

Donaldson Filter Components Limited

Gender Pay Gap Report 2022

Donaldson Filter Components Ltd are committed to valuing diversity and seek to provide all employees with the opportunity for career and personal development. We welcome the UK gender pay reporting initiative introduced as part of the Equality Act 2010.

As required by UK legislation, this report has been produced in accordance with the Gender Pay Gap Reporting requirements which came into force on 6th April 2017.

In line with the reporting guidelines, the figures shown below have been calculated based on the hourly rate of each individual employee as defined by the requirements outlined in this legislation. Elements included within the calculation are base salary and all other relevant allowances inclusive of overtime and shift premiums.

Donaldson Filter Components Ltd operate in the Engineering and Manufacturing sectors, which have historically been characterised by a higher proportion of male employees.

Pay differences between men and women within Donaldson Filter Components Ltd:

Median Pay Gap across all employees - 6.7%, up from 2.6% in 2021

Mean Gender Pay Gap across all employees - 8.76%, up from 7.35% in 2021

UK's Average National Gender Pay Gap 2022 is 14.9%

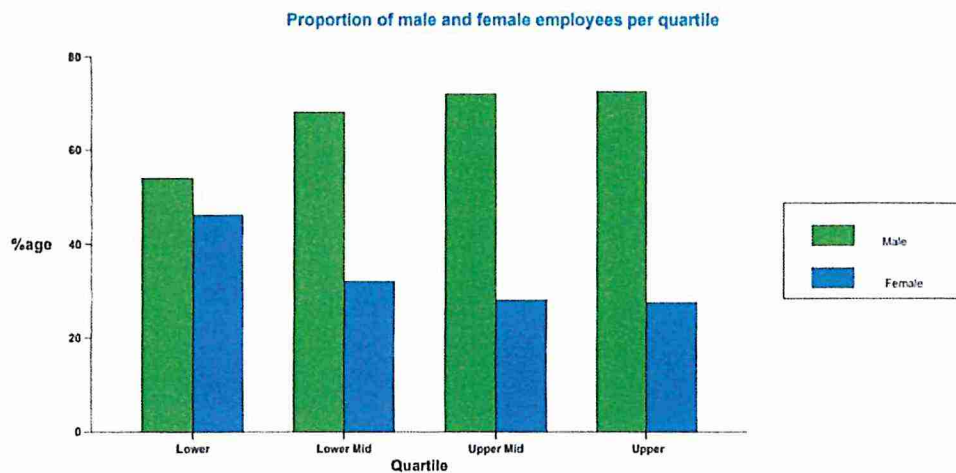
Source Office of National Statistics October 2022

Pay Quartiles across the workforce employed by Donaldson Filter Components Ltd:

Donaldson Filter Components Limited operate within the engineering sector, employing a workforce made up of 36% female and 64% male. The information below indicates the proportion of males and females within each of the four quartiles.

Hourly Rate Quartiles

| Gender | Lower (50) | | Lower Middle (50) | | Upper Middle (50) | | Upper (51) | |
|--------|------------|--------|-------------------|--------|-------------------|--------|------------|--------|
| Male | 27 | 54.00% | 34 | 68.00% | 36 | 72.00% | 37 | 72.55% |
| Female | 23 | 46.00% | 16 | 32.00% | 14 | 28.00% | 14 | 27.45% |



Within Donaldson Filter Components Ltd a grading structure and a job evaluation scheme is in place to ensure all roles are consistently assessed to determine the grade and resulting pay. We are confident that men and women are paid equally for doing equivalent jobs across the business.

We also operate a shift system, recognising employees for working unsociable hours with a shift premium. We operate a night shift which attracts a 30% shift premium, 72% of people working on this shift are male. We believe this factor contributes to the increase in the mean gender pay gap.

Gender Bonus Gap Results:

100% of employees within Donaldson Filter Components Limited are eligible to join a company bonus scheme once completing the probationary period. The information below indicates that at the time of producing the data 3 males and 2 females were in their probation period and as such not yet in receipt of a bonus.

Bonus Proportions

| | |
|---|------------------|
| Number of Males receiving bonus: | 172 / 175 |
| Proportion of Males receiving bonus: | 98.29% |
| Number of Females receiving bonus: | 91 / 93 |
| Proportion of Females receiving bonus: | 97.85% |

The chart below indicates the gender gap of bonus amounts paid to employees within Donaldson Filter Components Ltd. The gap derives from a higher number of males being employed in roles that attract variable bonus payments.

| | Mean | Median |
|-------------------|--|---------------|
| Bonus Paid | 17.9% (down from 27.4% in 2021 and 36.75% in 2019) | 0% |

Within the UK we have undertaken initiatives to help address the pay gap which includes attending the WIME (Women in Manufacturing and Engineering) annual event and working with local schools and colleges to help promote careers within the engineering sector to females. Specifically, Donaldson now act as a Careers & Enterprise Advisor to a local school in the geographical area.

Donaldson will commit to monitor gender pay gap levels and confirm the data reported is accurate and has been produced fully in line with the guidelines and legislation.

Sheila Kramer



Chief Human Resources Officer

28th March 2023

Claire Anderson



HR Manager

24th March 2023