



Gender Pay Reporting 2020

Praxair Surface Technologies Limited

A Linde company



Praxair Commitment



Praxair is committed to recruiting, hiring, compensating and promoting people based solely on their abilities, performance and qualifications. Employees are expected to maintain a professional work environment, in which all employees are treated with respect and dignity regardless of gender.

As part of our commitment to equal opportunities, Praxair prohibits discrimination or harassment based on race, colour, religion, gender, national origin, age, disability, veteran status, pregnancy, or sexual orientation. This prohibition is applicable to all Praxair employees worldwide whether or not such behaviour is prohibited by the laws wherever you work.

Praxair is committed to complying fully with applicable labour and employment laws wherever it operates.

Ending discrimination is key to the success of business and the wider economy, we welcome this government initiative.

Praxair Surface Technologies Ltd

Gender Pay Gap 2020



The mean gender pay gap for Praxair Surface Technologies Ltd is

11.47% (2019: 9.46%)

The median gender pay gap for Praxair Surface Technologies Ltd is

11.74% (2019: 8.99%)

- ✓ Our Pay Gap has increased this year due to a combination of;
 - losing some key diverse candidates in roles such as Engineering Manager, and the HR Manager & HR Advisor on maternity leave
 - the average male salary increasing.
- ✓ Whilst our overall headcount reduced from 260 to 252 relevant employees during 2020, the percentage females to males has increased slightly to 20.24%.
- ✓ The placement of our female population has increased in the lower and upper middle quartiles.

Praxair Surface Technologies Business Confidential

*The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) and include base salary and other allowances as well as individual and company performance based bonus payments received over the previous 12 months.

Praxair Surface Technologies Ltd

Pay Quartiles across the UK workforce



Band	Males	Females	Description
A	70%	30%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	80%	20%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	84%	16%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	85%	15%	Includes all employees whose standard hourly rate places them above the upper quartile

Praxair Surface Technologies Limited Ltd (PST) is in line with the typical UK workforce composition as a whole, with more women in the lower pay quartiles.

PST had a female General Manager during the 2020 qualifying period, however, the majority of other senior roles within the business were held by men.

We are committed to developing and promoting all genders on the basis of merit. We also actively seek to recruit females in to our industry, where skills, knowledge and experience allows.

Praxair Surface Technologies Ltd

Bonus Gap across the UK workforce



The mean gender bonus gap for Praxair Surface Technologies Ltd is
56% (2019: 82%)

The median gender bonus gap for Praxair Surface Technologies Ltd is
-1% (2019: 85%)

Our position here is improving. The median bonus gap has reduced to a position where the mid-point female bonus is greater than the mid-point males bonus.

- ❑ The mean bonus award for females increased in 2020 by 317% (2019: +104%), driven by having a female in our most senior position; General Manager.
- ❑ The proportion of male employees in PST receiving a bonus is **25%** (2019: 25%) and the proportion of female employees receiving a bonus is **12%** (2019: 23%). This reduction is primarily due to the number of female employees receiving long service award payments in 2019.

Bonus data includes: Employee Performance Awards, Special Recognition Awards (including Long Service), Sales Commission and Share / Stock Award Schemes.

The level and opportunity of a bonus award increases respective to the level of seniority within the Company.

Underlying causes of PST's Gender Pay Gap

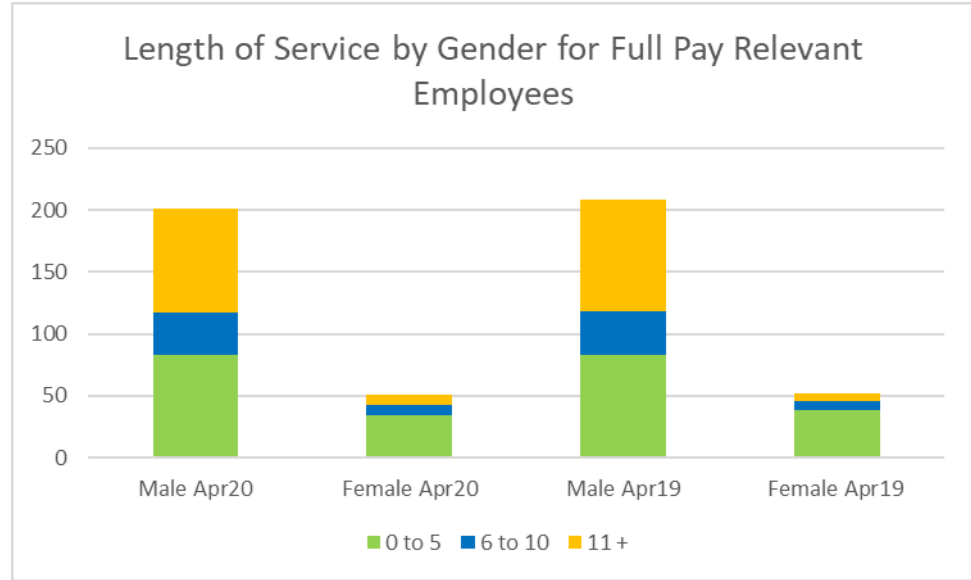


We believe that our pay gap is largely driven by historical gender association within the manufacturing and engineering industries. We have a strong level of retention with long service attracted by a number of male employees – see table.

We do not have as many women as men, although we are steadily changing our position here. We also do not have as many women in senior positions – the same challenge as most Engineering/Manufacturing organisations throughout the UK. We are working hard to change bring more diversity to our team, including the recruitment of a female General Manager.

Our industry will always play a huge factor in our ability to attract females, but as wider perception slowly changes we hope this becomes less of a challenge in the future.

Diversity and Inclusion is a metric we report on and one we have seen improve over the years. There is still more to do, but by continuing to review this measure we keep it front of mind when making hiring decisions.



Women in UK Workforce



We are committed to increasing the number of women in our workforce to 30% over the next 5 years.

What is PST doing to address our gender pay gap?



The steps that PST has or will take to promote gender diversity in all areas of its workforce include the following:

- ❖ **Conducting annual pay and benefits audits;**
- ❖ **Providing regular equal & gender pay awareness communications for managers** who are involved in pay reviews;
- ❖ **Evaluating job roles** and pay grades versus the external market to ensure a fair structure;
- ❖ **Supporting STEM** (Science, Technology, Engineering, Mathematics) programmes with local education establishments, in an attempt to address the issues of the next generation choosing a career within this field;
- ❖ **Having an open and transparent** pay structure and grading system;
- ❖ **Supporting flexible working practices;** and
- ❖ **Offering equal opportunities** to all employees.

Summary



Having greater awareness of the Gender Pay Gap has enabled us to take a more detailed view of our company, and we are committed to supporting initiatives to reduce the gap further over the coming years.

Due to the external cultural changes required to address many of the causes of the gender pay gap, the impact and effect of these initiatives could take many years to be fully realised.

We will continue to monitor our diversity and gender pay gap regularly. We will focus on ways to attract, retain and develop diverse talent and support career internal progression opportunities. We will support flexible working practices where practicable and encourage females into more senior positions.

A handwritten signature in black ink, appearing to read "Amitchell".

Abi Mitchell
HR Manager

A handwritten signature in black ink, appearing to read "R Ward".

Richard Ward
Business Controller & Director