

GENDER PAY GAP REPORT

2019



FOREWORD

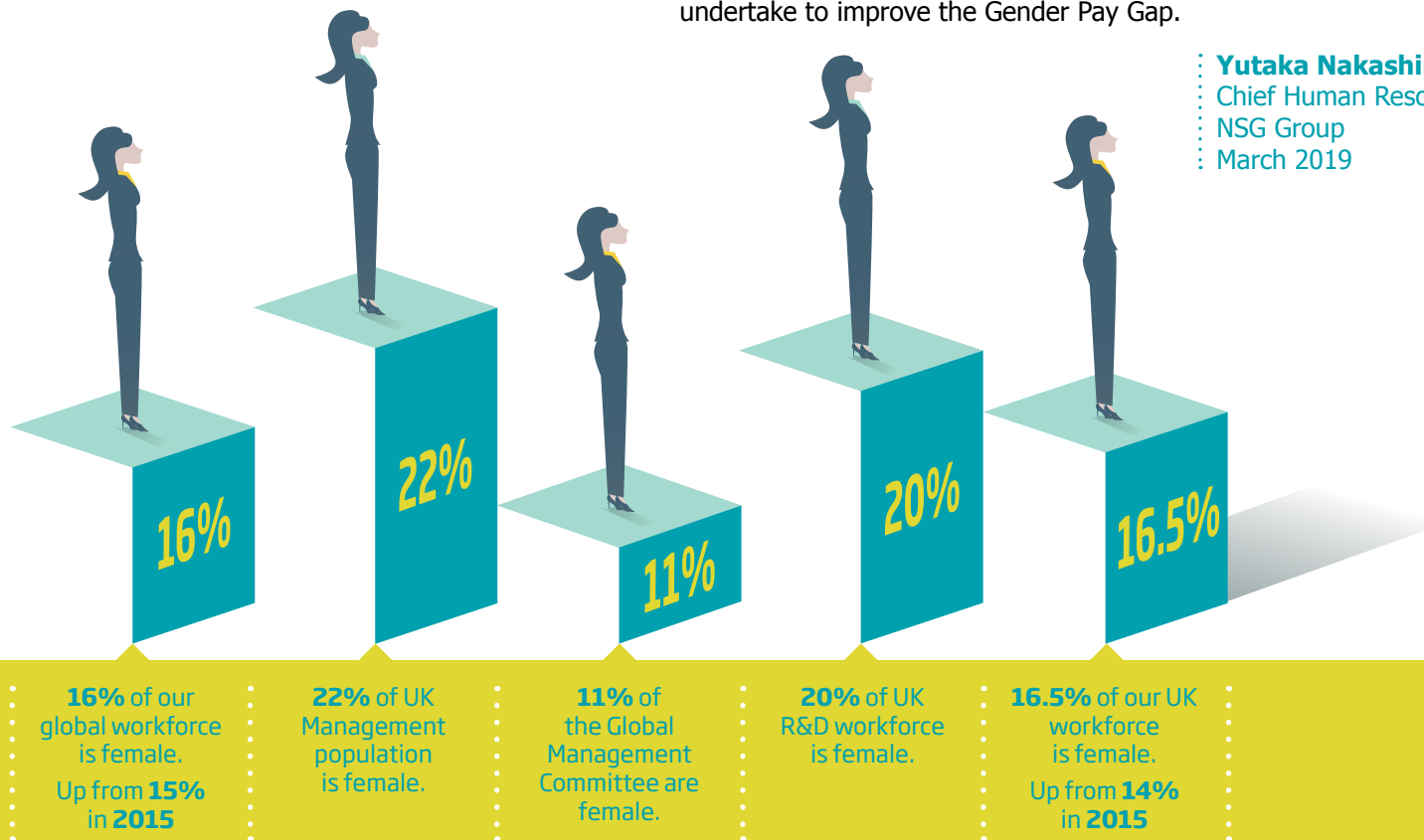
NSG Group is one of the world's leading manufacturers of glass and glazing systems in three major sectors; Architectural, Automotive and Technical Glass.

Our management philosophy values the health and safety of our employees above all other considerations and we aim to provide a working environment that allows our people to reach their full potential. Safety, quality, customer focus, sustainability and ethical leadership underpin everything we do, with the principles of trust, mutual respect and open communication being central to our employment policies.

