

Gender Pay Gap Figures 2022

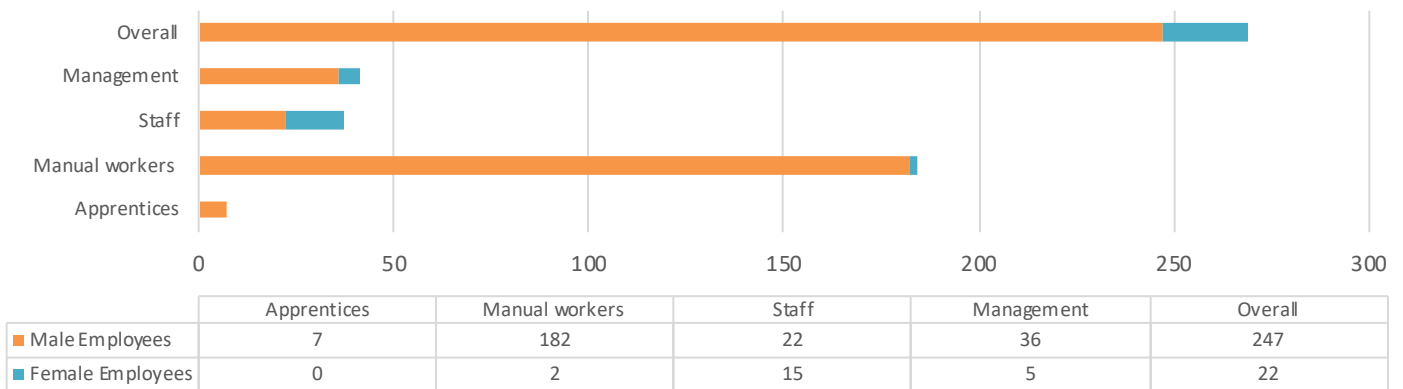
Glatfelter Lydney Ltd

Background & Context

Glatfelter Lydney Ltd is committed to gender equality; our commitment is laid out in our Equal Opportunities Policy and our Code of Business Conduct. Since April 2017, gender pay gap reporting has been a legal requirement. Not to be confused with the issue of equal pay, the gender pay gap shows the differences in the average earnings of men and women, expressed as a percentage of average male earnings; regardless of their role seniority.

In 2022 men made up the majority of our workforce at the Lydney site, reflecting UK industry trends for manufacturing. However, the roles that women hold in our organisation tend to be predominantly staff and management positions. Our gender pay gap results should be considered in the context of this distribution as this has a significant influence on our overall gender pay gap results. We have prepared our figures in line with the requirements set out in the government's gender pay gap reporting legislation.

GENDER SPLIT BY JOB LEVEL
(ALL EMPLOYEES AS AT THE SNAPSHOT DATE OF 5TH APRIL 2022)



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Pay

There are 18 entries which were excluded from hourly rate calculations (all males) as they were not a "full pay relevant employee" for all of the relevant period. This is because they were either on reduced, statutory or nil pay at any point during that period.

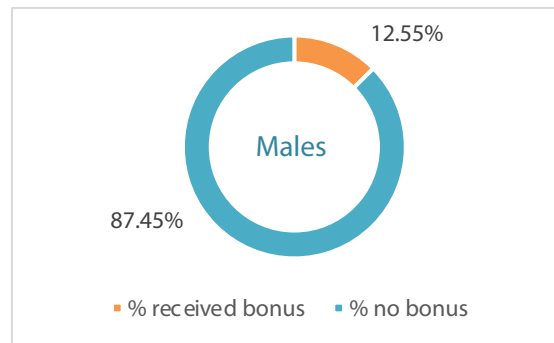
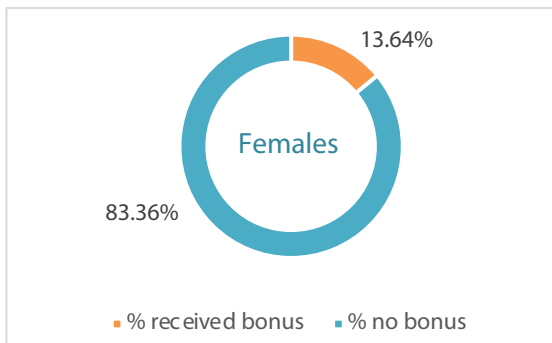
Our negative mean gender pay gap of -14.81% shows that the average hourly rates of fixed pay are higher for women than they are for men, irrespective of their job role or level within the organisation. This reflects the fact that 91% of our female employees occupy staff and management roles, whereas only 23% of males are employed at these levels, with most male employees occupying manual operational roles including apprentices at the lowest end of the pay spectrum.

