

# UK Gender Pay Gap Report

**Emerson Process Management Ltd** 

We drive innovation that makes the world healthier, safer, smarter and more sustainable.



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## Introduction

## Why gender balance is important to Emerson

At Emerson Process Management, we are committed to fostering a diverse, equitable and inclusive workplace. This is of course the right thing to do, but it is also essential for the continued success of our business. Our ability to achieve breakthrough innovations and resolve complex problems depends on us recruiting and retaining the best talent and ensuring that our workforce reflects the communities and customers we serve.

We are actively working to ensure gender equity across our organisation, which is critical to building a culture that supports and empowers women to advance into senior management roles. This, in turn, will help us to narrow our gender pay gap.

To do this, we need to break down barriers that have historically limited the opportunities available to women in our industry. We are taking a multi-faceted approach to this challenge, including initiatives like mentoring programmes, employee resource groups, hybrid working arrangements, and increasing the number of women in leadership roles.

The requirement to publish yearly statutory calculations that show the difference in average pay (the "gender pay gap") between women and men employed at Emerson is an important part of helping us make the changes needed to ensure equal opportunity for all. Furthermore, we recognise the need to distinguish between the gender pay gap and equal pay, and the moral obligation and legal requirement that women and men are paid the same for doing the same work.

It is possible for a business such as Emerson to be providing equal pay yet still have gender pay gap. This is the challenge we are working to overcome in our industry and in our organisation.

Our goal is to create a culture that values and respects every employee, regardless of gender or any other protected characteristic, and provide equitable opportunities for everyone to develop and succeed within our organisation. We believe that by doing so, we will be better able to meet the needs of our customers, create breakthrough innovations, and build a more successful business for the long term.

## **About our report**

In the UK, there are a number of Emerson employing companies (entities) with fewer than 250 people and therefore not meeting the reporting threshold. In this analysis, the data provided only includes employees from within Emerson Process Management Ltd. Consequently, this report does not show the gender balance across the wider Emerson business. However, our diversity and inclusion policies apply across all Emerson businesses operating in the UK, no matter their business segment, size, or location.

Emerson's Gender Pay Gap Report provides a snapshot of our data on 5<sup>th</sup> April 2022. The total workforce for our employing entity in the UK that met the threshold for this reporting consisted of 436 men and 105 women. This includes an additional 43 employees transferred at the end of 2021 from one of our smaller entities, with an additional headcount of 43 employees (33 men and 10 women).

We continue to employ about four times as many men as women, which is consistent with the industrial sectors in which we operate, including the oil and gas industry. As with many engineering companies, our female employees represent a smaller proportion of our workforce; this is something we are actively addressing for the future.

While we recognise that we still have work to do in terms of reducing our gender pay gap, we are pleased to report that in our 2022 figures, the difference in men's and women's mean and median hourly pay, as well as in median bonus pay, have all reduced from the previous year. The proportion of women in the upper pay quartile has also increased since our 2021 report.

### Emerson gender pay data – 2022

Median *hourly* gender pay gap (women lower) = 32.4%

• Our MEDIAN data, which is the difference between the midpoints in the ranges of hourly earnings of men and women, and our result for 2022 has reduced in the right direction, i.e. from 33.3% to 32.4%.

Mean *hourly* gender pay gap (women lower) = 23.3%

• Our MEAN data, which is the difference between the average hourly earnings of men and women, shows that our 2022 result has reduced in the right direction, i.e. from 27.1% to 23.3%.

Median **bonus** gender pay gap (women lower) = **17%** 

Mean **bonus** gender pay gap (women lower) = **39.6%** 

• Our BONUS PAY GAP, reporting on the percentage of men and women who received a bonus, and our MEAN and MEDIAN data are specifically looking at who received a bonus.

#### Percentage of employees receiving a bonus



- Percentage of women receiving a bonus has decreased by 8%. In the main, this is attributed to staff attrition.
- Percentage of men receiving a bonus has decreased by 4%.

#### Proportion of employees in each pay quartile

Top Quartile (Highest Paid)	6.67%	93.33%
Upper Middle Quartile	14.08%	85.92%
Lower Middle Quartile	16.30%	83.70%
Lower Quartile (Lowest Paid)	40.45%	59.55%

• Women • Men

#### Compared to 2021, our 2022 data shows that...

- Number of women in the upper quartile has increased by 50%.
- Number of women in the upper mid quartile has increased by 19%.
- Number of women in the lower mid quartile has stayed the same.
- Number of women in the lower quartile has increased by 3.7%.

## **Continuing to address the challenges**

Promoting STEM subjects to all young people is an important step toward greater inclusion of girls and women in industries and jobs that have traditionally been seen as masculine.

To help address this, Emerson believes in the importance of promoting STEM subjects to both boys and girls at all educational stages. Doing so, with boys and girls working alongside one another from an early age in these subjects, will help address gender stereotypes in the medium and long term.

At Emerson, we offer a wide range of facilities to accommodate STEM teaching and learning for local education institutions. Our employees also attend career fairs and give career talks to boys and girls, such as with Dyce Academy, a secondary school local to our Aberdeen facility.

## **Our policy and commitment**

It is Emerson's policy to recruit, hire, train, and promote people in all job classifications without regard to race (including colour, nationality, ethnic or national origin), religion or belief, gender reassignment, sexual orientation, sex, disability, age, or marital status. It is our policy and our practice that this equal employment opportunity be present in all aspects of employment, including but not limited to compensation, benefits, promotions, transfers, company-sponsored training, tuition assistance, and education.

Furthermore, Emerson globally and in the UK has been and remains committed to recruiting and retaining the best talent available. At the same time, we seek to make Emerson a more diverse and inclusive organisation at all levels. In June 2021, Emerson announced it will seek to increase representation of women globally by 40% at the leadership level by 2030. Our goal is to create a culture of inclusion that enables a level playing field of career development opportunities and rewards for women and men.

## An action-orientated approach

Emerson is committed to attracting, developing, and retaining diverse talents, enhancing diversity of ideas and approaches for the benefit of our customers.

Emerson has undertaken the following actions in 2022-2023:

- We continue to drive unconscious bias training as part of our development program with 93% of managers and 73% of individuals now completed the training to date.
- In the last six months of 2022 we increased female representation at director level and appointed three women into senior leadership roles.
- We carried out an equal pay project and, as a result of this, have implemented additional salary increases for certain individuals.
- As part of our recruitment process in the UK, we are working toward a target of 50% gender balance in the candidate pools for all future open positions.
- We aim to launch a women mentoring programme in summer 2023, where women employees will have the opportunity to go through a tailored development programme to help with their career development.

Emerson's past UK Gender Pay Gap Reports can be found at emerson.com/en-gb/careers/ diversityand-inclusion. Further information on Emerson's global initiatives can be found in our most recent Environmental, Social and Governance Report at emerson.com/esg.