

smiths

UK Gender
Pay Report
2024



Introduction

Smiths Group is a global industrial technology company focused on achieving our purpose of engineering a better future. Listed on the FTSE 100, the business is truly global with over 15,000 employees across more than 50 countries worldwide. The UK is an important market for us with c.1,200 colleagues across several manufacturing and office locations.

We are pioneers of progress – engineering a better future. Our purpose is our guiding star, and is supported by our values of passion, integrity, respect, ownership and customer focus. We also foster our Smiths Leadership Behaviours which describe the behaviours needed for us to be dynamic, inclusive and focused on delivering results that create value.

Together, our purpose-driven approach, our Values and our Leadership Behaviours help nurture a culture of belonging, and an inclusive environment where all aspects of diversity are valued, including gender.

This culture of belonging is encouraged at all levels– including the Boardroom.

We have made good progress in 2024 in a host of areas such as our equity pay audit; conducting listening roundtables with women leaders and engineers to shape diversity initiatives; 'Restart@Smiths' for career returners; and introducing a part-time working policy to name a few. Talent development is a key priority and we are focused on growing and promoting talent from within – as highlighted by recent changes to my executive team.

The results of all of this work are encouraging. In this year's report both our mean and our median hourly pay gap are in favour of women, as is our bonus pay gap.

There is still work to do but we know that belonging is fundamental to our effectiveness, and the long-term success of Smiths. and it remains an ongoing focus and priority.



Belonging is key to our effectiveness, and the long-term success of Smiths

Roland Carter,
CEO of Smiths Group

Defining the gender pay gap

Gender pay gap

Measures the difference between the average hourly pay and bonus for female and male colleagues.

Mean pay gap

Is the difference between the pay or bonus of the average female and the average male colleague. This is calculated by adding the total pay of all females together and dividing by the number of females, and the same for males.

Median pay gap

Is the difference between the pay or bonus of the 'middle' female colleague and the 'middle' male colleague when female and male colleagues are listed in order of pay.

Equal pay

Is different from the Gender Pay Gap. Equal pay is about ensuring colleagues doing the exact same role get the same pay, whatever their gender.

HOW WE CALCULATE THE MEAN DIFFERENCE

$$\text{TOTAL HOURLY PAY} \div \text{NUMBER OF WOMEN} = \text{MEAN FEMALE AVERAGE PAY}$$


The difference is the mean hourly pay gap

$$\text{TOTAL HOURLY PAY} \div \text{NUMBER OF MEN} = \text{MEAN MALE AVERAGE PAY}$$


HOW WE CALCULATE THE MEDIAN DIFFERENCE



Gender pay gap – Smiths in the UK

Of over 15,000 Smiths people worldwide, about 1,200 are employed in the UK, across all of our businesses and in corporate roles. Although only our John Crane and Smiths Detection businesses separately employ more than 250 people in the UK, this report represents the gender pay calculations for our full UK population, including those based out of our corporate HQ in London.

Smiths mean (-9.5%) and median (-7.3%) hourly pay gap are both in favour of women.

A key factor influencing our gender pay gap is the significant representation of women in leadership and higher-paying roles. Women are well-represented in senior positions, occupying a substantial proportion of decision-making roles. The distribution of women in these higher-paying roles has contributed to a gender pay gap in favour of women.

Bonus pay gaps are also in favour of women however they continue to show volatility year-on-year, as they reflect variations in business performance and the vesting of senior executive incentive schemes. Increasing female representation is a continued focus throughout the business.

Smiths is committed to fair pay practices and recognises that a gender pay gap is not the same as an equal pay issue. We complete annual calibrations of performance ratings, merit increases and bonus pay analysis across various groups to ensure equity in pay. We have also been an accredited Living Wage employer in the UK since 2018.

GENDER PAY GAP CALCULATIONS

TOTAL SMITHS UK

The gender pay gap shows the difference between the mean (average) and median (mid-point) hourly earnings and bonuses of female and male employees, expressed as a percentage of male colleagues' earnings.

