

GENDER PAY GAP REPORT

2021



FOREWORD

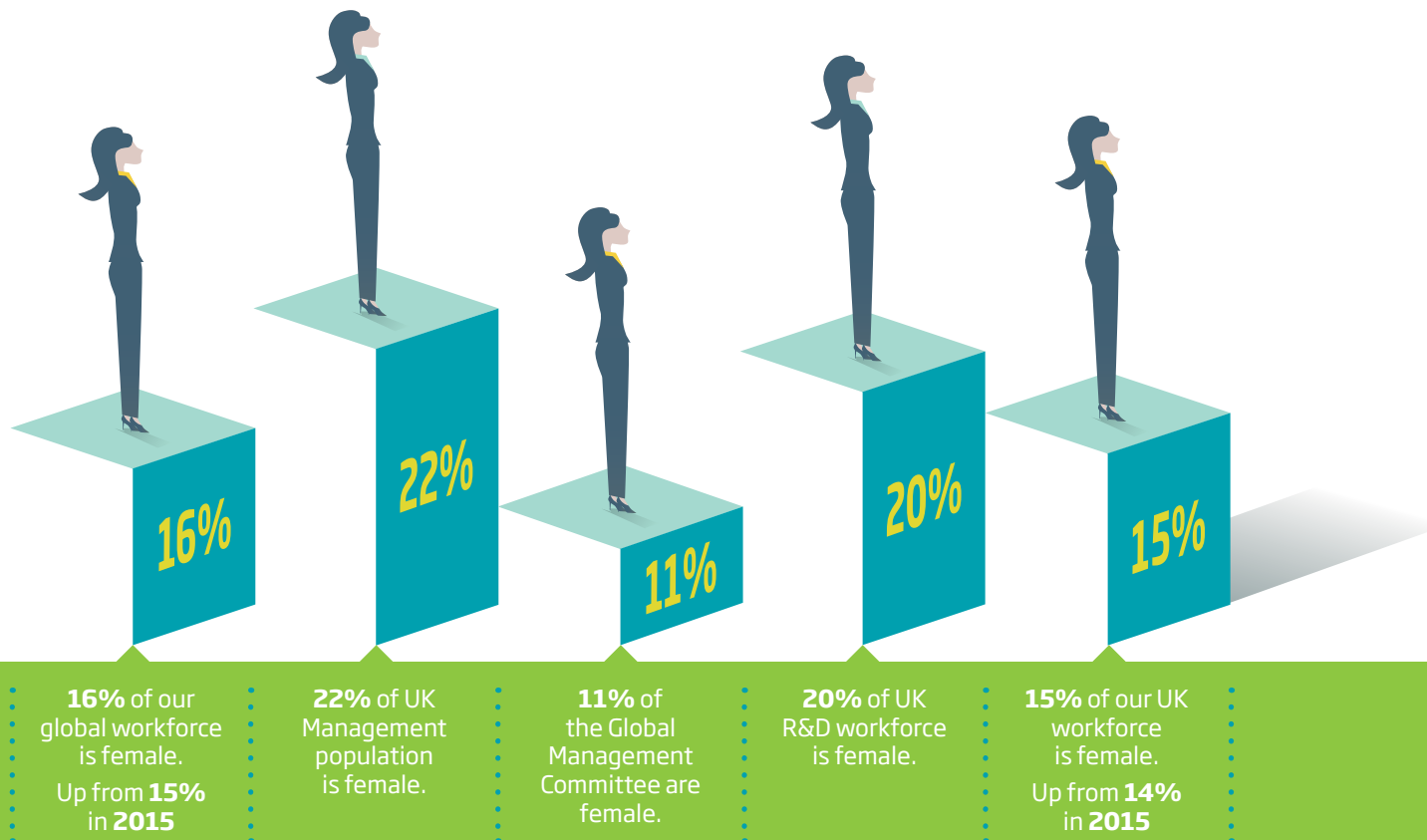
NSG Group is one of the worlds leading manufacturers of glass and glazing systems in three major sectors: Architectural, Automotive and Creative Technologies.