NSG Group employs **27,000** people globally with circa 1800 employees within the UK, and **16.5** per cent of those are female. This is our second year of reporting the gender pay gap and we are now able to start assessing the impact of our plans to reduce the gap. Whilst we believe that our results are typical of similar manufacturing organisations operating in the same regions as NSG Group, this report clearly shows that we have more work to do. By becoming a truly inclusive and diverse company, we will attract the best talent which is crucial to our long term success.

The report covers the snapshot data from 5 April 2018. You will also find some information on projects we are currently working on or plan to undertake to improve the Gender Pay Gap.

Yutaka Nakashima
Chief Human Resources Officer
NSG Group
March 2019



WHAT IS THE GENDER PAY GAP?

Under the UK Governments new Gender Pay Gap regulations, UK companies must publish the Gender Pay Gap for all legal entities within the UK that employ more than **250** people. NSG Group employs **27,000** employees worldwide; circa **1,800** in the UK. Within the Group, there are four legal entities that are in scope of this report. However, we will detail the numbers for all of our employing entities in the UK in the next page.

The Gender Pay Gap shows the difference in average pay between a man and a woman within a workforce, through a number of different statistics. It is not the same as Equal Pay, which relates to differences in pay between a man and a woman who carry out the same or similar jobs or work of equal value.

**Mean
Pay Gap**



...the difference between the average hourly pay for women compared to men, within a Company.

**Median
Pay Gap**



...the middle point of a population. The median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the middle man.



