

Gender Pay Gap Report 2023

Plessey Semiconductors Ltd.



Introduction

2023 marks the first year that Plessey Semiconductors Ltd have been required to submit a Gender Pay Gap Report and is an important milestone in the growth of our organisation and part of our continuing commitment to openness and transparency.

Alongside this growth, we have been committed to continuing to develop an inclusive culture, where diversity is valued and supports us to achieve our goals. Diverse experiences and perspectives drive more successful innovation and decision making. While Gender Pay reporting is mandatory, it also provides an opportunity to reflect on what we can do as a company in the short and long term to attract, retain and develop a strong workforce. Equality, diversity and inclusion in the workplace we believe are central to this.

Plessey is deep tech semiconductor manufacturing company working with global leaders in consumer technology to develop the next generation of displays for AR/VR applications.

Our company Core Values describe the fundamental behaviours we demonstrate on a daily basis. These drive expectations and performance across the business.



Collaboration: We work together both within and across departments and alongside our customer, supporting and challenging each other to deliver the very best possible solution.



Commitment: We are committed to achieving the impossible and "going the extra mile" to reach new heights/deliver the unthinkable.



Innovation: We continually look to challenge boundaries and seek new and creative ways of working, we are not afraid to take risks, to challenge, disrupt and lead the way forward.



Care: We care for each other, our customers, stakeholders, and the wider community. We respect and embrace diversity. We look for ways to continually learn and grow.

We confirm that the data contained in this report is accurate and has been collated in accordance with the gender pay gap reporting requirements outlined in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Susie Morcom (HR Director)

Keith Strickland (Chief Executive Officer)

What is the Gender Pay Gap?

UK companies with 250 or more employees must report their gender pay and bonus gaps annually. The Equality Act 2021 consolidated the Equal Pay Act 1970 and other areas of equality legislation. In 2017, the UK introduced legislation on mandatory gender pay gap reporting. Data is taken on a snapshot date of 5th April and must be reported by 4th April the following year.

The gender pay gap is the difference in average pay between men and women. This is considered at a company level, irrespective of the role the individuals carry out within the company. It's important to highlight that a gender pay gap is not a measure of equal pay which compares the salary of individuals performing the same role.. By law, men and women must get equal pay for doing equal work (work that is the same, similar, equivalent or equal value).

Gender Pay reporting must include:

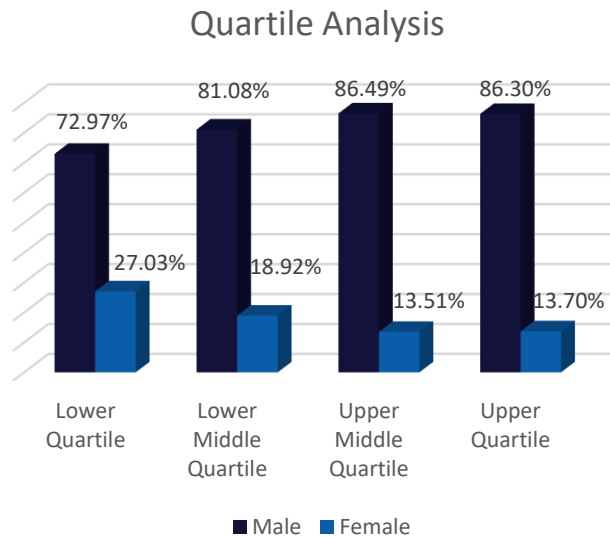
- Percentage of men and women in each hourly pay quarter.
- Mean (average) gender pay gap for hourly pay.
- Median gender pay gap for hourly pay.
- Percentage of men and women receiving bonus pay.
- Mean (average) gender pay gap for bonus pay.
- Median gender pay gap for bonus pay.

The UK Government identified what gender pay related data must be reported. The calculations must be based on all roles and levels within a company. The data presented in this report has been compiled in accordance with UK legislation and represents the individuals employed by Plessey Semiconductors Ltd on the snapshot date.

What is the Gender Pay Gap at Plessey?

Gender Pay Gap

The information below shows the percentage of males and females in each pay quartile.