The median value, which represents the middle point when ranking pay from highest to lowest is broadly understood to be a representation of 'typical pay', as extremes of low and high pay have less impact on the median. Our median gender pay gap is -39.72%, reflecting our demographic makeup, where our female employees are more concentrated amongst staff and management roles. We are confident that we do not have any processes or practices which would see people being paid differently due to their gender, and that the results of our gender pay gap is reflective of the roles that women predominantly occupy in relation to those undertaken mainly by male employees.

Bonus

Bonuses are paid to our employees for a number of reasons, including performance related bonuses to site-level management, recruiting bonuses to certain roles that are difficult to recruit for, long service bonus awards, as well as small 'spot' bonuses to all levels for a variety of reasons. Throughout 2022, 13.64% (total of 3) of all female employees and 12.55% (total of 31) of all male employees received a bonus.

Performance related bonuses are paid as a percentage of salary, and are based on financial performance of the company as well as individual performance. Therefore, the higher the position and salary, the higher the potential bonus that can be earned. This should be considered when reviewing our bonus pay gap results.



The mean bonus pay gap was -84.15%, indicating that the average value of bonuses paid to females was significantly higher than that paid to male employees. This was significantly skewed as a result of one senior female manager receiving a recruiting bonus during the period.

The median bonus pay gap was 11.38%; this was largely influenced by bonuses paid to the senior site leaders who have the highest accountability for the sites performance; this median bonus pay gap is proportionate to our demographics.

Whilst we acknowledge that we have a median gender pay gap in relation to bonus payments, we're confident that our practices in relation to the issuing of bonuses is in no way related to inequality.

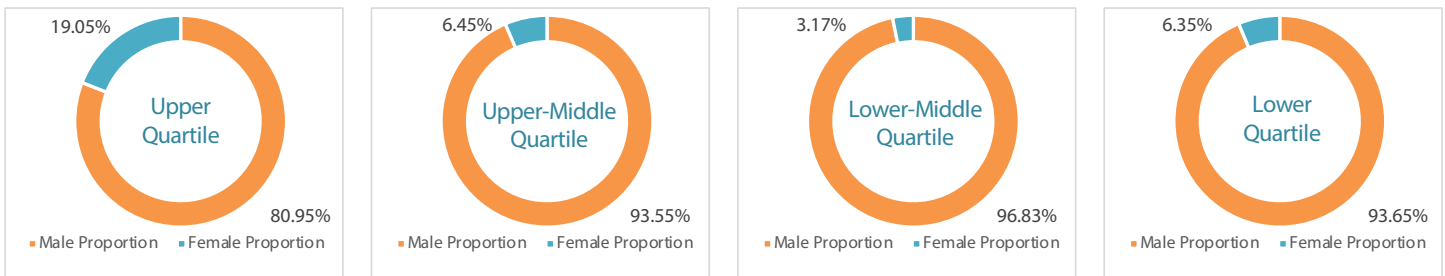
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Quartiles

The quartile analysis shows that females, who represent only 8.2% of our total employee population, are under-represented in terms of employee numbers at each quartile, which is reflective of manufacturing in general. However, the majority of our female employees tend to be employed at the more senior levels within the organisation, within the upper quartiles.



Glatfelter Lydney believes that having the right person in the right job is important, and we recruit and promote for all vacant positions based on the candidate's skills and experience relevant to the role. We are confident that our processes are inclusive to both genders. The gender ratio of our workforce is representative of the distribution of candidates applying for all vacant roles within our business.

Statement & Plan

We are clear on the reasons for our gender pay gap results, and we are committed to providing all employees with equal opportunities as we fully believe that this benefits both the individuals and our business. We have a gender-neutral approach to pay across all levels of the organisation, and do not pay people differently on the basis of their gender.

As an equal opportunities employer, we firmly believe in appointing the best candidate for the role, regardless of gender or other factors. We will continue to explore how we can attract and recruit more females into our organisation in order to balance our gender demographics at every level.

Our focus will remain on ensuring that we recruit and retain a diverse workforce, and to ensure that opportunities to progress, develop and contribute within our business are equally available to all employees. We believe that organisations with a diverse workforce perform better and helps to increase creativity, innovative thinking and strengthens employee engagement.

We confirm that Glatfelter Lydney is committed to the principle of gender pay equality and has prepared its 2022 gender pay gap results in line with mandatory requirements.

Signed, for and behalf of Glatfelter Lydney Ltd

Valentin Ackerman
Site Leader
March 2023