

Vesuvius UK Limited

Gender Pay Gap Report 2019

At Vesuvius, we believe that the dedication and professionalism of our people is the most significant contributor to our success. Having a balance of cultures, ethnicities and genders helps to promote innovation and creativity, and the diversity of our employees is one of the core strengths of the Group.

Vesuvius is committed to providing equality of opportunity in all areas of human resources, whether in recruitment and selection, promotion or training and development. Vesuvius supports equal pay for equal work, which is underpinned by our global job evaluation framework.

Gender Pay legislation requires UK employers with 250 or more employees to publish statistics to show the “pay gap” between male and female employees. The information below summarises the data for Vesuvius UK Ltd as at 5 April 2019. On this date Vesuvius UK Ltd had 250 employees (220 male and 30 female).

Gender Pay Gap

| | Mean* | Median** |
|----------------|-------|----------|
| Gender Pay Gap | 17.7% | 13.1% |

* **Mean** – a comparison of the average pay for a woman and the average pay for a man

** **Median** – a comparison of the “middle pay” for a woman if all pay amounts were sorted from low to high and similarly the “middle pay” for a man.

Vesuvius UK Ltd has a mean gender pay gap of 17.7% and a median gender pay gap of 13.1%, which is less than the current national median of 17.3% cited by the Office of National Statistics. These figures relate to all employees (full-time and part-time).

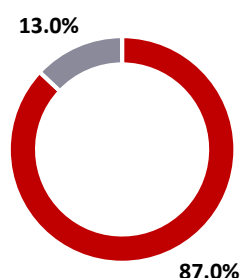
Pay Quartiles - Proportion of male and female employees according to quartile pay bands

The quartile analysis below shows the proportion of men and women in each of our pay quartiles. Only 12% of employees of Vesuvius UK Ltd are female, reflecting the situation in our Organisation as a whole (as stated in the 2018 Annual Report) which stood at 13%, with 7% of females occupied Senior Management Positions.

Lower Quartile

Male: 55

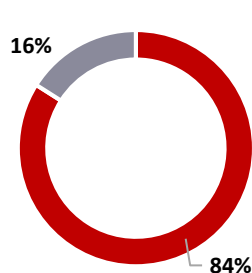
Female: 8



Lower Middle Quartile

Male: 53

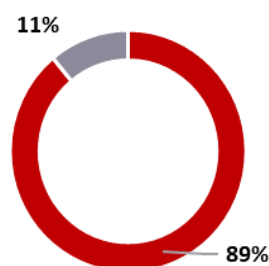
Female: 10



Upper Middle Quartile

Male: 55

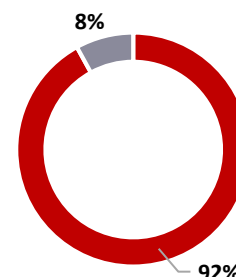
Female: 7



Upper Quartile

Male: 57

Female: 5



Male

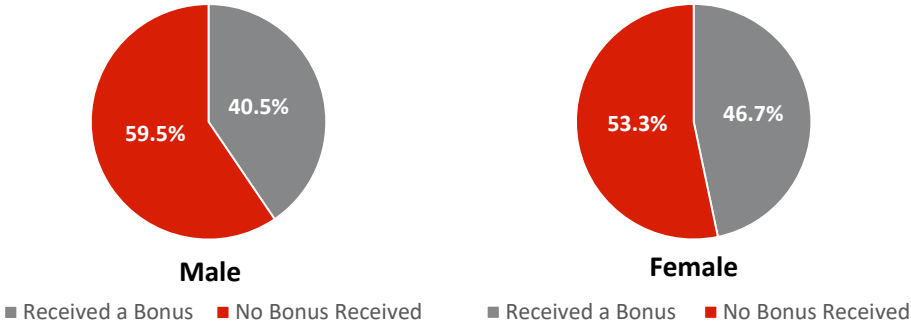
Female

Bonus Pay Gap – based on the 12 months preceding 5 April 2019

| | Mean* | Median** |
|------------------|-------|----------|
| Gender Bonus Gap | 34.7% | -8% |

- * *Mean* – a comparison of the average bonus for a woman and the average bonus for a man
- ** *Median* – a comparison of the “middle pay” for a woman if all pay amounts were sorted from low to high and similarly the “middle pay” for a man.