Our management philosophy values the health and safety of our employees above all 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 **26,000** people globally with circa **1,600** within the UK, and **15** per cent of those are female. This is our 4th time reporting the gender pay gap (1 cancelled due to covid).

The report covers the snapshot date from 5th April 2021. 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 2022



WHAT IS THE GENDER PAY GAP?

Under the UK Governments 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 **26,000** employees worldwide; circa **1,600** in the UK. Within the Group, there are only two 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 pages.

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

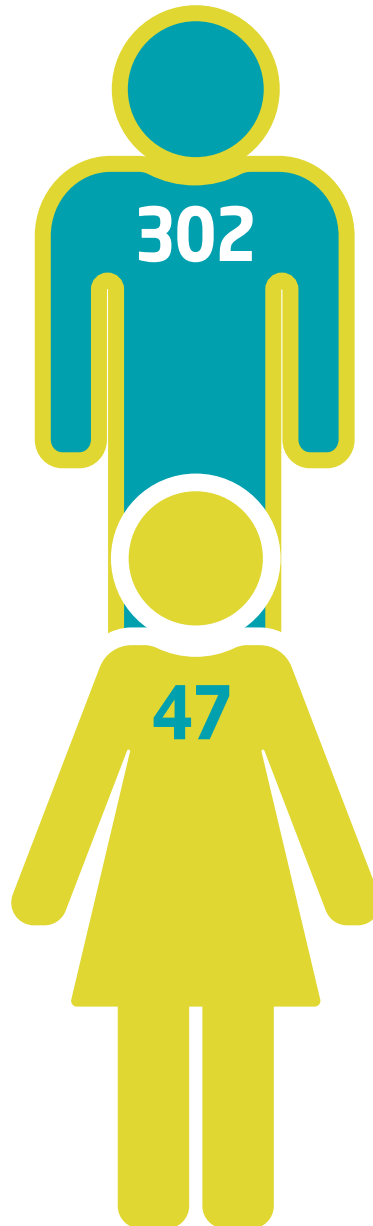


UNDERSTANDING THE
NSG GROUP GENDER PAY
RESULTS

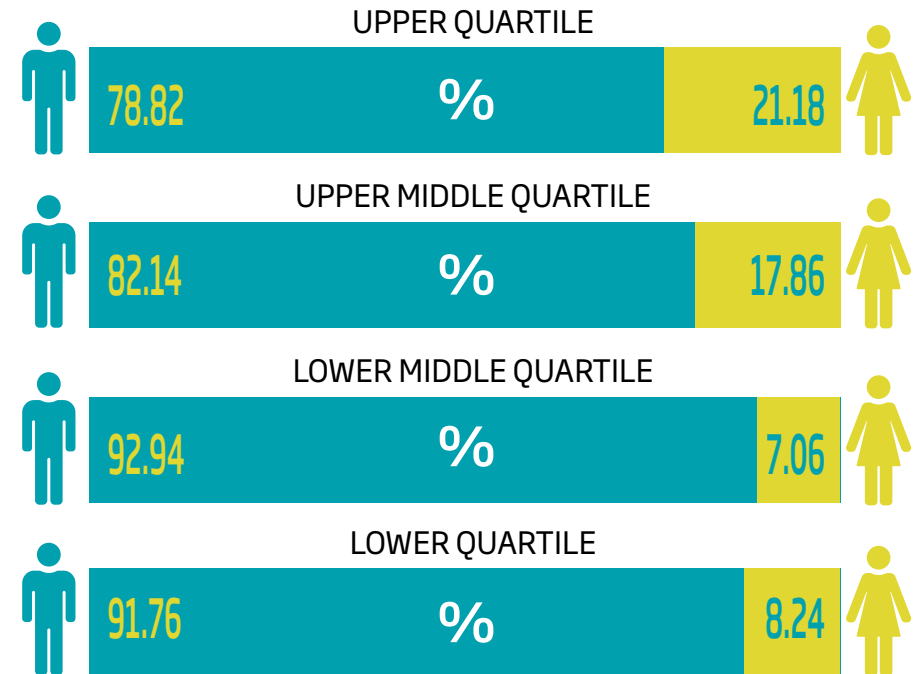
Pilkington Automotive Limited

Pilkington Automotive Limited employs 349 employees, 47 of whom are female. This entity typically includes workers who work in a production environment either in 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 (i.e. where pay for women is higher than for men).