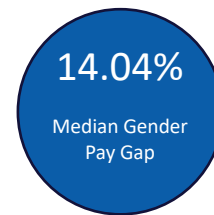


The snapshot data was based on a total of 310 employees, (18% female, 82% male). Due to the higher level of male employees in the company, it is reasonable to expect a higher level of male employees in each quartile.

The data does however show that as the lower quarters have a higher percentage of females, showing that there are more males in higher paid roles.



The mean gender pay gap is the difference in average hourly pay rates between males and females. The difference is expressed as a percentage of the male earnings.

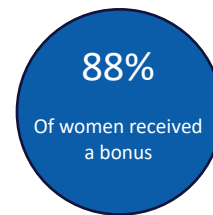


The median gender pay gap is the difference in hourly midpoint pay rates between males and females. The difference is expressed as a percentage of the male earnings.

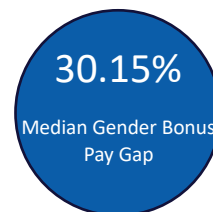
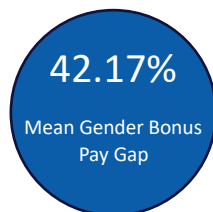
The ONS have estimated the 2023 UK gender pay gap for median gross hourly earnings to be 14.3% (based on Annual Survey of Hours and Earnings). 2023 provided the first snapshot date where data was gathered, meaning no company data comparison or trend is possible. It is important to note that this period saw significant growth in the company, where in the 12 months prior to the snapshot date, 103 employees joined, of which almost a quarter were female, increasing the percentage of female employees to 18% from 15% in 2021. Further analysis shows, as expected, that a lower percentage of women work in the engineering and manufacturing areas of the business, compared to those who work in support services. Despite this, the percentage of women in engineering and manufacturing has shown an increase in the period.

It is important to reiterate that a gender pay gap does not mean there is unequal pay.

Bonus Pay Gap



Plessey operates an annual bonus scheme for all employees, payments of which are classified as 'bonus pay' for the purposes of gender pay gap reporting. The bonus period follows the calendar year with the bonus payout in the first quarter of the following year. New starters to the company are only eligible to participate in the scheme if they have joined before October in the bonus year. In the period represented by the snapshot date, the majority of both males and females received bonus pay. The percentage of men receiving a bonus was higher than women, showing a difference of 3.16%.



The mean gender bonus pay gap is the difference in average bonus rates between males and females expressed as a percentage of the male earnings.

The median gender bonus pay gap is the difference between bonus rate midpoints between males and females expressed as a percentage of the male earnings.

The data above shows that male employees have received higher bonus payments than female employees. This largely reflects the higher percentage of males in senior management and senior engineering roles in the upper pay quartiles and the contribution and impact these roles in particular have to our company objectives, around which our bonus structure was set.

Our ongoing commitment

As a company we are committed not just to reduce the gender pay gap but to continue to support and develop an inclusive workplace. Our workforce is still predominantly male, however, over the two years prior to the snapshot date we saw an increase in female employees overall, including within engineering and manufacturing. Whilst the percentage of women in management roles and in our senior leadership team has increased recently, the overriding issue to address remains with the gender imbalance in our pay quartiles and that of helping to address the societal problem of attracting more women into STEM subjects.

Our employment benefits include enhanced maternity pay, a flexible working policy and within the last year we have introduced a menopause at work policy. We hold internal events for International

Women's Day and International Day of Women in Engineering, such as panels, forums, and awareness campaigns. We have launched our early career pathway, which includes work with local schools and running work experience programmes. We ensure we showcase our diverse workforce in these initiatives, so students can see that anyone can be an engineer, including women or other minorities. A further initiative within the workplace includes the introduction of a mentorship programme and while accessible to all employees, this provides women throughout the business more open access and opportunities to work with people in senior positions to help them flourish.

More widely, we are committed to and embrace diversity and are continually looking for new ways to learn as a business and to support inclusivity. Our range of policies and procedures are regularly reviewed and developed to support this. Since the 2023 snapshot date, we introduced Equality, Diversity and Inclusion training which has been completed by 100% of our employees. In addition to this we have begun to develop a programme of events and celebrations to support our diversity and inclusion agenda. This is something we are committed to continue into 2024.