



Gender & Ethnicity Pay Report 2024

Breakthrough
engineering for
a better world

IMI is a global company, operating across more than 50 countries with diverse end markets, industry sectors, technologies, and manufacturing processes. We assist our customers in addressing some of the world's most complex engineering challenges.

Our ongoing commitment is to foster a culture that truly celebrates and promotes diversity in every aspect. We believe that by encouraging diverse thoughts and experiences within a genuinely inclusive environment, we can unlock further innovation and growth.

A crucial part of cultivating an inclusive and diverse culture is ensuring fairness in all our processes for employees. At our UK sites, this includes monitoring for pay gaps, specifically measuring and reporting on gender and ethnicity pay disparities.



The pay gap regulations:

At IMI, we are confident that men and women receive equal pay for equivalent roles, and we regularly monitor this on a global scale. While we do have a pay gap, this is due to the proportion of employees in senior roles, rather than an inherent inequality in our pay systems.

A gender pay gap is the difference in average pay between all men and all women in a company, regardless of the type of work they do. This differs from equal pay, which focuses on pay differences between men and women performing the same jobs, similar jobs, or work of equal value. IMI is required to report on the following:

- The difference in mean and median pay between men and women, based on equivalent hourly pay rates (Hourly pay gap).
- The differences in mean and median bonus pay between men and women (Bonus pay gap).
- The proportion of men and women receiving bonus pay in a year (Bonus receipt gap).
- The distribution of men and women across pay band quartiles, calculated using the range of hourly pay rates (Gender and pay quartile distribution).

Our ethnicity pay gap is calculated in the same way, showing the difference in average pay between employees from ethnic minority backgrounds and white employees, regardless of their roles. Although there are no mandatory ethnicity pay gap reporting requirements, we have chosen to voluntarily disclose our ethnicity pay gap results in the same manner as our gender pay gap.

IMI gender pay gap results

IMI's Gender Pay results are calculated for 1,032 employees working for IMI companies in the UK and represent 10% of IMI's global workforce. Reporting regulations require us to report figures for Norgren Ltd, but we report on the whole of the UK organisation to better understand our gender pay gap at a UK-wide level, and in keeping with our commitment to transparency.

For 2024, our median gender pay gap has reduced from 19.4% to 18.2% which continues to provide encouragement that pay progression for female employees continues to accelerate, even though female representation in our highest quartiles remains consistent with last year. Our median bonus gap has increased from 32.2% to 34.9% due to a shift in our data which saw a higher proportion of both men and women who became eligible to receive a bonus during 2024.

Our longer-term trend shows a more significant reduction to both our pay and bonus gaps since we began reporting our data in 2017. Our median pay gap has reduced from 25.1% to 18.2%, a difference of 6.9%, and our median bonus gap has reduced from 68.4% in 2017 to 34.9% this year. These results continue to provide encouragement that the diversity initiatives we have embedded are making a meaningful impact and we are committed to delivering sustainable improvement.

We remain committed to advancing women into senior management roles. Nonetheless, there is ongoing work required, particularly at junior management levels to advance female representation in our 3rd and 4th pay quartiles.

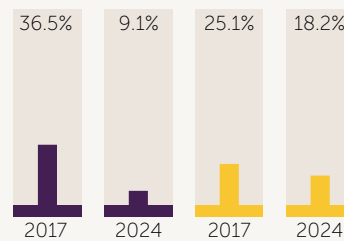
Analysing IMI's Gender pay gap

The gender distribution within our UK organisation stands at 71% male and 29% female, which remains unchanged from the previous year. Since we began reporting in 2017, we have not experienced any significant shifts in gender distribution, and the relatively low representation of female employees continues to reflect the broader trends within the Engineering sector in which we operate.

Our results derive from the under-representation of women in technical and senior functional roles across our business. Despite some improvements, particularly in senior leadership roles, we acknowledge that more progress can be made to recruit and develop women into higher-paid technical positions. Our goal is to build on the progress made since 2017 and demonstrate clear, sustained improvement.

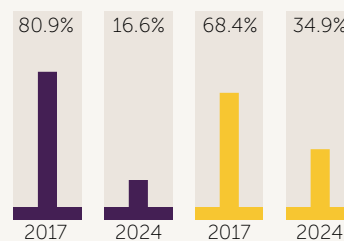
All UK

Pay difference between women and men

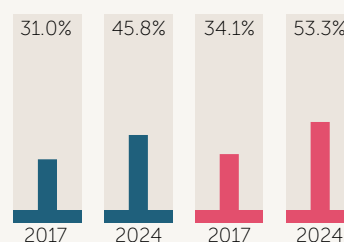


The above diagram shows our 2017 and 2024 gender pay gap for all UK employees, and for the reportable entity, Norgren Ltd. Our figures show that the median average pay for women in the UK in 2024 is 18.2% lower than that for men.