UNDERSTANDING THE **NSG GROUP** GENDER PAY RESULTS

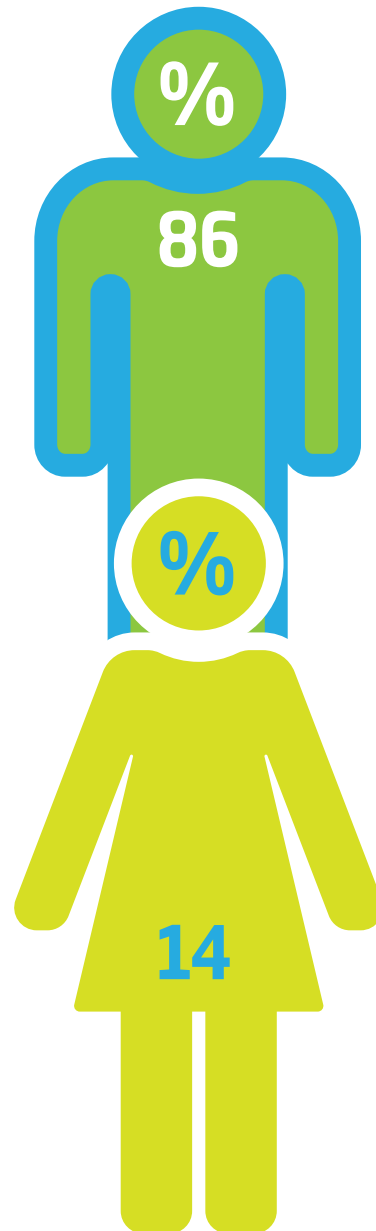


UNDERSTANDING THE
NSG GROUP GENDER PAY
RESULTS

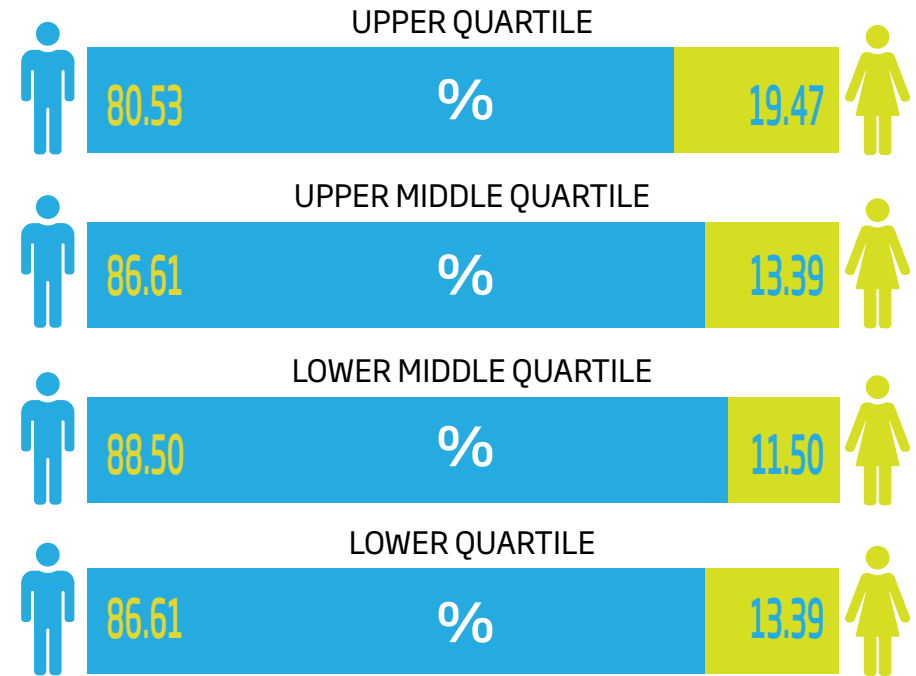
Pilkington Automotive Limited

Pilkington Automotive Limited employs **456** employees, **14** per cent of whom are female. This entity typically includes workers who work in a production environment either as operative or managerial roles. There are a number of women employed in team leader and management positions within this business which leads to the negative pay gap.

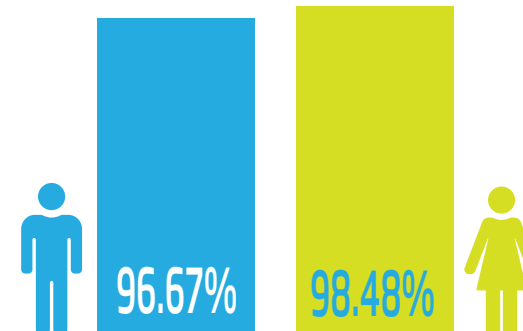
EMPLOYEES GENDER



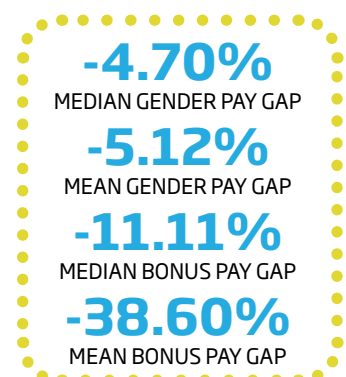
PROPORTION OF MALE AND FEMALE EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