337		TOTAL EMPLOYEES		944
212		RECEIVED BONUS		620



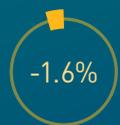
Gender Pay Gap Mean



Gender Pay Gap Median



Bonus Pay Gap Mean



Bonus Pay Gap Median



Proportion of Females Receiving Bonus Payment

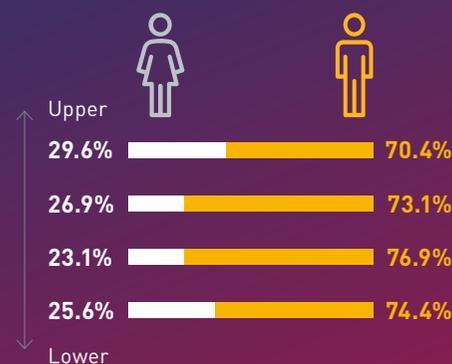


Proportion of Males Receiving Bonus Payment

PROPORTION OF FEMALES AND MALES IN EACH PAY QUARTILE

Smiths has continued to see an increase in the percentage of females in the upper quartile, driven by our focus on improving the number of women in leadership.

The proportion of women in our global workforce is 29% and we are committed to improving the gender balance at Smiths throughout the organisation



Continuing progress

In FY2024, our ongoing focus in terms of gender diversity has been to develop senior leadership roles at Smiths for women, as well as in technology and engineering roles, and to continue to build a healthy and diverse pipeline of future leaders across the organisation.

Senior leadership diversity – We stepped up our efforts to increase the gender diversity of senior leaders, with an increase from 24.8% in FY2023 to 27.0% in FY2024.

Talent progression rate – The measure for internally filled roles increased by 5% in FY2024 from FY2023 (grade 11 plus). Building our pipeline of future leaders is important for retaining our talent and providing equity in advancement. Our pipeline diversity (grade 11 - 13) continues to increase compared to prior years.

Executive level diversity – The percentage of female leaders in our Executive Committee - our most senior leaders in the company responsible for setting and executing our strategy - was 36% in FY2024 compared to 25% in FY2023.

Early career hiring – We continue to drive 50:50 hiring within our early

career programmes such as internships and apprenticeships.

Employee networks - Our Women@Work network, which continues to bring together and address the needs of female employees, has a strong membership across the global organisation. Learning workshops and speaker events with topics on women's health including menopause at work were organised to raise awareness and offer options for improving physical health and well-being.

Equity focus groups – We conducted more than 30 group sessions across 11 countries in seven languages, engaging over 400 participants to explore their perspectives on equity. The insights were presented to the Executive Committee, leading to concrete actions aimed at strengthening leadership accountability, enhancing Employee Resource Group sponsorship and visibility, driving

equitable career progression, addressing behavioural gaps, and fostering empowerment through lean methods.

Leader-led learning – High-impact learning sessions were hosted every quarter for our senior leadership team, including an emphasis on the importance of equity and this group's key role in achieving it.

Talent & succession planning – We continue to set ourselves measures to drive stronger gender diversity across Smiths. We are seeing positive movements in women in our leadership and management populations, with a 4% increase in women representation in our senior leadership roles. (as at Jan 2025). Our annual succession planning activity continues to have a focus on gender equity. As part of the succession planning process, a top talent pool is identified to reflect leaders with potential to hold an Executive Committee level role in the future. Women make up 42% of this critical talent pool.

Accelerate leadership programme

The Accelerate leadership programme provided learning opportunities to 45% more women in FY2024 than in FY2023 with 31% of the 555 global participants being female.

