

Gender Pay Gap Report 2024

Plessey Semiconductors Ltd.



Introduction

2024 marks the second year that Plessey Semiconductors Ltd have been required to submit a Gender Pay Gap Report and continues to be an important part of our ongoing commitment to openness and transparency. The previous report followed a period of growth and high levels of recruitment. Since this, external recruitment levels have reduced as the business has stabilised.

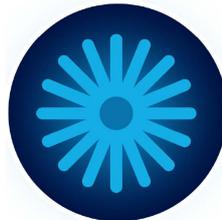
We continue to be committed to developing an inclusive culture, where diversity is valued and supports us to achieve our goals. We recognise that diverse experiences and perspectives drive more successful innovation and decision making. While Gender Pay reporting is mandatory, it also provides an opportunity 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 a 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.

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.



Commitment

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



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.



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.



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 (2024 for the current report) 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 would compare 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:

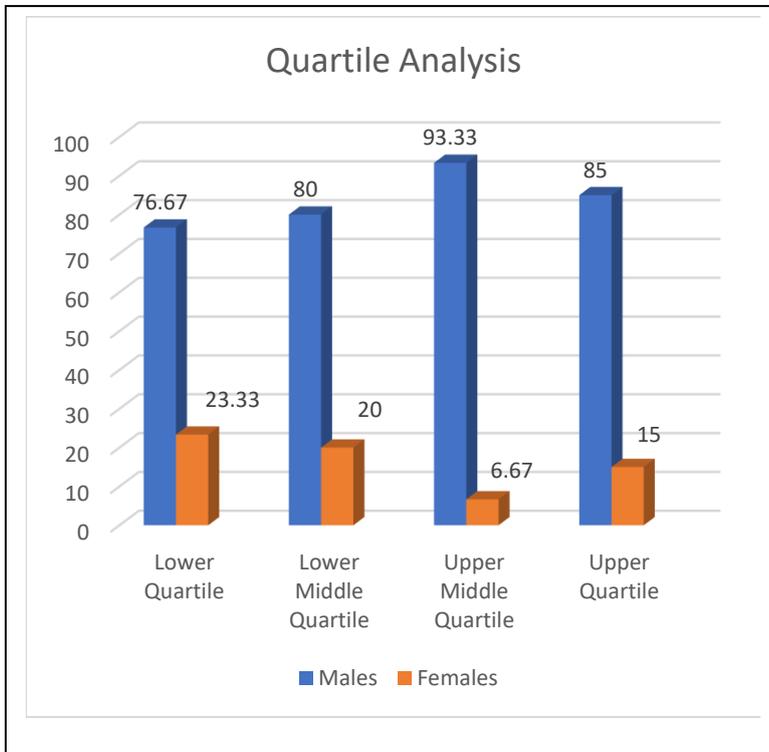
- Percentage of men and women in each hourly pay quarter.
- Mean (average) gender pay gap for hourly pay.
- Median gender pay gap for hourly pay.
- Percentage of men and women receiving bonus pay.
- Mean (average) gender pay gap for bonus pay.
- Median gender pay gap for bonus pay.

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 269 individuals employed by Plessey Semiconductors Ltd on the snapshot date of 5th April 2024.

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 269 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.

Compared to the previous year, the percentage of women in the upper quartile has risen slightly showing a difference of 1.3%. The percentage of women in the lower quartile has decreased, showing a difference of 3.73%.

Comparison to last years' data

	2022 - 2023		2023-2024	
	Male	Female	Male	Female
Upper hourly pay quarter	86.3	13.7	85	15
Upper middle hourly pay quarter	86.49	13.51	93.33	6.67
Lower middle hourly pay quarter	81.08	18.92	80	20
Lower hourly pay quarter	72.97	27.03	76.67	23.3

Mean and Median Gender Pay Gap



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.

Comparison to Last Year's Data

	2023	2024
Mean Gender Pay Gap	9.81	12.47
Median Gender Pay Gap	14.04	14.08

The ONS (Gender Pay Gap in the UK:2023) have reported that the median gender pay gap has been declining slowly over the last decade. The April 2023 figure stood at 7.7% for full time employees and 14.3% for all employees% (based on Annual Survey of Hours and Earnings). There remained a larger difference between employees aged 40 years and over and amongst higher earners. 2023 provided the first snapshot date where data was gathered, meaning there is limited company data for a comparison, or to identify any trends.

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

Bonus Pay Gap



In the period represented by the snapshot date, the majority of both males and females received bonus pay. The percentage of women receiving a bonus was slightly higher than men, showing a difference of 3.03%.

This calculation includes discretionary bonuses (a scheme which all employees are eligible for) and patent awards (dominated by our more senior engineers). This period is also unusual in that it includes the payout of an historical long-term share based incentive plan, established between 2018 and 2019, providing an anomaly in the reporting period. It should also be noted that at this time the percentage of females in the business was also approximately 2.5% lower than the current level.



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 on average higher bonus payments than female employees. This largely reflects the higher percentage of males in senior management positions and senior engineering roles, exacerbated by the aforementioned long term incentive plan payout in the period, with the mean bonus gap also skewed this year for the same reason. Noteworthy is the reduction in the median gender bonus pay gap compared to the previous year, showing a difference of 3.14%.

Comparison to Last Year's Data

	2022 - 2023		2023-2024	
	Male	Female	Male	Female
% receiving a bonus	91.16	88	66.97	73
Mean Gender Bonus Pay Gap	42.17		81.94	
Median Gender Bonus Pay Gap	30.15		27.01	

Our ongoing commitment

As a company we remain 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 recent years we have seen 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 in recent years, 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 a menopause at work policy. Although not solely impacting women, we have, since the last gender pay report also introduced a sexual harassment policy, domestic abuse policy and an IVF and assisted conception policy. We are also looking to introduce a time off for dependants policy this year. We hold internal events for International Women's Day and International Day of Women in Engineering, such as panels, forums, drop-in sessions and awareness campaigns. We run 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. As part of this pathway, we have worked with a women in stem club at a local school, inviting students into our workplace. Over the last 12 months we have seen an increase in work experience applications from female students suggesting a positive impact. Internally, we run 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. In the period relevant to the snapshot date, we ran Equality, Diversity and Inclusion training, which was completed by 100% of employees. Since this we have rolled out neurodiversity and dignity at work training. Each year we run a programme of events and celebrations to support our diversity and inclusion agenda. This is something we are committed to continue into 2025.