

Lubrizol Limited

UK Gender Pay Gap Report 2019



Eric R. Schnur

“Diversity and inclusion is all about state of mind. A confident, open and curious mind welcomes differences in people, opinions and approaches. It is intentional and purposeful in challenging its own potential blind spots. And it creates an inclusive environment that invites everyone to participate in the overall success of the company.”

– Eric Schnur, Chairman, President and Chief Executive Officer

Lubrizol in the UK aims to ensure that people are treated equally at work, across all levels and locations. This includes making sure they have the same opportunities of recognition, reward and career development. We follow vigorous processes to ensure that all employees who perform in the same or equivalent jobs are paid equally (Equal Pay).

Our long-standing compensation practices have achieved that goal. We share with you here a recently completed study, as required by UK law, designed to highlight the average pay differentials between the genders. These figures for 2019 show that we have a gap between the overall average pay of female and male employees (Gender Pay Gap).

Achieving a neutral gender pay gap is an important objective – and a key element of our global strategy as defined by our global executive committee to build sustainable Diversity and Inclusion throughout the entire organization.

We are fully committed to this goal and to ensure that all our people have the chance to realise their full potential.

– Alison Fisher, UK Director



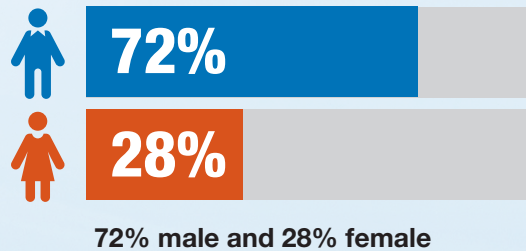
Alison Fisher

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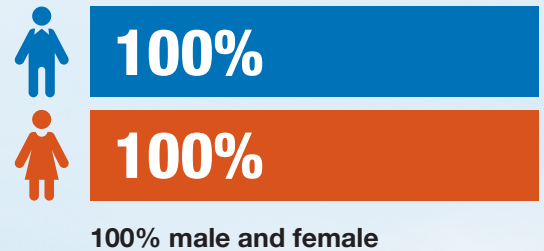
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Our results

The proportion of men and women in our workforce in 2019:



The proportion of employees receiving a bonus in 2019:



Proportion of employees in each pay quartile band:

	2017		2018		2019	
	Male	Female	Male	Female	Male	Female
Lower (%)	59.5	40.5	55.5	44.5	55.9	44.1
Lower middle (%)	71.8	28.2	71.1	28.9	70.9	29.1
Upper middle (%)	77.8	22.2	76	24	71.7	28.3
Upper (%)	82.2	12.8	84.5	15.5	88.3	11.7

Mean and median gender pay gap:

	2017	2018	2019
Mean gender pay gap (%)	22.8	23.2	25.19
Median gender pay gap (%)	22.5	23.6	24.52

Mean and median bonus gap:

	2017	2018	2019
Mean gender bonus gap (%)	43.4	43.3	42.02
Median gender bonus gap (%)	28.2	17	22.2

“Intention is good – but results matter”

– Eric Schnur

At the end of 2018 Lubrizol adopted goals that will enable us to reach gender parity within our global senior leadership by 2023. To achieve these goals we are working to diversify our talent pipelines and looking at every level of the organization to ensure we are hiring, developing and retaining talented women.

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How are we contributing to change locally?

Flexible working

Over the last two years we've significantly improved our flexible working arrangements. This is a benefit for all staff – not just women. Evidence suggests that where employees have important commitments outside work, creating the opportunity to work more flexibly removes one of the barriers to career advancement.

Development

We've also launched an employee resource group – open to women and men – to support those of our people keen to advance into leadership positions. GOALL – the Group of Aspiring Lubrizol Leaders – was launched with a key note speech from a female Executive Council member in June 2019 and has subsequently run a session to share the experiences of successful leaders and to pass on advice.

Recruitment

Our priority is to hire the best person for the job in every situation – regardless of gender, ethnicity, age or orientation. We have robust recruitment practices to support fair decisions. We do still attract many more male than female candidates and we are exploring whether we can position our roles to help attract a more even balance. One way in which we can build strong foundations is through our student placement scheme. We have had good success rehiring students into permanent roles. Our gender balance in this population is 14 Female:18 Male – more equitable than our ratio for all roles.

External Engagement

Much of our engagement in our local communities is designed to attract and engage young people, female and male, to think about careers in science and engineering. We know this will take time to make a difference and we are committed to these activities for the long-term.

Conclusion

“Our investment in the future, through STEM and educational programmes inspiring the next generation of engineers and scientists, both female and male to join our business is matched with our commitment to providing a workplace that champions diversity and inclusion for many years to come.”

– Sam Bradbury, UK HR Manager



Sam Bradbury