

2023 UK Gender Pay Gap Report

Since 2017, employers with 250 or more employees have been required to publish calculations each year showing the pay gap between their male and female employees.

In this report we show the difference between the average earnings of men and women who work for Innospec Limited in the UK. The six calculations shown in this report relate to payroll data in the 12 months prior to 'the snapshot date', 5th April 2023. On the snapshot date we had 512 employees with 67.97% being men (348 men and 164 women).

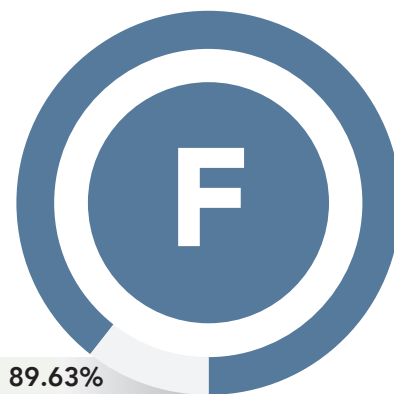
512
employees

69.97% male

32.03% female



89.37% Proportion of Male and Female employees receiving bonus pay 89.63%



Difference in Mean Gender Pay Gap in Hourly Pay

28.17%

Difference in Median Gender Pay Gap in Hourly Pay

30.28%

Difference in Mean Bonus Pay

62.90%

Difference in Median Bonus Pay

16.59%

Annually, and when needed, Innospec conducts external salary benchmarking to ensure equitable and competitive compensation for our employees. Regardless of gender, employees in similar roles receive comparable pay. Whilst our hourly median pay gap has remained stable since last year's report, we acknowledge the ongoing disparity in earnings between male and female employees. We attribute the gap shown in this 2023 report to manufacturing industry and social norms rather than gender discrimination.

Almost 90% of both male and female employees at Innospec received a bonus in 2023, reflecting our ongoing commitment to reward performance. Our bonus scheme is accessible to all eligible employees based on tenure and performance criteria.

It is worth noting that our UK based executive team are male which means the mean bonus pay gap data is impacted due to outliers in the dataset. For a more accurate representation, we rely on the median data which indicates an 8.21% improvement in our bonus gap compared to the previous reporting period.

M

F

82.54% upper quartile 17.46%

80.16% upper middle quartile 19.84%

70.63% lower middle quartile 29.37%

39.68% lower quartile 60.32%

Proportion of male and female employees according to quartile pay bands.

Whilst our data shows a disparity in earnings between male and female employees at Innospec, we recognise this as a reflection of the broader manufacturing landscape rather than inherent bias within our organisation. Nonetheless, we remain dedicated to fostering fair and inclusive practices in all of our processes to ensure equality regardless of gender or any other protected characteristic.

Starting in 2024, Innospec will partner with an external global Diversity, Equity and Inclusion (DE&I) specialist to conduct a comprehensive diagnostic exercise, develop a strategic plan and implement best practice in the context of DE&I.

The implementation of our DE&I strategy is not solely aimed at addressing our gender pay gap, our goal is to maximize and leverage the value of our differences by making sure that everyone feels included, respected, and is given a chance to contribute to their full potential at Innospec. Our objective is to conduct a thorough assessment of our current policies and practices and to instigate proactive measures to foster positive change and align our policies and actions to our inclusive values. Whilst we do not anticipate an immediate resolution to our gender pay gap through this ongoing strategy implementation, we aspire to collaborate with our DE&I partner to effect meaningful change over time.

Ian Cleminson
Executive Vice President
and Chief Financial Officer

Jo Catleugh
Head of HR

For and on behalf of Innospec Limited.