and female relevant employees who have received a bonus in the relevant bonus period, the company has taken a list of all of the male relevant employees and the female relevant employees who have been paid a bonus in the relevant bonus period and expressed those figures as a percentage.

Number of relevant male employees who were paid a bonus in the relevant bonus year $\times 100$

Number of relevant male employees

96.3%

Number of relevant female employees who were paid a bonus in the relevant bonus year $\times 100$

Number of relevant female employees

96.9%

All colleagues are paid a bonus. The data show that 96.3% of relevant employees who are men received a bonus, and 96.9% of relevant employees who are women received a bonus. This means that a woman is no less likely than a man to receive a bonus.

There were 7 men who started in the year who therefore did not qualify for a bonus.

There were 2 woman who started in the year who therefore did not qualify for a bonus.

* The bonus figure does not include employees who have had their bonus paid into a pension scheme via a salary sacrifice

(Number of Men sacrificing some or all their bonus to a pension was 5. Number of Women sacrificing some or all of a bonus to a pension was 3).

6.) The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

The Company has calculated the quartiles using the 4-step method and has then expressed the percentage of male and female full-pay relevant employees in each of the quartiles.

Band	Male	Female
A - Upper	74%	26%
B – Upper Middle	72%	28%
C – Lower Middle	80%	20%
D – Lower	74%	26%

The above quartile percentages are reflective of the actual number of men and women employed by PPE across our business and illustrate that the ratio of men to women across each quartile is consistent until the upper quartile.

These results are not surprising given the industries within which we operate. However, as outlined below, PPE are taking positives steps to address this gender imbalance and to attract/promote more women into senior/leadership roles to address this.

Our progress so far

INDEX and PPE continue to uphold a strong diversity and inclusion strategy which has been woven into our business values and ethos and ultimately our workforce.

We have a robust pay banding system for all our shop floor staff and we are satisfied that we have complete parity of gender pay within this pay group.

Office-based employees have the option to work in a hybrid method. This allows flexibility of working hours and facilitates a positive work/life balance.

We continue to focus on improving mentoring schemes run by senior managers and senior leaders of the business to encourage and support progression.

We continue to develop our recruitment processes to ensure a fair and inclusive approach to recruitment, development, and progression, irrespective of gender. Given the identified gender imbalance, we actively encourage females to apply for roles within our business to seek to address the lower number of females across our workforce, particularly in the senior/leadership roles.

PPE have been encouraging our workforce to be involved in Women's events and networks across our industries to reach out to females to encourage more females at all levels of our business.

Action Plan and Gender Pay Pledges

We acknowledge that a gender pay gap exists within our business and that there could be a greater representation of women across our business. We see that the gender pay gap figures outlined in this report are only one side of this journey and are of course reflective of the introduction of obligatory gender pay reporting in line with the legislation.

However, more importantly for PPE, is the continuance of the hard work which has already been done to bring about change. Our gender pay gap is lower than the UK average and we aim to continue with our surviving strategies to reduce the gap by bolstering our recruitment process, entrenching inclusion and diversity into our existing culture, and increasing the representation of women across our business including in the most senior roles including our Senior Leadership Team.

Our Gender Pay Pledges

1. Ensure that the issues central to gender pay and the positive and progressive steps required to reduce it, are at the forefront of our Senior Leadership Teams' thinking, strategies developed, and policies implemented.
2. Foster a culture of inclusion and diversity and a genuine passion and desire to change stereotypes and bias.
3. Forge a positive and fair visibility of women across our business by supporting and encouraging the progression of all our workforce, and (given the lower representation of women in our business) women within our workforce through training, mentoring and the provision of career opportunities which reflect our diversity and inclusion values and beliefs.
4. To develop positive approaches to flexible working to make our company attractive to our workforce and potential candidates, in particular those with caring responsibilities and/or returning to work from family-related leave.
5. Concentrate on retaining our female employees by supporting them and celebrating their achievements across our business and encouraging our workforce to get involved with the InBalance I&D Network and other events such as International Women's Day.

We expect that the noteworthy work that we have already commenced prior to the introduction of obligatory gender pay reporting and our new strategies to bolster and further entrench our diversity and inclusion ethos, will reduce our gender pay gap.

Summary of Gender Pay Data

The mean gender pay gap	8.1 %
The median gender pay gap	-9.1 %
The mean gender bonus gap	30.3 %
The median gender bonus gap	10.9 %
The proportion of male employees receiving a bonus	96 %
The proportion of female employees receiving a bonus	97 %

The Pay Quartiles :-

Band	Male	Female
A - Upper	74%	26%
B - Upper Middle	72%	28%
C - Lower Middle	80%	20%
D - Lower	74%	26%

Managing Director's Statement

This Gender Pay Gap Report has been produced in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the “Regulations”), calculated using raw data captured from the pay period **5th April 2024** (relevant period). The data in this report relates solely to Precision Polymer Engineering Limited.

A copy of this report will be published on the Company’s website where it will remain accessible to the public and all the Company’s workforce for a minimum of 3 years.

Carlos Uribe, President – PPE Global confirms that the information contained within this report has been collected from the **5th of April 2023** payroll data in accordance with the Regulations and the data contained within this report is accurate.

21.02.2024

Signed by **Carlos Uribe, President - PPE Global**

For and on behalf of **Precision Polymer Engineering Limited**