

2022 Gender Pay Gap Report

Airedale International Air Conditioning Ltd is required by law to carry out Gender Pay Gap Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Our snapshot date for our data is 5th April 2022 and we believe that it is accurate. We are an American engineering and manufacturing company with two production sites in the UK: in Leeds and in Consett. We are a predominantly male workforce and it is considered a norm for our industry.

In April 2022 Consett site (previously Barkell Ltd; a subsidiary of Airedale since 2014) merged with Airedale International Air Conditioning Ltd to form one legal entity. The 2022 Gender pay report is based on 684 employees. In comparison, the previous year report was based on 554 employees.

The gender pay gap is defined as the difference between the average pay based on the mean or median hourly rate of pay that male and female colleagues receive irrespective of their role or level in the organisation. This is different to equal pay which looks at men and women being paid the same for doing the same work.

| | Men | Women |
|--------------|-------|-------|
| Upper | 90.6% | 9.4% |
| Upper middle | 91.8% | 8.2% |
| Lower middle | 85.3% | 14.7% |
| Lower | 85.9% | 14.1% |

The Table above shows the gender distribution across Airedale in four equally distributed pay quartiles. For example, within the lower quartile, 85.9% of employees are male and 14.1% are female.

Gender Pay Gap Figures

The mean pay gap is the difference between average hourly earnings of men and women. The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. To find the midpoint, all the salaries in the sample are in order from the smallest to the largest and the middle rate is found.

This Table shows Airedale's mean and median gender pay gap.

| Difference in mean pay | 8.5% |
|--------------------------|------|
| Difference in median pay | 8.8% |

This shows a median gender pay gap of 8.5%, down from 14.2% the previous year, and a mean gender pay gap of 8.8%, down from 10.3% the previous year. Our mean bonus gender pay gap is 18.7% and median bonus gender pay gap is 9.9%. Bonus proportion for men was at 3.5% and for women it was 3.8%.



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We continue to be committed to providing equality of opportunity for all our staff, regardless of gender or any other characteristic.

Why We Have a Gender Pay Gap

The gender pay gap within the business continues to be driven not by what we pay our employees but by the composition of the workforce. Women represent 11.5% of the workforce. Some of our more junior roles are part time and attract women. With a higher proportion of women in the more junior grades compared to men, this results in an average lower hourly rate of women overall.

The engineering industry has struggled to recruit female engineers. This continues to present us with challenges. We are confident that men and women are paid equally for doing the same job. However, we have a gender pay gap because there is an industry-wide imbalance between male and female employees which means that there are a greater number of men in senior roles and in engineering roles than women.

In addition, Airedale has a twilight and night shifts which come with an additional allowance to compensate for anti-social working hours which is included in the gender pay gap calculation. These roles are open to men and women and Airedale pays equally across genders however, currently and for the reasons set out above, vast majority of our shift workers are male and this therefore has the effect of increasing the gender pay gap.

How We Are Addressing The Pay Gap

Encouraging young women to see science, technology, engineering and mathematics (STEM) as a future career remains a key focus for us. We are looking to work closely with local schools, colleges and universities to promote the benefits and potential career paths within STEM industries. More work needs to be done to attract women to STEM industries. We offer flexible working to attract those with families.

We are also a contributor to the apprenticeship levy. We see this as an opportunity to recruit new employees and develop existing employees.

Summary

We aim to achieve a broad foundation of highly skilled engineers that will succeed and progress within our company. We will continue to work locally with schools, colleges and universities to educate young women about the possibilities and the potential of careers within engineering and manufacturing.

Steve Joyce HR Director on behalf of Airedale International Air Conditioning Ltd