

# Solenis UK Gender Pay Gap Report April 2024

Under the UK Gender Pay Gap Regulations, it is mandatory for companies to report on their UK entities with a workforce of at least 250 employees. We are pleased to share that Solenis UK Industries Ltd, operating in Bradford and Grimsby, falls within this criterion. The figures in this report represent only Solenis UK Industries Ltd entity. The gender pay gap essentially highlights the variations in pay between men and women, using a variety of statistical measures.

## Gender pay vs equal pay

A gender pay gap is a measure of the difference between the average earnings of men and women, irrespective of roles or seniority. This is different to an equal pay review, which evaluates whether men and women receive equal compensation for performing tasks considered equally valuable. It is our legal obligation as an employer to give men and women equal pay for equal work.

The Gender Pay Gap Report must disclose:

- Mean and median gender pay gap (based on an hourly rate of pay on 5 April 2023),
- Mean and median bonus gender pay gap (based on bonus pay received in the 12 months leading up to 5 April 2023),
- Percentage of men and women receiving bonus (based on bonus pay received in the 12 months leading up to 5 April 2023),
- Distribution of men and women across pay quartiles (based on an hourly rate of pay on 5 April 2023).

## Mean and Median Explanation:

- Mean is the average value calculated by adding up all the values and then dividing by the total number of values.
- Median is the middle value in a data set when all values are arranged in order. It's the value that separates the higher half from the lower half of the data.

Both mean and median are important measures and should be considered together. While the mean can be affected by extreme values, the median provides a more reliable representation of a typical value.

The Regulations require us to report the gender gap by taking the women's value from the men's and then dividing by the men's value. When the result is a positive number, men's pay is higher than women's and, when the result is a negative number, women's pay is higher than men.

## Gender Pay Gap figures

The table below show our median and mean gender hourly pay gap based on hourly rates of pay as the snapshot date of 5 April 2023 & 2022, and bonus pay gap based on the bonuses paid in the year to 5 April 2023 & 2022.

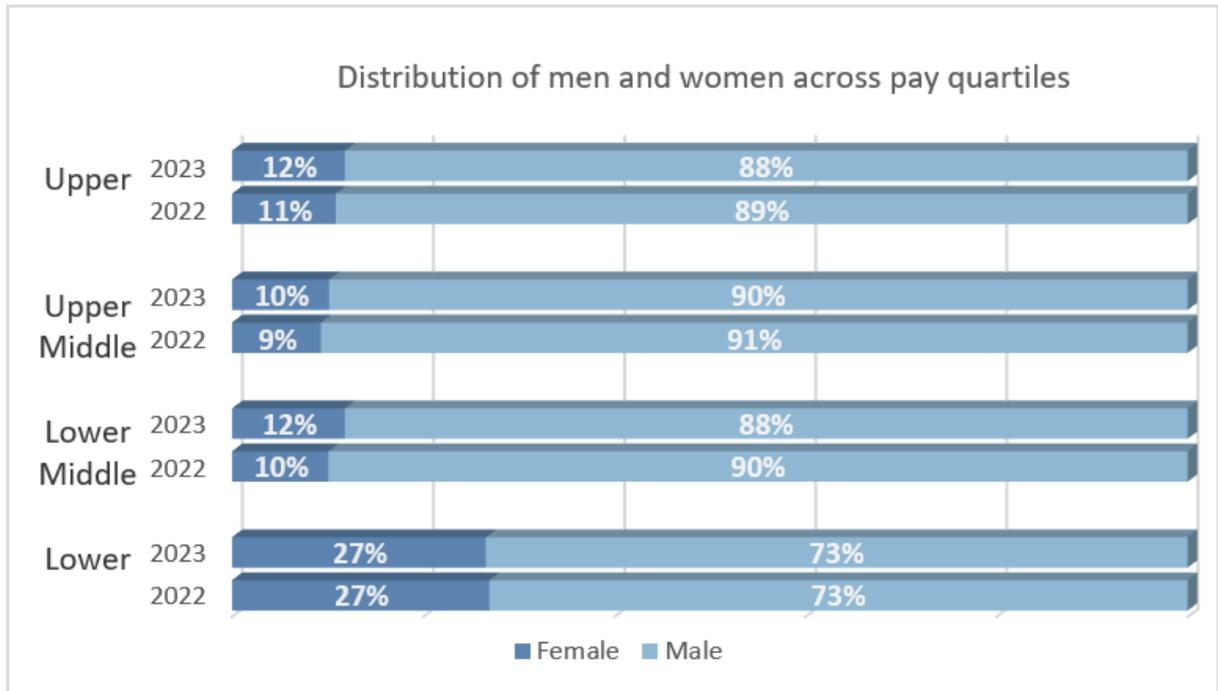
Hourly Pay Gap	2023	2022	YoY
Mean	9.72%	9.10%	6.78% <span style="color: red;">↑</span>
Median	11.53%	14.40%	-19.90% <span style="color: green;">↓</span>
Bonus Pay Gap			
Mean	-28.58%	-27.40%	4.30% <span style="color: red;">↑</span>
Median	-54.47%	-60.60%	-10.12% <span style="color: green;">↓</span>