EMPLOYEES RECEIVING A BONUS PAYMENT



PAY GAPS%

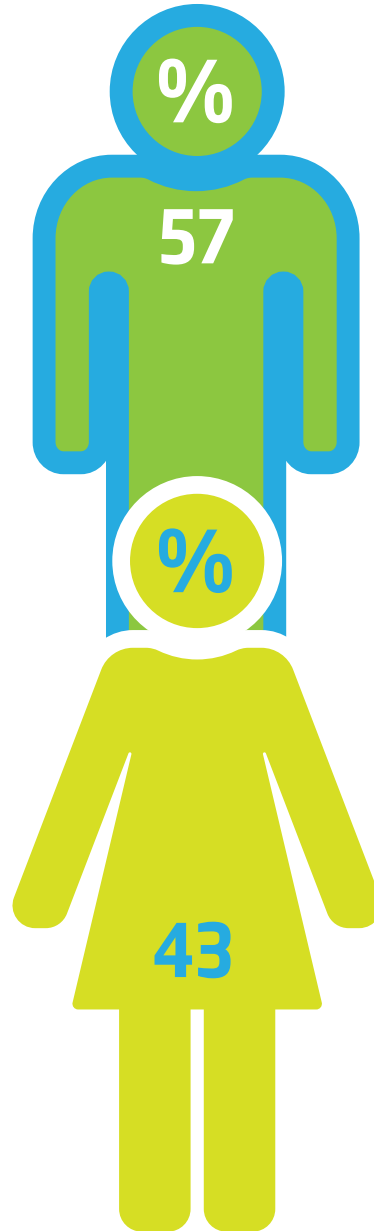


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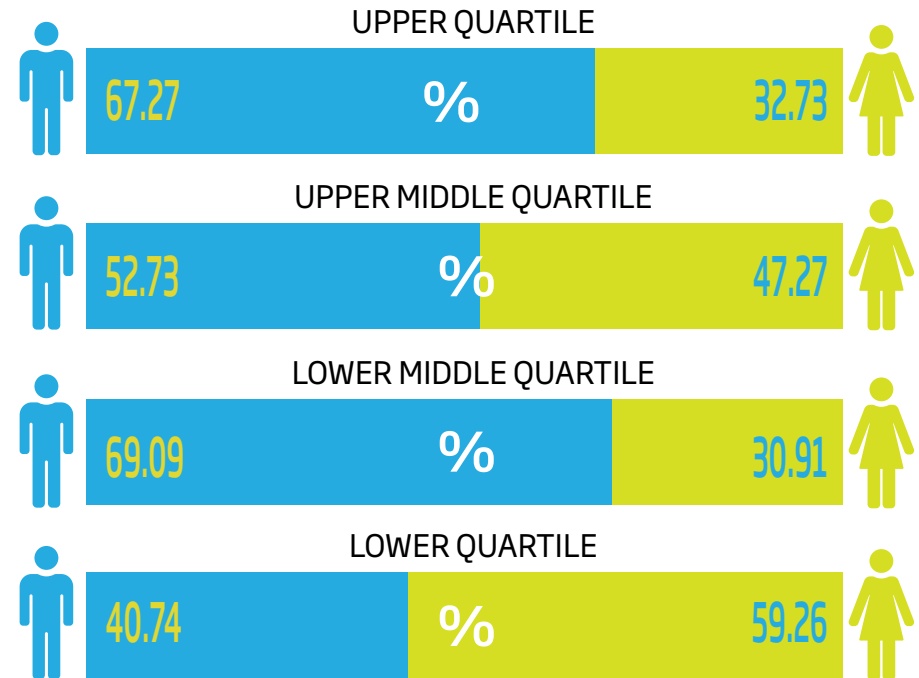
Pilkington
Group
Limited

Pilkington Group Limited employs **223** employees, **43** per cent of whom are female. Our management positions are equally split amongst females and males, hence why the median pay gap is very small. The mean pay gap is influenced by the fact that the majority of our senior global leaders are male.

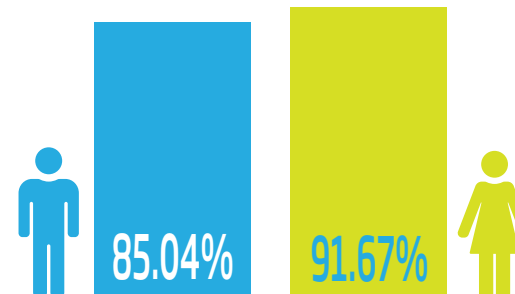
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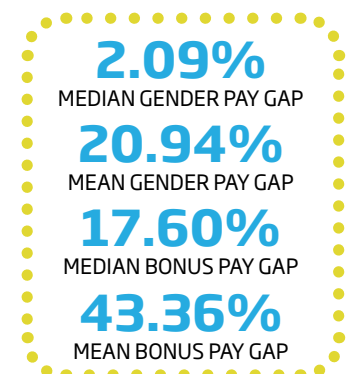
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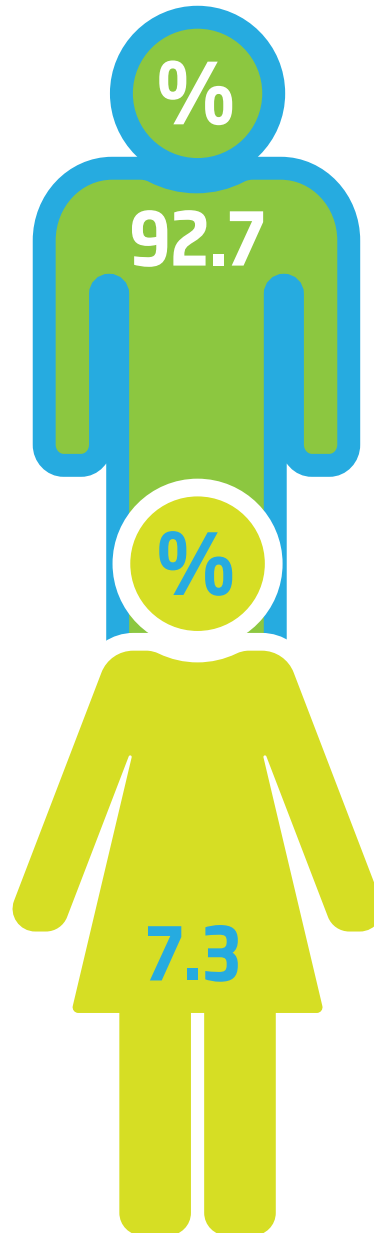