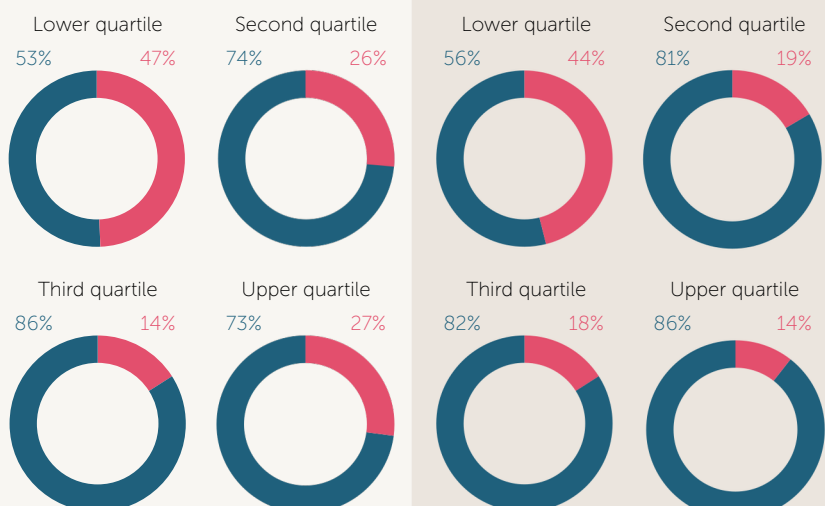
Bonus difference between women and men



Proportion of UK employees receiving a bonus



The gender distribution of employees at each pay quartile



IMI ethnicity pay gap results

Since we initiated reporting in 2022, our ethnicity pay gap data sample size has substantially increased in 2024 due to an active campaign encouraging employees to disclose their ethnicity. Our ethnicity pay gap results are now based on data for 754 of our UK employees (79% of our UK population, or 7.8% of our global population) who have voluntarily provided their ethnicity data compared to 344 employees in 2023. Based on this increased sample, 13% of employees are from ethnic minority groups (lower than the estimated average of 18% in England and Wales, according to the Office for National Statistics), with Asian or Asian British (7% of total employees) being the most represented minority category in our UK sites.

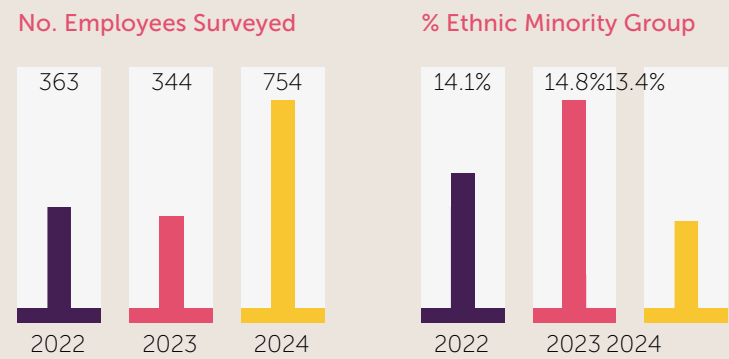
In 2024 we have an overall median pay gap for all ethnic minority groups of -6% compared to 3.6% in 2023. This means that on average, people of colour are employed in roles that pay 6% more than the roles occupied by white employees. Our median bonus gap was 33.2%, compared to -25.6% in 2023 meaning people from ethnic minority groups earned a bonus that was 33% less than white employees. Our 2024 pay gap results are positive but meaningful comparisons with prior years are difficult given the substantial increase in sample size.

Analysing IMI's ethnicity pay gap results

Developing a more comprehensive data set will enable us to create future initiatives aimed at narrowing our pay gap across all ethnic groups. Our analysis reveals an improvement in the median pay gap for all ethnic groups. However, some groups still experience a larger ethnicity pay gap, while others show a negative pay gap, indicating that individuals from these groups hold higher-paying jobs on average than their white counterparts. This pattern of positive pay gaps for certain ethnic minority groups and negative pay gaps for others aligns with findings from other UK organisations voluntarily reporting their ethnicity pay gap, as well as research conducted by the Office for National Statistics.

In 2024, our ethnicity bonus gap data sample size increased from 168 employees in 2023 to 318 employees. The proportion of ethnic minority groups receiving a bonus (12.2%) has remained largely consistent with the previous year and is closely aligned with their overall representation. However, we observed an increase in the median bonus gap compared to prior years. Annual variations in the median bonus gap are expected due to the sample size remaining relatively small, and the business performance of our UK entities affecting individual bonus outcomes by employing entity. We will continue to monitor this data, with the expectation that our median bonus gap will reduce in the future, aligning with the trend in our median pay gap.

Ethnicity Pay Gap Data Sample Size - All UK IMI plc employees



Ethnicity Pay Gap - All UK IMI plc employees

	2022	2023	2024
Pay Gap	6.4%	3.6%	-6.0%
Bonus Gap	-0.7%	-25.6%	33.2%



How we are addressing the gap

We are dedicated to fostering diversity across all levels of our organization and continue to build on the strong foundations we have in place to advance our Diversity, Equity, and Inclusion (DE&I) agenda through the following key initiatives:

Women in Management

We are targeting 'Women in Management' as our key metric for improving gender balance in leadership at IMI. This encompasses all managerial levels and will help to accelerate our drive to improve female representation across junior and senior management levels. This year our global women in management metric rose from 22% to 24%, closer to our goal of 25%.