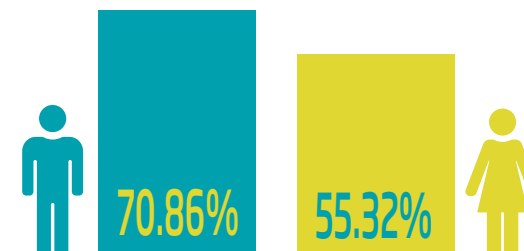
EMPLOYEES GENDER



PROPORTION OF MALE AND FEMALE EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



EMPLOYEES RECEIVING A BONUS PAYMENT



PAY GAPS%

-25.94%
MEDIAN GENDER PAY GAP

-12.25%
MEAN GENDER PAY GAP

1.06%
MEDIAN BONUS PAY GAP

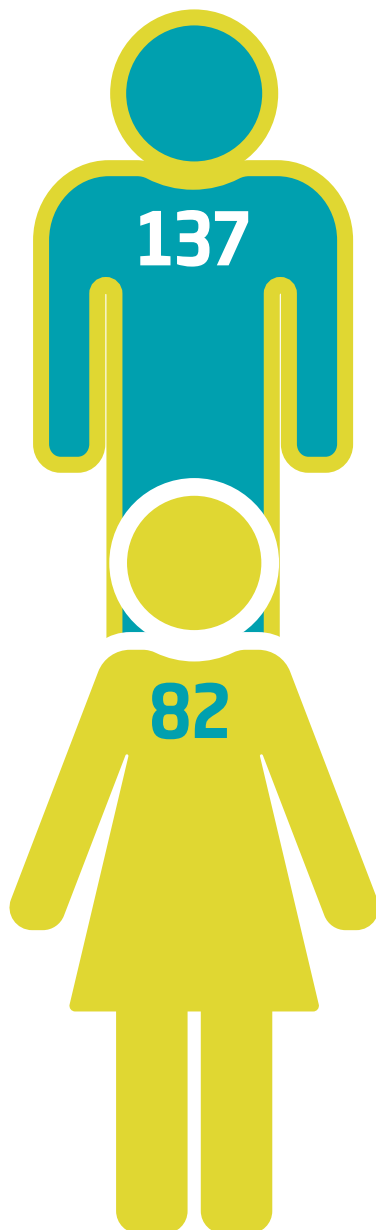
8.40%
MEAN BONUS PAY GAP

UNDERSTANDING THE
NSG GROUP GENDER PAY
RESULTS

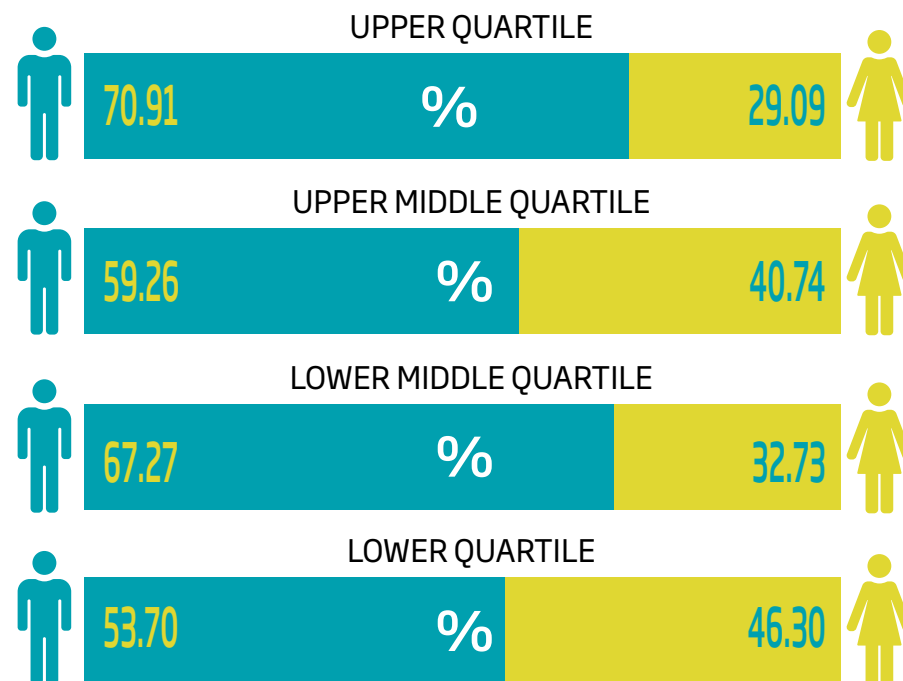
Pilkington Group Limited

Pilkington Group Limited employs 219 employees, 82 of whom are female. Our management positions are equally split amongst females and males, hence why the median pay gap is quite small. The mean pay gap is influenced by the fact that the majority of our senior global leaders are male and many of those are employed in this entity.

EMPLOYEES GENDER



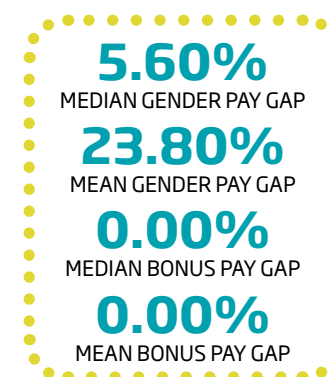
PROPORTION OF MALE AND FEMALE EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