Proportion of Employees receiving a Bonus during the period



Of the less than 50% of all employees at Vesuvius UK Ltd who received a bonus, the mean bonus gap is 34.7% and the median bonus gap is -8%. This indicates that, as a proportion of gender, more women received a bonus than men.

Reducing Our Gender Pay Gap

As a Group, Vesuvius is committed to maintaining fair gender pay balance and recognises that, in line with other companies of our size and nature, we have an unbalanced gender representation. We are seeking to address this as part of our wider commitment to diversity, by:

- Attracting more female talent into the organisation, including our senior management and supporting the development of our existing talent pool to facilitate upward progression
- Offering fair and equitable remuneration and reward - this will continue to be a fundamental element of all our policies and procedures.

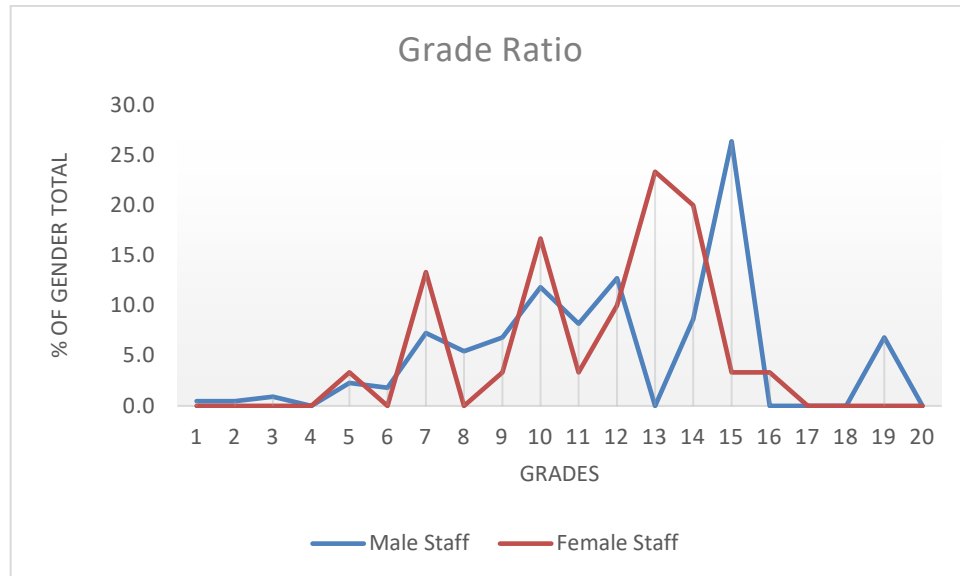
Narrative on why the gap exists

A career in our industry is about finding solutions, embracing the latest technologies, developing and making innovative products. We offer good pay and benefits, opportunities for career progression, the chance to work overseas and yet despite this, we still struggle to attract women into our workforce.

A Guardian study from 2018 found that women constitute only 14.4% of all UK people working in STEM (Science, Technology, Engineering and Maths), despite the fact they make-up almost half of the workforce.

- (a) Women at Vesuvius UK account for only 12% of the workforce.

- (b) Most females are employed in positions in lower grades in the organisation including Administration, Customer Services and Finance. The chart below outlines the percentage ratio of female to male across the grades.



- (c) Several females work part time (23%), and many of the jobs available on a part-time basis are of lower grades.
- (d) Proportion Receiving Bonus: Entitlement to the corporate bonus plan is based on job grade with more female employees holding lower grade roles.
- (e) A local sales commission plan operates for sales representatives based in Tamworth. All the sales team, therefore all the participants in the plan, are male.
- (f) One female Upper Quartile employee left VUK in the reporting period.
- (g) Four males joined VUK in the Higher Upper Quartile during the reporting period
- (h) Seven males from the Upper Middle and Upper Quartiles received mid-year pay increases during the period.

/s/ Michael Satterthwaite

Michael Satterthwaite
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/s/ Craig Truter

Craig Truter
Group Head of Rewards & Mobility