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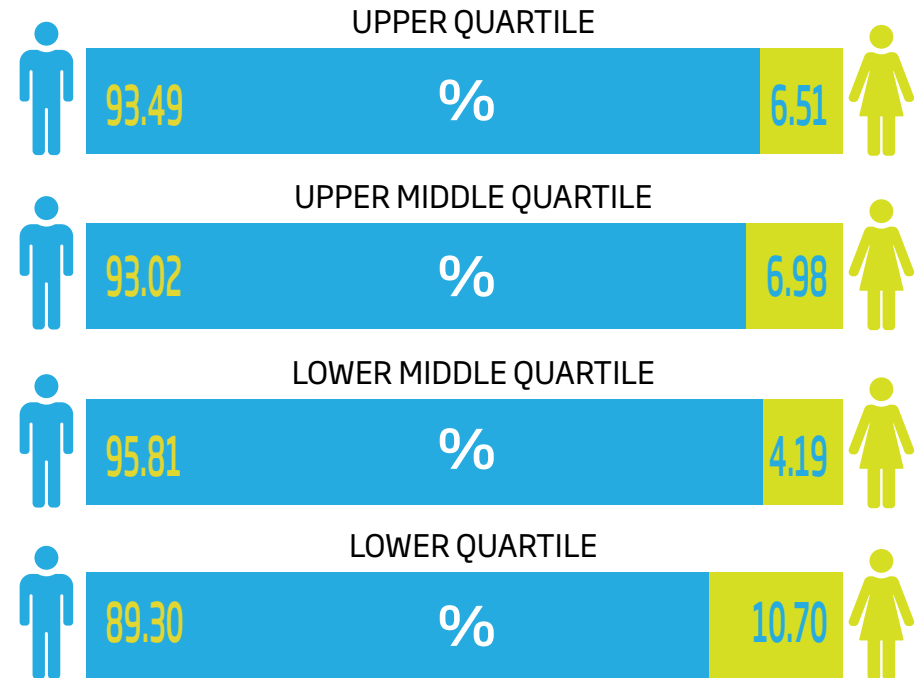
Pilkington
United
Kingdom
Limited
(PUKL)

PUKL employs **873** employees, **7.3** per cent of whom are female. We believe this to be consistent with the demographic of the manufacturing industry in this area. The roles are, in the main, operational in nature predominantly within manufacturing, warehousing and engineering. Women account for a limited number of managerial positions as a result of the demographic of the shop floor as opportunities are traditionally filled from within.

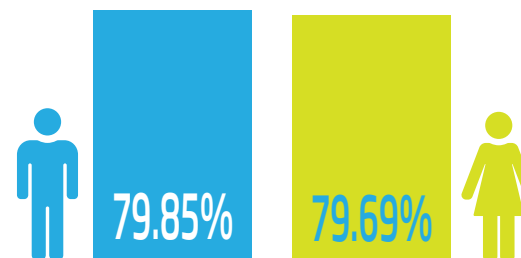
EMPLOYEES GENDER



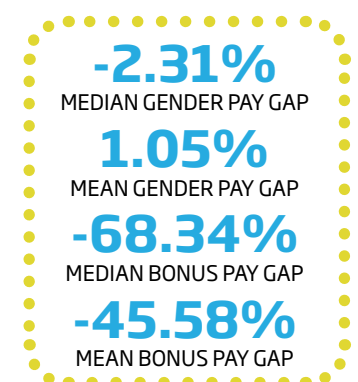
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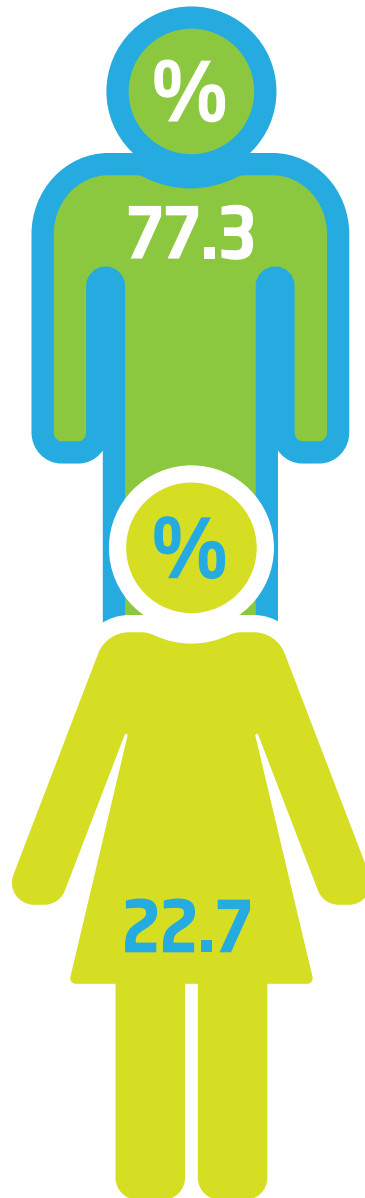