EMPLOYEES RECEIVING A BONUS PAYMENT



PAY GAPS%

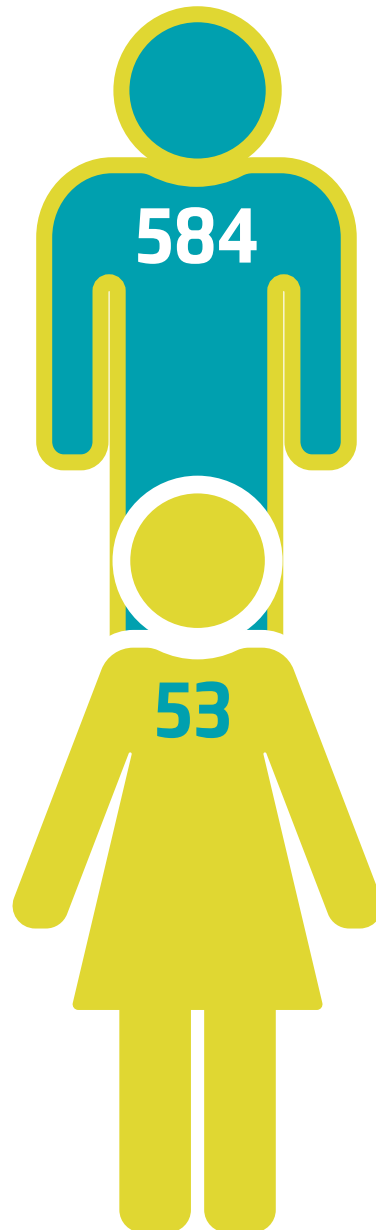


UNDERSTANDING THE
NSG GROUP GENDER PAY
RESULTS

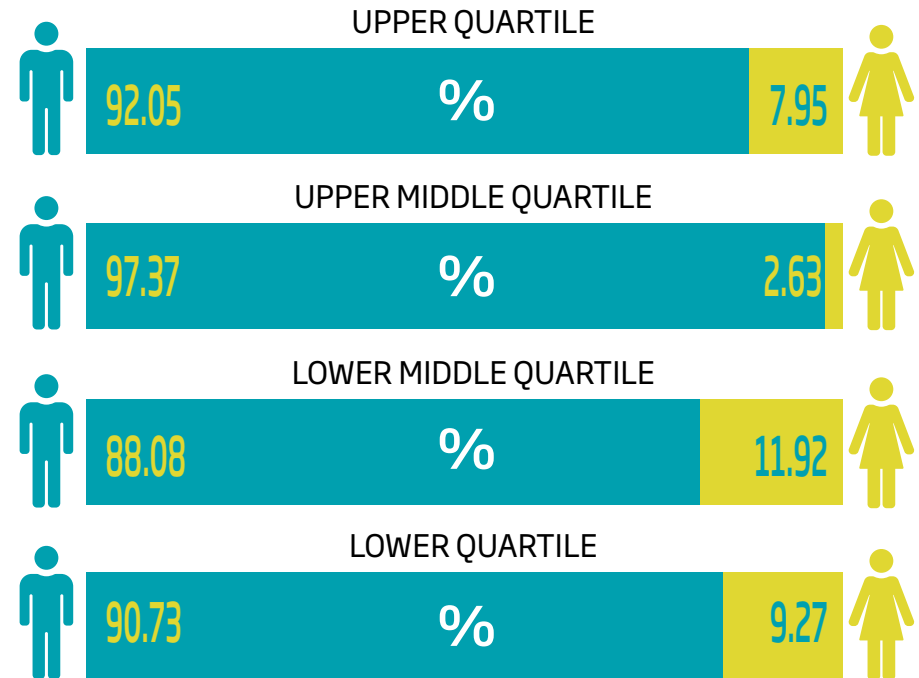
Pilkington United Kingdom Limited

Pilkington United Kingdom Limited employs 637 employees, 53 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 generally filled from within.

EMPLOYEES GENDER



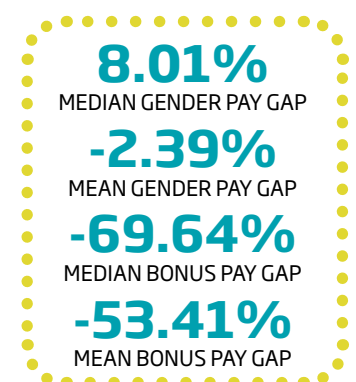
PROPORTION OF MALE AND FEMALE EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



