



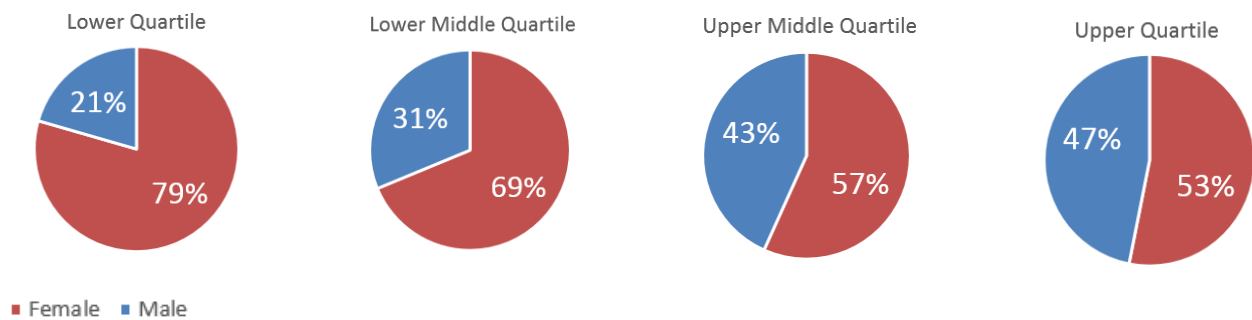
Gender Pay Gap 2018

NSF Food, Safety & Quality UK

Reportable Pay Gap				Reportable Bonus Gap				% receiving bonus				% gender ratio	
Mean		Median		Mean		Median		Men		Women		Men	Women
2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
19.5%	15.7%	23.2%	20.6%	62.4%	27.4%	47.1%	20.6%	2.0%	87.2%	3.6%	92.0%		

In 2018 reporting criteria required the inclusion of car benefit, which was not included in 2017 gender pay data

Percentage of male and female employees in each quartile



Introduction

At NSF Food, Safety & Quality UK we ensure that male and female employees in comparable job roles are paid equally. However, we do have a gender pay gap. A gender pay gap means there is a percentage difference between what women are paid per hour, and what men are paid per hour.

Why we have a gender pay gap?

At NSF Food, Safety and Quality UK our gender pay gap exists because we have comparatively low numbers of women, in many instances none, in specific roles. These roles are typically oriented toward science, technology, engineering and maths (STEM) disciplines and/or require experience from, what remain, predominately male dominated industries, such as manufacturing. These roles attract a higher rate of pay for numerous reasons. One of the most relevant reasons is that the labour market for these roles is highly competitive.

2018 gender pay gap insights

In 2018 we have reduced our gender pay gap from 23.2% to 20.6% median. The most significant reason for this reduction was the introduction of the company performance management and reward process, the One NSF Conversation Cycle and One NSF Bonus and Merit Reward. The introduction of these processes and tools saw us differentiate merit pay increases based on performance, and significantly increase the number of employees, both male and female, receiving a performance related bonus.

Overall, we saw virtually no movement of the gender pay gap for office-based administration and management, which remains in favour of women. This is because our workforce in this part of the business is predominantly female.

However, of note this year are data points indicating we have some specific roles that we are successfully appointing women to, but later have difficulty retaining them in. These roles may not be conducive to a traditional work life balance.

Our commitment

While we expect our Gender Pay Gap to fluctuate year on year we are committed to reducing the gap. Our overall ambition is to establish inclusive ways of working that offer all employees, including women, equal access to opportunities that allow them to develop and succeed. We have been doing this in several ways.

Attraction and hiring: - In 2018 we proactively monitored our attraction and recruitment activity. Because of this we are confident that our reward and benefits are equal, fair and consistent across our job roles. What we found was that our hiring data is consistent with the primary reason we have a gender pay gap, which is that some specific roles, which attract a higher rate of pay continue to attract more men.

However, we appreciate that men and women can experience our attraction and recruitment processes differently. This will be something that remains forefront of our minds in 2019 as we seek to increase our attraction of female talent.

Job levelling and grading: - Job levelling and grading are analytical processes that set out to determine the comparative value of all job roles in our organisation. Undergoing this process will offer us many benefits, all of which we foresee having a positive impact on our gender pay gap. These include:

- Providing a transparent framework for equal and competitive reward
- Supporting talent management and development through the communication of progression points
- Supporting attraction, engagement and retention of key talent

This is a significant global project being undertaken across NSF International. NSF Food, Safety and Quality UK began this project in the UK in 2018 and work remains ongoing. The complex nature of this work and the deep analysis required means that we will be unlikely to share any outputs from this project until 2020.

Keeping pace with best practice and sustaining our progress

There are many areas that businesses are reviewing to improve their gender pay gap, including how they advertise and utilise flexible working options, how they motivate, develop, plan and mobilise talent, and how they retain employees.

We have made some progress in 2018. This combined with 2018 insights will enable us to continue to explore how we can improve our ways of working to continue to reduce our gender pay gap and support our employees

to access opportunities that allow them to develop and succeed. In 2018 we will be identifying some clear actions that align with global NSF International strategy to support this.

Declaration

We confirm that the information and data provided in this report is accurate and in line with mandatory requirements.



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