

# Gender pay gap report.



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At Linde, our vision is to be the best performing global industrial gases and engineering company, where our people deliver innovative and sustainable solutions for our customers in a connected world. We are driven by our five core values, one of which is Inclusion – we embrace diversity and inclusion to attract, develop and retain the best talent and build high-performing teams. We believe that by hearing all voices and listening to diverse opinions, thoughts and perspectives, we will move towards achieving our full promise and potential.

In this report, we provide the gender pay gap information for our UK businesses, explain the reasons for the pay gap and outline our ongoing plans for closing this gap. We remain committed to our ambition to go further and will seek out opportunities which encourage diversity and a better gender balance, ensuring BOC / Linde in the UK is a company that people of any gender will want to be part of.

**Important:** gender pay is not the same as equal pay. **Equal pay** focuses on male and female employees receiving the same pay for carrying out the same or equivalent work. The **gender pay gap** is a simple average figure for all employees as defined by the UK Government's gender pay gap regulations, irrespective of the job they do.

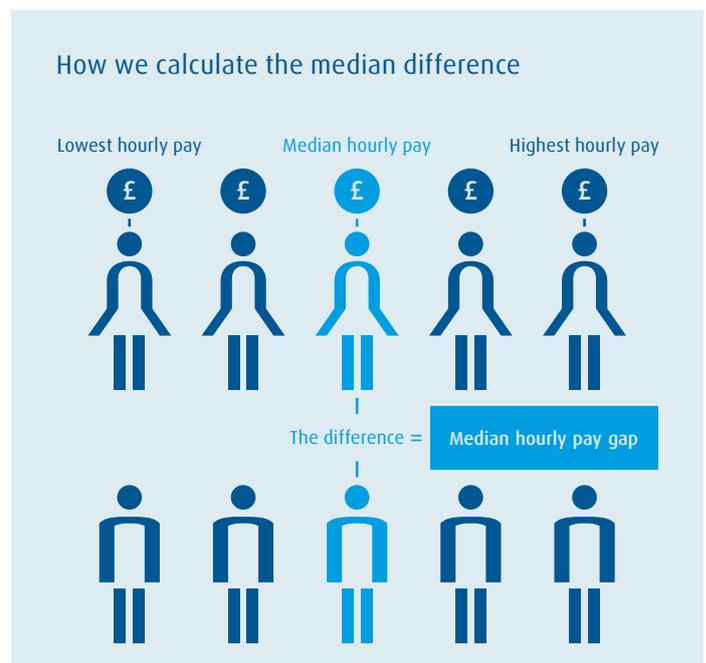
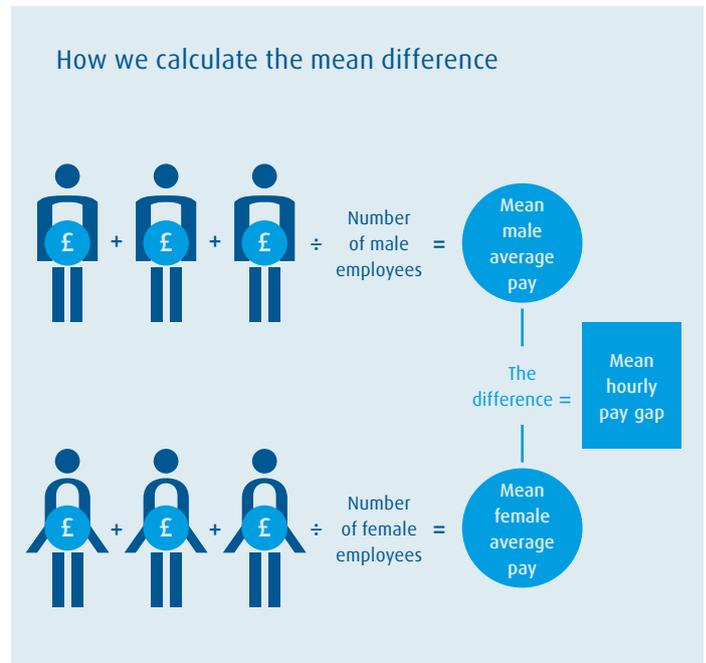
## Calculating our numbers

Under the UK Government's Gender Pay Gap regulations, companies must report their gender pay gap for all legal entities in Great Britain with more than 250 employees.

On the snapshot date of 5th April 2018, BOC / Linde UK employed 2714 people in Great Britain who were within scope of the regulations. Our figures exclude our employees in Northern Ireland, as Northern Ireland is not covered by these reporting regulations.

In this report, we are sharing the median and mean (average) pay gaps between male and female employees' hourly pay and bonuses.

