Praxair is committed to recruiting, hiring, compensating and promoting people based solely on their abilities, performance and qualifications for their jobs, and to maintaining a professional work environment in which employees are treated with respect and dignity. As part of our commitment to equal employment opportunity, 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 also committed to complying fully with applicable labour and employment laws wherever it operates.

Ending discrimination is key to the success of our business and the wider economy, and we welcome this government initiative.
Mean gender pay gap for Praxair Surface Technologies Ltd is **14.8%**

Median gender pay gap for Praxair Surface Technologies Ltd is **10.6%**

We are confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather, our gender pay gap is the result of the differing roles in which men and women work within the organisation and the salaries these roles attract.

*The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 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

<table>
<thead>
<tr>
<th>Band</th>
<th>Males</th>
<th>Females</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>72%</td>
<td>28%</td>
<td>Includes all employees whose standard hourly rate places them at or below the lower quartile</td>
</tr>
<tr>
<td>B</td>
<td>85%</td>
<td>15%</td>
<td>Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median</td>
</tr>
<tr>
<td>C</td>
<td>90%</td>
<td>10%</td>
<td>Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile</td>
</tr>
<tr>
<td>D</td>
<td>87%</td>
<td>13%</td>
<td>Includes all employees whose standard hourly rate places them above the upper quartile</td>
</tr>
</tbody>
</table>

Praxair Surface Technologies Limited (PST) is in line with the typical UK workforce composition as a whole, with more women in the lower pay quartiles. However, the results show that our overall pay gap is below the national average of 17.4%.

The gender pay gap within PST is impacted by senior leadership roles within the business predominantly being held by men. Furthermore, at the time of reporting our most senior female employee was excluded from calculations due to the rules of reporting.

While PST pay gap compares favourably with that of organisations across the whole UK economy, this is not a subject about which PST is complacent. We are committed to doing everything we can to reduce the gap. However, we also recognise that our scope to act is limited in some areas - it has, for example, no direct control over the subjects that individuals choose to study or the career choices they make, and we know young people, women in particular, need encouraging to pursue careers in Engineering across the UK industry.
Mean gender bonus gap for Praxair Surface Technologies Ltd is 74.8%
Median gender bonus gap for Praxair Surface Technologies Ltd is 85.9%

The proportion of male employees in Praxair Surface Technologies Ltd receiving a bonus is 29.7%, and the proportion of female employees receiving a bonus is 20.8%.

The UK population of PST Ltd is split between pay grades 1-8, 9-11, 12 and 13+. Employees are eligible for an individual performance bonus payment from level 9 and up. These bonuses typically increase with seniority and there are proportionally more men in the more senior roles, which has resulted in higher payments for men.
We believe that our pay gap is largely driven by historical gender association with the manufacturing and engineering industries. We have a strong level of retention with long service, attracted by a number of male employees, as well as a greater number of men in the upper quartile paid positions.

Simply put, we do not have as many women as we do men, and we do not have as many women in senior positions. Most organisations throughout the UK face the same challenge. Our industry plays a huge factor in our ability to be diverse, but we want this to change, and we are committed to providing opportunities to both genders.

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.

We are committed to increasing the number of women in our workforce from 16.7% to 30%.
What is Praxair Surface Technologies Ltd Doing to Address our Gender Pay Gap?

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

- **Supporting the STEM** (Science, Technology, Engineering, Mathematics) programme with local education establishments, in an attempt to address the issues of the next generation choosing a career within this field;
- Carrying out **pay and benefits audits** at regular intervals;
- Providing regular equal pay **awareness training for all managers** who are involved in pay reviews;
- **Evaluating job roles** and pay grades as necessary to ensure a fair structure;
- Having an **open and transparent** pay structure and grading system; and
- Supporting **flexible working practices**
Conclusion

Having a 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 further reduce the gap 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 gender pay gap levels, focusing on ways to attract, retain and develop diverse talent by supporting career progression opportunities, flexible working practices and encouraging females to consider more senior positions.

Abi Dring
UK HR Manager

Steve Cast
Director

Richard Ward
Director & Company Secretary