EMPLOYEES RECEIVING A BONUS PAYMENT



PAY GAPS%

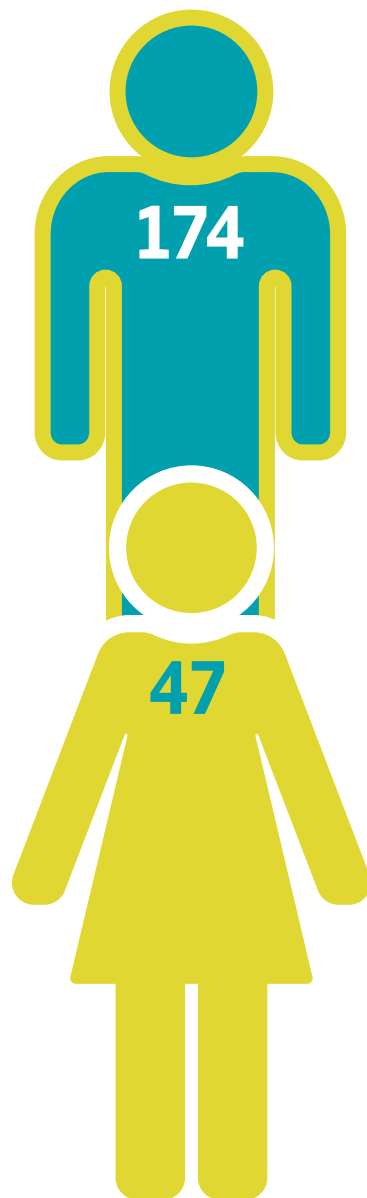


UNDERSTANDING THE
NSG GROUP GENDER PAY
RESULTS

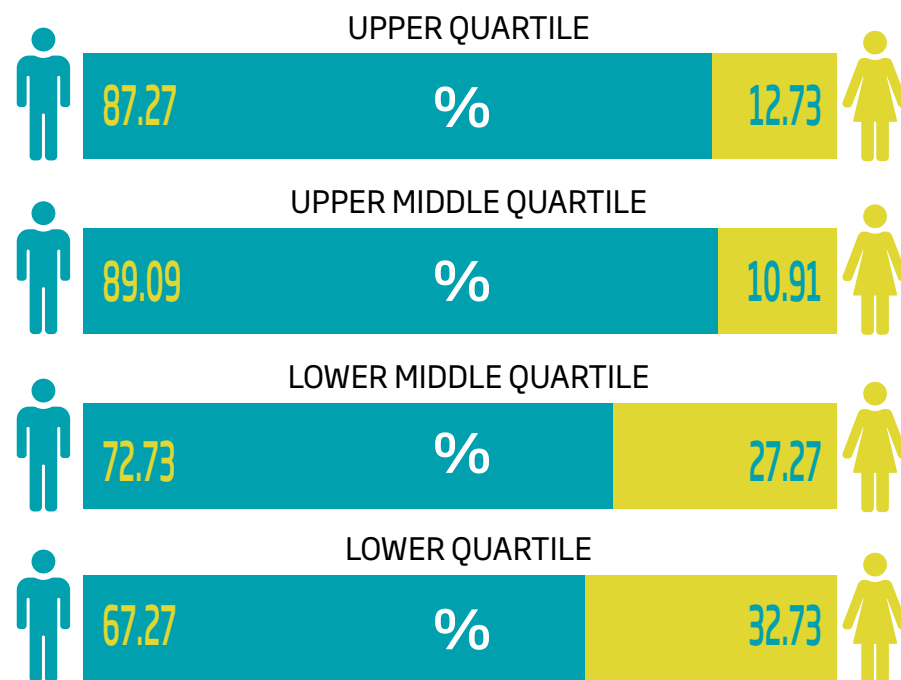
Pilkington Technology Management Limited

Pilkington Technology Management Limited employs 221 employees, 47 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 Gender Pay Gap.

EMPLOYEES GENDER



PROPORTION OF MALE AND FEMALE EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