## Understanding our pay gap calculations



## Our results

Our **underlying mean pay gap** has improved by 3% since last year. This is primarily due to changes made to our pay approach for a large section of the workforce where the focus has been on pay equity.

**Note:** this underlying improvement is not evident in the reportable figures because data related to a senior female employee artificially reduced the gap last year. The reportable figures therefore show the mean pay gap remaining at 7%.

The **median pay** for employees across our business remains 12% higher for male employees. As reported last year, this gap is primarily driven by the large number of roles held by male employees, which is common amongst similar companies.

Our mean and median bonus calculations for this reporting period are unfortunately skewed by data anomalies. The **mean bonus** was 30% higher for male employees, due to the reporting period including the final payments of a now-discontinued bonus scheme for a small number of employees. Additionally, as mentioned in our last report, the mean was previously impacted by a senior female employee, not included in this year's reporting.

The **median bonus** gap was 46% higher for women, which is the result of a change in our approach to recognition awards (which are included within gender pay gap reporting) combined with our overall ratios of men and women.

Mean pay gap  
7%

Median pay gap  
12%

Mean bonus pay gap  
30%

Median bonus pay gap  
-46%

% receiving a bonus payment



## Closing the gap

One of the challenges in our business is attracting female employees into a traditionally male dominated industry. We continue to tackle this in several ways.

In 2018, we made changes to our pay approach for a large section of the workforce, with the focus being on pay equity and decreasing the pay differential between employees performing similar roles and with similar levels of performance. This typically means a higher increase for those who are at the lower end of our salary bands, with the objective of moving people towards market rate and reducing pay gaps. This approach has been continued in 2019 and is intended to improve pay equity in general within this employee population. In 2018 we also made a one-off additional budget allocation for special adjustments where particular pay inequities, including gender, had been identified.

In addition to starting to improve our pay approaches, we also continue to focus on diversity and inclusion in a number of other ways:

- We are raising our organisational focus and awareness through the introduction of Inclusion as one of our five new values
- We have an active Graduate Recruitment and Training programme that seeks to encourage female graduate engineers into our organisation
- We have reviewed and updated our Diversity and Inclusion Policy.

We believe that the reported gap in pay is primarily a product of gender mix and length of service, as well as some data outliers, rather than being the result of pay differentials between female and male employees of a similar pay grade. Our ambition is to close the gap but we acknowledge that this is likely to take some time. To achieve this, we are committed to attracting and developing women, as well as other under-represented groups, into and within our organisation.

In our last report we committed to establishing a working group approach to improve our focus on diversity and inclusion. We have now set up our Employee Collaboration Forum, consisting of elected representatives from across the business, to complement the other working groups already in place. Diversity and inclusion will be topics we expect to discuss with this group, exploring how we might improve the proportion of female employees in our business, benefit from internal and external expertise and networks, and monitor more widely the overall diversity of our employee base.

## Statutory disclosures: BOC / Linde UK

% male/female employees 80%/20%

Median gender pay gap 12%

Mean gender pay gap 7%

Median bonus pay gap -46%

Mean bonus pay gap 30%

% males/females receiving a bonus payment 62%/63%

Upper quartile\* (male/female %) 81%/19%

Upper middle quartile (male/female %) 89%/11%

Lower middle quartile (male/female %) 87%/13%

Lower quartile (male/female %) 66%/34%

\*Quartiles are based on hourly pay rates

## Declaration

We confirm the information and data reported is accurate as of 5 April 2018.

Sally Williams  
Head of Finance

Vic Hart  
Head of HR

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BOC is a member of The Linde Group, the leading global gases and engineering company. BOC is the UK's largest provider of industrial, specialist and medical gases, as well as related products and services. As a leader in the application of technology, we are constantly looking for new ways to provide our customers with high quality products and innovative solutions.

At BOC we help our customers to create added value, clearly discernible competitive advantage and hence greater profitability. To achieve this we have a comprehensive range of products, services and technical support, which can be customised to meet the individual requirements of our clients.

To keep ahead of the competition in today's market, you need a partner for whom quality, service, process and productivity optimisation are an integral part of customer support. We are there for you and with you, helping to build your success.

BOC's reputation has been forged through partnerships – with customers, with relevant regulatory authorities and with key suppliers. In this way, we deliver comprehensive and consistent benefits to you.

**BOC – world-leading knowledge and resources adapted to local requirements.**

## **BOC Limited**

The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, Surrey GU2 7XY, United Kingdom  
Tel +44 1483 579 857, Fax +44 1483 505 211, [www.BOOnline.co.uk](http://www.BOOnline.co.uk)

BOC Limited registered office, The Priestley Centre, 10 Priestley Road, The Surrey Research Park, Guildford, GU2 7XY, England. Number 337663 – English Register.  
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