Every Executive Committee member holds personal accountability to proactively drive diversity and inclusion within the organization. Increasing women in management roles to above 25% and driving diverse shortlists for all management and leadership hires are set as annual performance targets and monitored through the talent review and performance management process.

WeQual Partnership

We have partnered with WeQual, a globally recognised organisation, who support companies to create more diverse and inclusive cultures. WeQual help us develop, connect and support current and aspiring female leaders at all levels of the organisation, from graduates to senior management. As part of the programme and our succession planning female leaders receive tailored coaching and mentorship. Enhancing gender diversity in management remains a key priority, aiming to identify, nurture, and retain top female talent and support our goal of a diverse and inclusive leadership team.

Employee Value Proposition

This year, we launched our refreshed Employee Value Proposition (EVP) to enhance the employee experience at IMI, aiming to attract and retain the best talent. Our EVP is built on three core pillars that align with our purpose and values;

- Nurture Your World: with a range of benefits that support our employee's health, life and wellbeing.
- Thrive in Our World: with opportunities and work environments for employees to feel safe, confident and empowered to grow.
- Build a Better World: enabling employees to make a difference for our customers, colleagues, communities and world around us.

Our EVP introduced a global minimum standard of employee benefits complemented by regionally tailored benefits. These include support for life events such as support with pregnancy loss, neonatal care, fertility leave, and enhanced global minimum standards for paid parental and bereavement leave. We also introduced a caring leave policy providing employees the flexibility to manage commitments outside work, enabling employees to support family, friends or dependents for example with medical appointments or attending significant milestone events, such as a child's first day at school. By aligning our benefits and opportunities with employee needs, our EVP ensures that employees feel supported across all aspects of their professional and personal lives. This initiative reinforces our commitment to fostering an inclusive workplace where everyone can thrive.



How we are addressing the gap

Learning & Development

DE&I remains a central topic on our learning and development agenda and continues to be a key part of our IMI Way Day. This year, we focused on inclusion and exclusion behaviours in the workplace and their impact on mental health, wellbeing, productivity, and engagement. The training emphasised how inclusivity enhances health and safety, drives innovation, problem-solving, and supports talent retention, and our growth strategy.

We are committed to developing female talent at every level of the organisation, ensuring employees have the tools and opportunities to succeed. Our high potential talent programme consistently achieves over 50% female representation, with over 80% of female participants experiencing career progression, demonstrating its effectiveness in supporting female career development. We also encourage the inclusion of other underrepresented groups during the nomination process. This year, we also successfully delivered a bespoke development programme for business support professionals, consisting of 25 female participants, to enhance business acumen and behaviours skills.

Employee Networks & Engagement

We have continued to embed DE&I as a core element of our business by establishing employee networks including: the Global Pride Network, Network of Women, Global Menopause Support Group, and Wellbeing Change Champions.

Our Network of Women aims to create a better working world for women by strengthening their presence and influence. This year, the network piloted a mentoring programme, partnering women across the organisation with a mentor for personal development. Mentees used the relationship for various reasons, from improving personal impact and communication to career development. Following the pilot's success we will launch the programme more broadly in 2025, offering more women access to mentors.

We also launched two global "Women in Engineering" panel discussions to promote women's career development within the engineering sector. The first event, an internal discussion, encouraged female engineers at IMI to share their career experiences and growth. The second, an external panel extended the conversation to a broader audience, welcoming engineers from other companies to foster industry-wide collaboration. The discussions focused on impactful career development activities, early recognition of potential, and the importance of networks, mentorship, and sponsorship. Panellists shared their experiences and offered insights on actions that enable meaningful career advancement for women in engineering.

Measuring

Our 2024 One Big Voice survey provides insights into how our inclusive culture is evolving. The sense of fairness, respect and inclusion provides a strong indication of our progress, with engagement scores remaining generally above external benchmarks. This year, 81% of employees feel treated fairly and with respect at work; 77% feel like they belong at IMI; and 77% feel you can be your true self at work without feeling judged.

Consistency

Our DE&I policy is embedded in all aspects of our HR processes and procedures. These processes are regularly reviewed for appropriateness and competitiveness.

Attracting and retaining a diverse and talented workforce is fundamental to our business success. We are committed to driving positive change across the industry. We will monitor and seek to achieve sustainable improvements in our performance against gender pay gap regulations and our overall DE&I policy.

We confirm that the data reported is accurate.



Roy Twite
Chief Executive



Liz Rose
Chief People Officer

IMI operates four global centres of technical excellence and a sales and service network in 50 countries, as well as manufacturing capability in Brazil, China, the Czech Republic, Germany, India, Mexico, the UK and the USA. Supported by distributors worldwide.
www.imiplc.com

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