EMPLOYEES RECEIVING A BONUS PAYMENT



PAY GAPS%

24.05%
MEDIAN GENDER PAY GAP

17.51%
MEAN GENDER PAY GAP

0.00%
MEDIAN BONUS PAY GAP

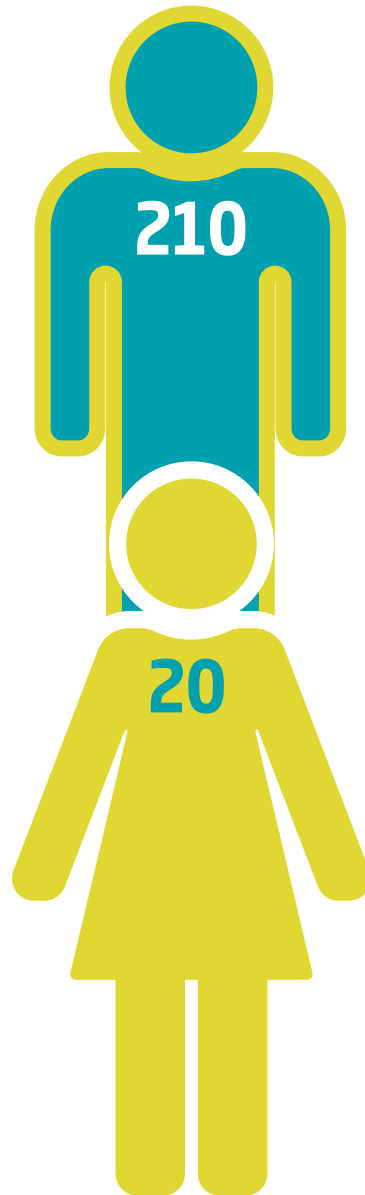
0.00%
MEAN BONUS PAY GAP

UNDERSTANDING THE
NSG GROUP GENDER PAY
 RESULTS

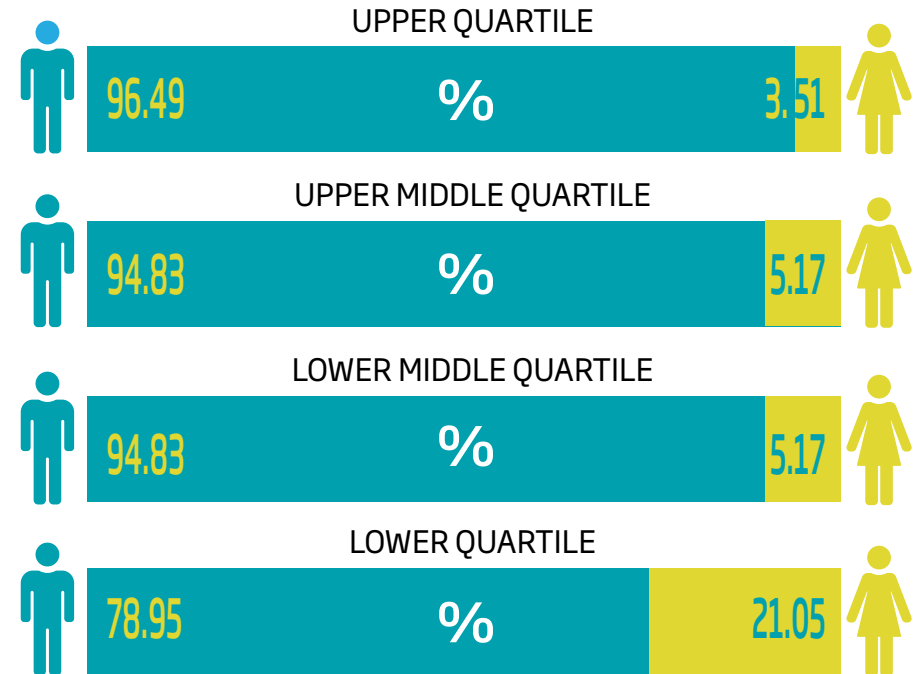
NGF Europe Limited

NGF Europe Limited employs **230** employees, **20** 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, within manufacturing, warehousing and engineering, working in accordance with a 24/7 shift pattern. Women account for **19%** of the managerial population. The demographic impacts on the managerial population due to many of the roles being filled from within.