The table below shows the proportion of males and females receiving a bonus payment in 2023 & 2022.

Proportion of colleagues receiving a bonus payment			
Gender	2023	2022	YoY
Female	98.73%	97.40%	1.37% <span style="color: green;">↑</span>
Male	97.31%	91.50%	6.35% <span style="color: green;">↑</span>

The table and graph below show the proportion of males and females in each quartile band in 2023 & 2022.

Quartile	2023		2022	
	Female	Male	Female	Male
Upper	12%	88%	11%	89%
Upper Middle	10%	90%	9%	91%
Lower Middle	12%	88%	10%	90%
Lower	27%	73%	27%	73%



### Understanding the gap

We are confident that our median hourly gender pay gap reporting, in favor of males, is not an equal pay issue. It is rather a result of our success in bringing in more entry-level females, which has been our goal over past few years. This approach has also contributed to a reduction in the median bonus pay gap, favoring females.

\*\*\*Additional information in case there is need to elaborate on the bonus pay gap: 1) *One contributing factor to the pro-female bonus pay gap is the willingness of male employees within our organization to allocate a significant portion of their bonuses toward their pension plans. This allocation has the effect of lowering the bonus figures used in Gender Pay Gap (GPG) calculations.* 2) *At organizational level, the bonus pay gap is in favor of women. However, when we dive deeper into individual entities, a contrasting trend emerges, where the gap tends to favor male employees. This is driven by the concentration of female workers in UK 260, where bonuses are typically higher. The mean gender pay gap for bonus pay in UK 260 stands at 12.8%, which is a bit higher than 11.7% observed in UK 365. Meanwhile, the median bonus pay gap in UK 260 is 10.5% and 13.4% in UK 365. This perspective highlights the complexity of our bonus pay dynamics.*\*\*\*

At Solenis, we are firmly committed to ensuring that individuals engaged in identical roles, as well as those in positions of equivalent value, receive compensation within the same salary range. Our gender pay gap does not stem from unequal pay issues, as we uphold a fair compensation strategy that is consistently applied throughout all levels of our organization. We continuously monitor this matter to fulfill our legal and moral obligations.

## Diversity, Equity & Inclusion

At Solenis, we've fueled the growth of our business by creating a culture that delivers a positive experience for every customer during every interaction.

Innovative solutions come from team members bringing their unique perspective to our customers' water and sustainability challenges. As we come together from a broad array of life experiences, we strengthen the value we deliver to customers every day. From diversity in recruiting outreach to leadership inclusivity training to global panels covering tough topics, we actively engage our team to create a workplace where people feel connected and respected.

Solenis is proud to promote a growing list of employee networks that help foster diversity and empower inclusion.

We commit to focus on the following areas this year to support our DE&I strategy:

- Recruitment – We already have mandatory diverse interview panels for all internal and external vacancies to improve decision making. Our aim is to attract many more females into our entry level roles, that have traditionally been male dominated. We are taking a number of actions to achieve our aim, including engaging local community on STEM careers available to females and improving our selection process.
- Learning & Development – Women's International Network of Solenis (WINS) is open to all Solenis employees. WINS was launched to grow a company culture that attracts, retains and empowers the industry's most talented women. The group develops a wide range of diversity and inclusion content and programming, such as virtual networking, learning and development programs and our annual celebration of International Women's Day.
- Hold at least one leadership development course specifically aimed at aspiring females.