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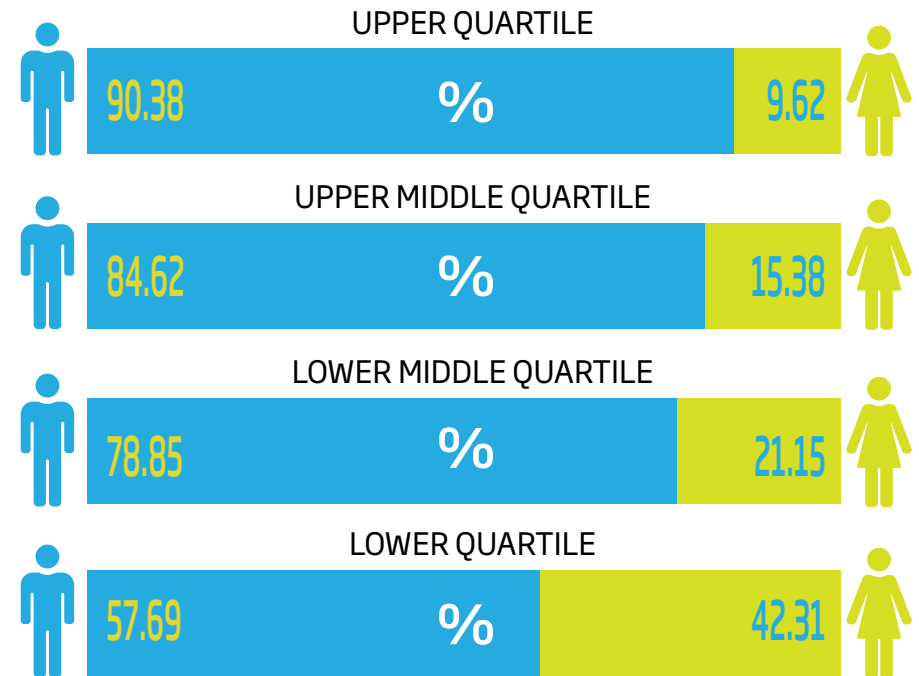
Pilkington
Technology
Management
Limited

Pilkington Technology Management Limited employs **211** employees, **22.7** per cent of whom are female. This entity employs a number of engineers, the majority of which are male, that travel overseas on specific projects. The majority of the female population within this entity are office or laboratory based, leading to a greater pay gap.