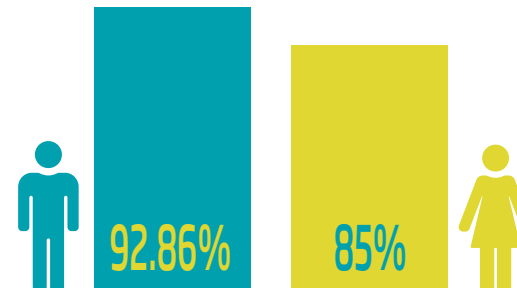
EMPLOYEES GENDER



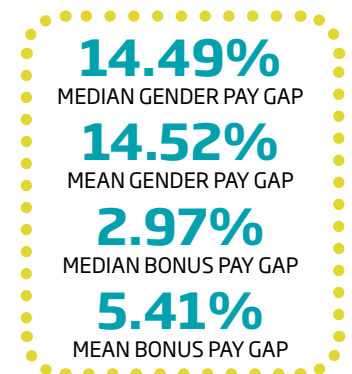
PROPORTION OF MALE AND FEMALE EMPLOYEES ACCORDING TO QUARTILE PAY BANDS



EMPLOYEES RECEIVING A BONUS PAYMENT



PAY GAPS%



OUR PLANS TO CLOSE THE GAP

We are committed to respecting others and unleashing potential; inclusion and diversity is a key strategic focus for us achieving this in line with our RP24 plan. 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 are currently taking or are considering:

1: LEADERSHIP DEVELOPMENT

NSG Group achieves its success through the competence and commitment of our employees. As part of our annual 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.

