

## Introduction

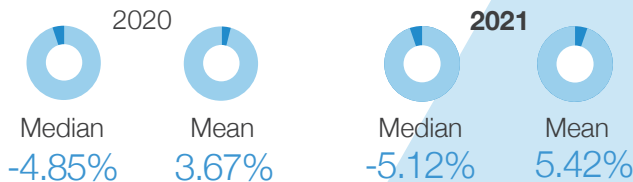
Gender pay reporting legislation states UK employers with 250 or more employees, are required to publish annual statutory calculations showing the pay gap between male and female employees. Gender pay gap is not the same as equal pay. Equal pay ensures males and females receive the same pay for carrying out the same or equivalent work. The gender pay gap looks at the difference between the average male and average female in the company, regardless of their role.

## Company overview

Zotefoams plc is committed to delivering optimal material solutions for the benefit of society. We are an award-winning global supplier of advanced foams that save weight and fuel in cars, trains and aircraft, save energy by insulating, and provide protection for people and goods. Our unique manufacturing process – invented over 100 years ago – creates a real competitive advantage, producing materials that are purer, lighter and more durable than alternatives, and making Zotefoams the supplier of choice to many global brands. Zotefoams is also a pioneer in microcellular foam technology and foamed materials for greener plastic products, notably in consumer packaging. Headquartered in Croydon, UK, Zotefoams has subsidiaries in the USA, Asia and Continental Europe.

## Pay Gap between males and females

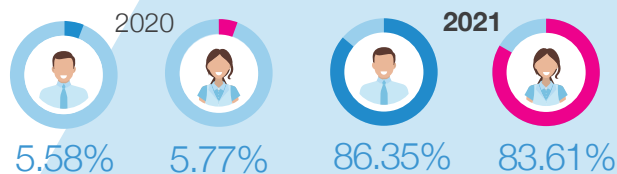
### Average hourly rate comparison



The above figures show the difference between the average hourly rates of pay of all females compared to all males at Zotefoams. The mean average pay for all females is 5.42%, lower than all males. The increase of the gap against 2020 is attributed to two key appointments during 2021 that were both male. Zotefoams' performance is still tracking better than the national gender pay gap in the UK. Zotefoams is committed to continuing to recruit female talent and close the pay gap further where opportunity allows. For comparison purposes it is important to note the following from the Office for National Statistics: "In 2021, the gap among full-time employees was 7.9%, up from 7.0% in 2020. This is still below the gap of 9.0% before the coronavirus (COVID-19) pandemic in 2019, and so the downward trend is continuing. Among all employees, the gender pay gap increased to 15.4%, from 14.9% in 2020, but is still down from 17.4% in 2019." (Office for National Statistics, Gender Pay Gap in the UK: 2021, release date 26 October 2021).

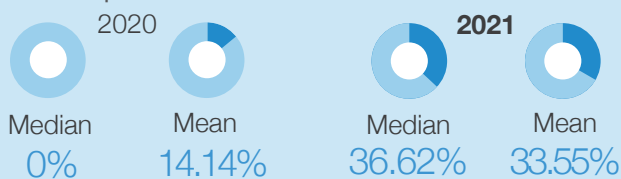
### Bonus comparison

% of the workforce that received a bonus



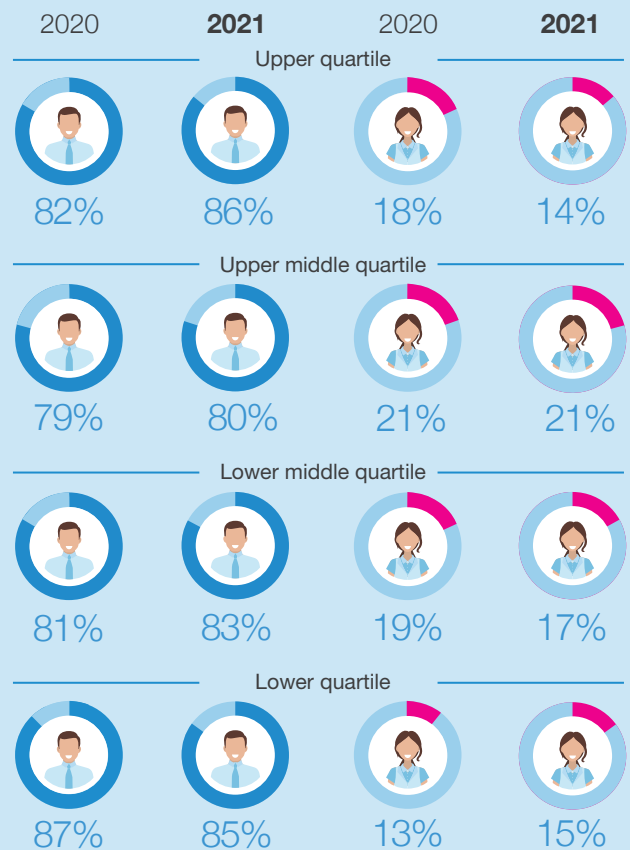
All employees are eligible for the Zotefoams bonus scheme. The bonus scheme is based on financial targets for all employees and financial and personal objectives for tier 1 and 2 Senior Managers. In 2020 there was a production bonus paid in December, while there was a discretionary bonus of 1.25% paid to non-production staff in Q1:2021, both in relation to the 2021 reporting period. The 2020 bonus was paid to eligible employees (tier 1 and 2 senior managers) against personal objectives only; there was no production, profit sharing or discretionary bonus.

### Bonus Gap between males and females



The mean average bonus pay gap increased by 19.4% in 2021 compared to the pre pandemic period. This is due to bonuses being awarded to the Production employees at 2.5% against achievement of production targets and the non-Production employees being rewarded 1.25% against achievement of financial targets. The UK Production team is 95% male. In addition, executive bonuses were higher in the 2021 reporting period than in 2020. The median gap increased as the "median man" is a production worker awarded 2.5% while the "median woman" is higher-paid but with 1.25% bonus percentage.

### Gender distribution across four equally sized pay quartiles



\*based on the snapshot of 5 April 2021

Female talent attraction and retention at all levels remains a key priority in our business, and we are committed to fostering an environment through our blended working approach that will support gender and diversity opportunities. We are an equal opportunities employer; we recruit from the widest possible talent pool through targeted recruitment strategies and early entry talent schemes and are actively focussing on improving gender balance through these schemes. This commitment is further cemented by the Zotefoams Board Diversity Policy launched in 2021.

I confirm that the gender pay gap data in this report is accurate and has been produced in accordance with the regulations.

**Hannah Di Nardo** Head Of Human Resources, Zotefoams plc