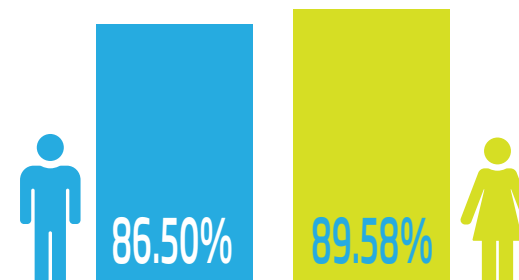
EMPLOYEES GENDER



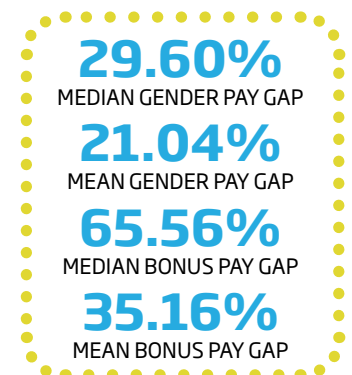
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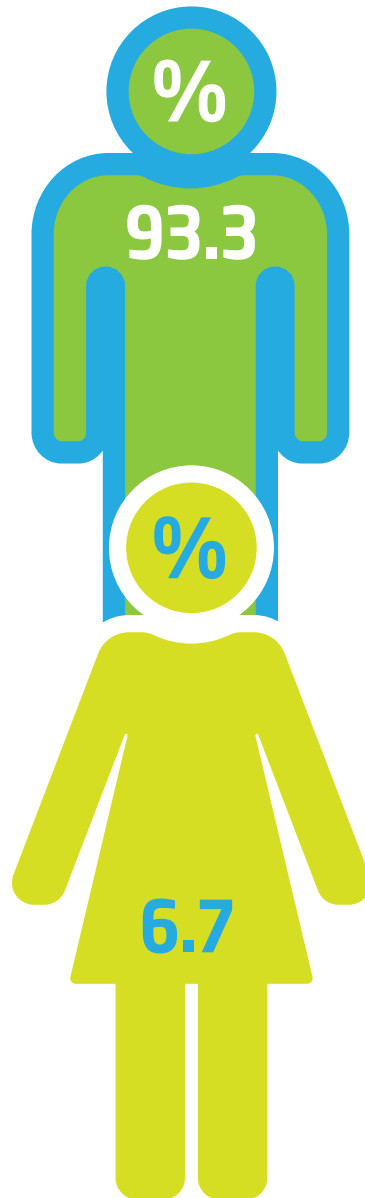


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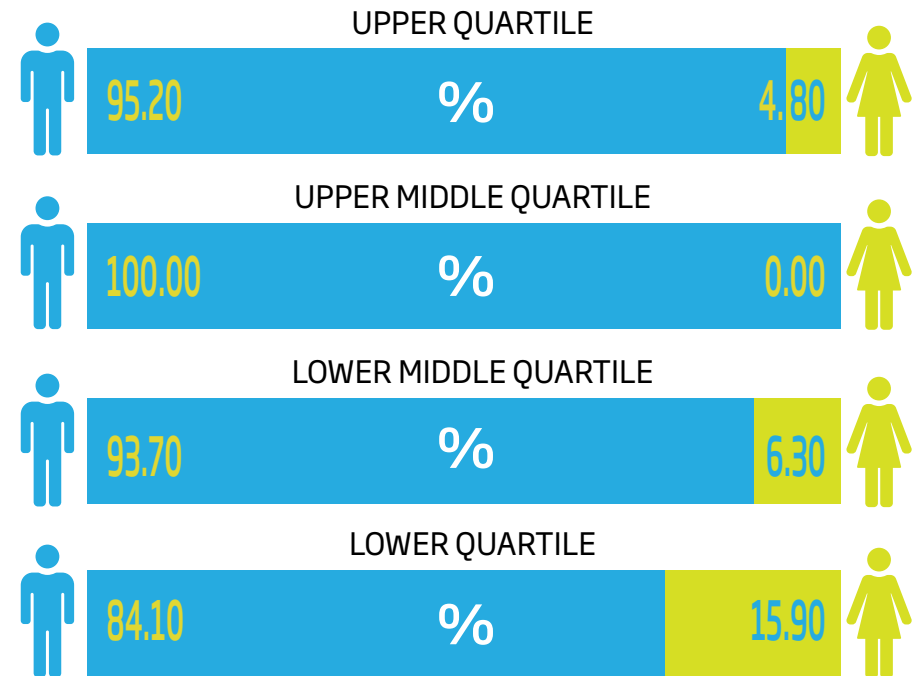
**NGF Europe
Limited
(NGFE)**

NGF Europe Limited employs **253** employees, **6.7** per cent of whom are female. We believe this to be consistent with the demographic of the manufacturing industry in this area. The roles are, in the main, operational in nature predominantly within manufacturing, warehousing and engineering and working in accordance with a 24/7 shift pattern. Women account for 19 per cent of the managerial population. The demographic impacts on the managerial population due to several such roles being filled from within.