In 2021, we launched a Women In Leadership programme (level 5 apprenticeship) with Red Sky Learning. Approx 30 female leaders across 2 cohorts are participating in the 18 month programme and we aim to launch a new cohort within the next year.

2: DIVERSITY TRAINING

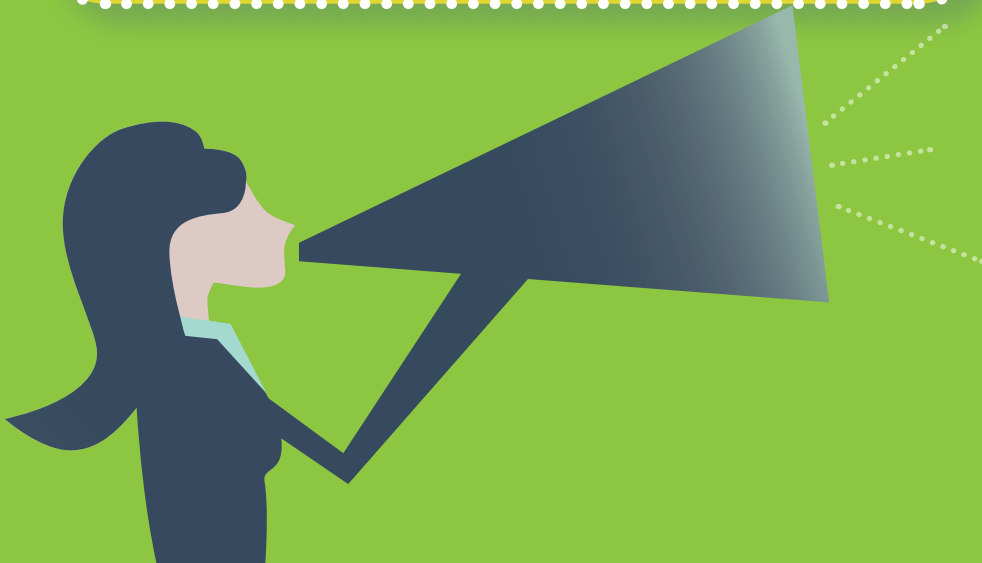
Our code of ethics reflects our values and principles and defines for all employees what is expected of them. It particularly emphasises safety, respecting human rights, taking personal ownership for actions and communicating with openness and involvement.

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 initiatives in the coming years, sponsored by the Global Inclusion and Diversity Steering Group. Examples include setting specific diversity targets and rolling out a revised Unconscious Bias training module to all managers in 2022.

We are also pleased to see more localised steering groups and support networks, such as our Women's Network, flourishing in the past year. It's encouraging to see a wide range of employees embracing the challenge of improving inclusion and diversity across our Company at a local level.



3: PARENTAL POLICIES AND FLEXIBLE WORKING

We are proud to offer enhanced maternity/adoption pay for our expectant mothers along with family friendly policies. We have always had a strong track record of implementing flexible working patterns however since the COVID19 pandemic, our Company has fully embraced how technology can support flexible working more widely

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 to enable them to make informed decisions. In 2022, we will be seeking to work with a smaller employer in the STEM field who we can support with some of our levy funds.

5: EMPLOYEE ENGAGEMENT

We continue to use our employee "Pulse" survey model to measure sustainable engagement within the Group. Our most recent survey had over 18,000 employees participate. In 2022, we will roll out a new engagement platform to build upon the feedback we have received.

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.