 c 15,000 colleagues

in more than 50 countries 

 c 1,300 colleagues in the UK

Parental Leave*

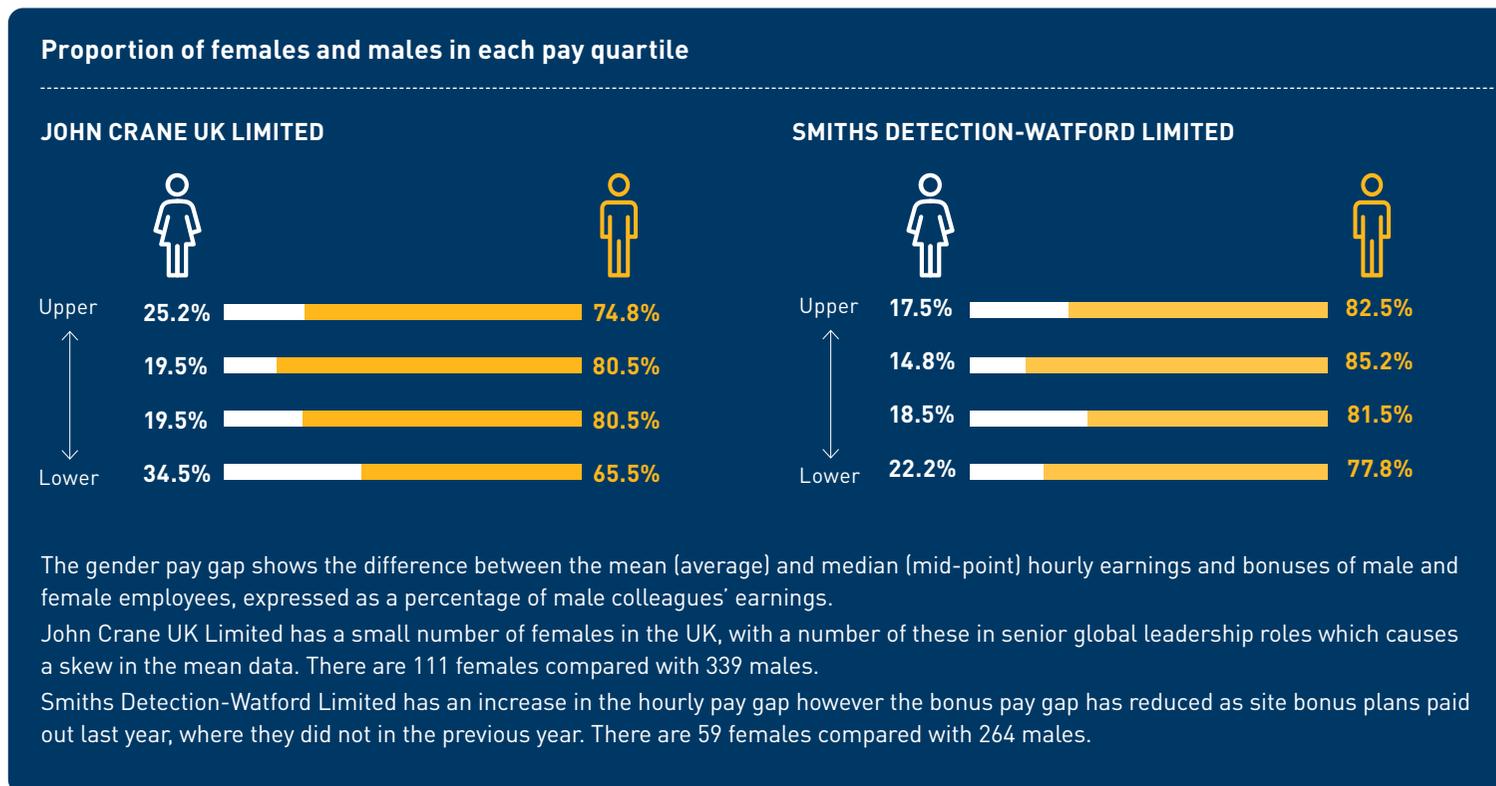
In the UK, we offer enhanced maternity leave of 26 weeks fully paid leave and two weeks fully paid paternity leave. We also offer fully paid adoption leave and shared parental leave during the first 26 weeks following the adoption or birth of a child. Further parental leave is available for up to 52 weeks following the adoption or birth of a child, paid in line with statutory requirements.

*eligibility criteria apply

Smiths in the UK – reporting entities

Two of our UK entities have at least 250 employees. Under current regulations we're required to report gender pay and bonus gaps for these entities as at 5 April 2024.

Gender Pay Gap Calculations	John Crane UK Limited	Smiths Detection-Watford Limited
Gender Pay Gap Mean	-11.8%	9.7%
Gender Pay Gap Median	8.2%	7.6%
Bonus Pay Gap Mean	-94.3%	22.7%
Bonus Pay Gap Median	22.4%	-6.1%
Proportion of Females Receiving Bonus Payment	40.5%	74.6%
Proportion of Males Receiving Bonus Payment	56.3%	78.4%



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We confirm the information and data reported is accurate as of the snapshot date of 5 April 2024.



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