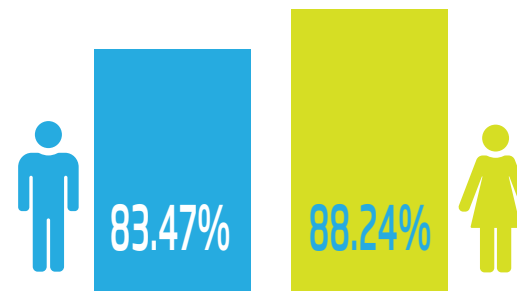
EMPLOYEES GENDER



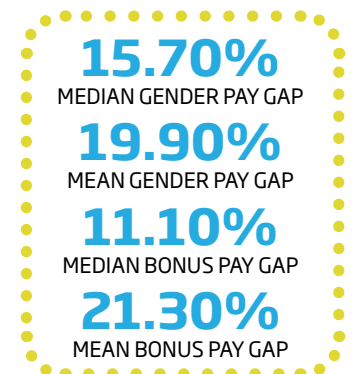
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PAY GAPS%



UNDERSTANDING OUR PLANS TO CLOSE THE GAP

We have recently launched our new group Vision, including our core values. We commit to respecting others and unleashing potential; inclusion and diversity is key strategic focus for us achieving this in 2019 and beyond. We, however, recognise, like other manufacturing companies, we need to work harder at reducing the gender pay gap within our business. The following is a snapshot of some of the steps we currently take or are considering:

1: LEARNING AND DEVELOPMENT

NSG Group achieves its success through the competence and commitment of our employees. As part of our performance management process, we require everyone who takes part in the appraisal process to have a personal development objective. We encourage all employees to think about developing specific skills, or behaviours, or increasing their knowledge in a particular area.

We run a successful Group Mentoring Programme and several of our female senior leaders have participated in the scheme over a number of years. In addition, all graduates that come into a graduate programme are assigned a mentor.

2: DIVERSITY TRAINING

Our Code of Ethics ([link](#)) reflects our values and principles and defines for all employees what is expected of them. It particularly emphasises safety, respecting human rights, taking personal ownership for actions and communicating with openness and involvement.

The overriding basis of the Code is that we carry out our business activities in a safe, professional, legal and ethical manner and in a way that demonstrates corporate social responsibility and sustainability.

The Code acknowledges internationally proclaimed human rights which are also reflected in our overall employment policies and standards. They provide our employees with reassurance on how they will be treated. Our equal opportunities and diversity policy aims to prohibit discrimination based on race, colour, creed, religious beliefs, age, gender, sexual orientation, national origin, disability, union membership, political affiliation, or any other status protected by law.

We are working hard to improve diversity in the Company by introducing a number of new initiatives and projects in the coming years, sponsored by the Global Inclusion and Diversity Steering Group. Examples of this are the roll out of the Diversity and the Unconscious Bias training modules in 2018-2019.



3: MATERNITY AND FLEXIBLE WORKING (ASK HR)

We are proud to offer enhanced maternity/adoption pay for our expectant mothers, along with family friendly policies. We have a strong track record of implementing flexible working patterns. Some staff can benefit from the option of buying additional annual leave and others can have flexi time.

4: WORKING WITH UNDERGRADUATES, GRADUATES AND APPRENTICES

We are proud to have links with local schools and colleges and attend various events to inspire young men and women about their future careers and opportunities. Our aim is to help raise aspirations of learners in the local area and to encourage them to progress with further study and employment and enable them to make informed decisions. Specifically we work with St Helens College supporting 16-18 year olds with CV preparation, mock interviews, and up to 10 days of work placements.

5: EMPLOYEE ENGAGEMENT

We continue to use our employee "pulse" survey model to measure sustainable engagement within the Group. In the UK the 2018 survey involved 756 employees and achieve a response rate of 79%. The UK results demonstrate that our leaders have real strength in the areas of working well with people from diverse backgrounds and ensuring that we treat people fairly and consistently.

We are proudly celebrating International Women's Day in 2019 with a variety of regional activities.

6: TALENT AND RECRUITMENT

Several employees have identified as STEM ambassadors: helping to engage and enthuse young people into Science, Technology, Engineering and Mathematics. Our STEM Ambassadors encourage all students to pursue further study of STEM subjects and/or progression into related careers, inspiring the next generation of STEM professionals.

We aim to maximise the talent in our organisation to create flexible, skilled and motivated employees focused on the achievement of our business objectives. Our talent processes involve performance management, succession planning, identification and assessment of high potential employees to be our future senior leaders. We are proud that we have UK female representation on the Group Management Committee.

7: REWARD PROCESSES

We regularly monitor and assess our reward processes to mitigate and correct any adverse gender impact.

