

UK Gender Pay Gap Report 2019

Overview

As of the Snapshot Date of 5 April 2019, SPX FLOW, Inc., a corporation registered in the United States with legal subsidiaries and operations around the world (the “Company”), employed 949 people in the United Kingdom and 206 of these employees were women. On a consolidated basis, therefore, the Company’s workforce in the UK is approximately twenty-two percent (22%) women. The majority of our female employees are employed in office-based administrative and professional roles.

Under the UK Government’s Gender Pay Gap Regulations (the “Regulation”), companies that are registered in the UK are required to report the gender pay gap at each of their legal entities that have more than 250 employees as of the Snapshot Date. Six calculations are disclosed to demonstrate the size of the gender pay gap between men and women in the legal entities included within the Regulation:

- Mean gender pay gap in hourly pay
- Median gender pay gap in hourly pay
- Mean bonus gender pay gap
- Median bonus gender pay gap
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each quartile pay band

Gender pay gap reporting shows the difference between the average (mean and median) earnings of men and women and is expressed as a percentage differential of men’s earnings. This is not the same as “equal pay” which is a measurement of the difference in compensation between men and women who carry out the same or similar jobs or work of equal value.

Our Legal Entities in the UK

SPX FLOW, Inc. is the ultimate parent company for five separate legal entities registered in the UK. Of these five companies, only two, SPX International Limited and Clyde Union Limited, had more than 250 employees and are therefore subject to the Regulation.

Our Commitment

Our Company is committed to increasing the opportunities for women to join our organization. Starting with our senior leadership, we strive to include at least one diverse candidate for each job opening and we are working with our human resource partners to encourage applications from women. During 2019, one hundred and fifty-three (153) new employees were hired by our five UK business, and sixty-three (63) of these employees (i.e. approximately forty-one percent (41%)) were women.

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Our Bonus Plans

During the 2019 fiscal year, all of our employees in the UK were eligible to participate in a performance-based bonus programme. These include Enterprise Incentive Plan, Manufacturing Incentive Plan, Sales Incentive Plan, Sales Support Incentive Plan, Service Center Incentive Plan, Shared Service Incentive Plan and Local Bonus Plan. We have also included service awards and restricted stock unit vesting within our bonus data. In accordance with the Regulation, we have included all bonus payments made during the 12-month period prior to the Snapshot Date for the purpose of this report (the “Bonus Measurement Period”).

SPX International Limited

SPX International Limited participates in the manufacturing and engineering markets, industries that historically have low percentages of female employees. As of the Snapshot Date, SPX International Limited had 347 employees, 61 of whom were women. This constitutes eighteen percent (18%) of the workforce for that company, which is lower than the Company’s overall percentage of approximately twenty-two percent (22%) of women in its UK workforce.

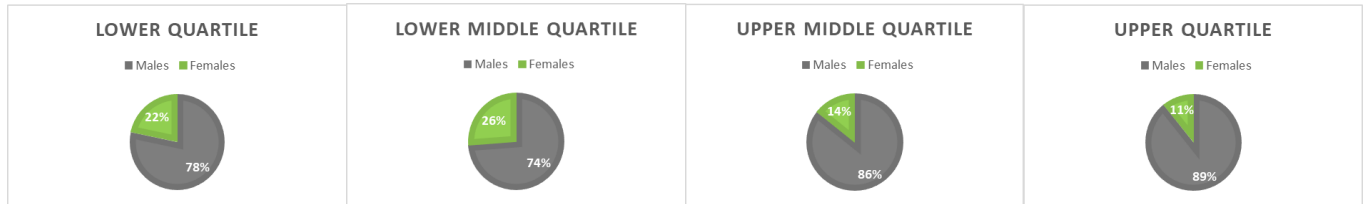
During the Bonus Measurement Period, all employees of SPX International Limited participated in performance-based bonus programmes. These included Enterprise Incentive Plan, Manufacturing Incentive Plan, Sales Incentive Plan, Service Center Incentive Plan and Local Bonus Plan. Similar to the preceding year a significant number of employees (98%) received a bonus payment during this period. The mean gender pay gap for bonus payment stood at 47.9%, mostly due to the fact that a greater percentage of female employees are present in lower job grades, in administrative or junior professional level roles, which also correspond with lower target bonus opportunities.

Pay and Bonus differential between men and women at 5th April 2019		
	Mean	Median
Hourly Pay	12.8%	13.6%
Bonus	47.9%	19.9%

Employees receiving a bonus payment (in the 12 months preceding 5th April 2019)	
Men	99.0%
Women	93.4%

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Pay quartiles across SPX International Limited employees:



The majority, but not all, of the manufacturing roles (e.g. machinists, fitters, and assemblers) are held by men. SPX International Limited has a higher percentage of women working within the lower half of its pay quartiles than the higher quartiles. This is due to the higher number of women in administrative and junior professional level roles compared to the number of women holding senior level professional and management roles.

Clyde Union Limited

Clyde Union Limited also participates in the manufacturing and engineering markets, industries that historically have low percentages of female employees. As of the Snapshot Date, Clyde Union Limited had 254 employees, 28 of whom were women. This constitutes approximately eleven percent (11%) of the workforce for that company, which is lower than the Company's overall percentage of approximately twenty-two percent (22%) in the UK.

During the Bonus Measurement Period, all of the employees of Clyde Union Limited were eligible for a performance-based bonus programme, with almost all employees (99.6%) receiving a bonus payment during this period. The mean gender pay gap for bonus payment stood at 52.2%, mostly due to the fact that a greater percentage of female employees are present in lower job grades, in administrative or junior professional level roles, which also correspond with lower target bonus opportunities.

Pay and Bonus differential between men and women at 5th April 2019		
	Mean	Median
Hourly Pay	6.0%	-6.1%
Bonus	52.2%	17.2%

Employees receiving a bonus payment (in the 12 months preceding 5th April 2019)	
Men	99.6%
Women	100%

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Pay quartiles across Clyde Union Limited employees:



Women in the Lower Quartiles tend to be employed in administrative and junior professional roles whereas women in the Upper Quartiles hold senior professional and managerial roles. While it remains challenging to attract women into manufacturing roles, there has been some prevalence in roles in supply chain, quality, health and safety etc.

The percentage of women employees in the top two quartiles has seen an improvement from the preceding year.

SPX FLOW Inc. remains committed to creating a high performance, inclusive workplace that engages employees and creates rewarding career paths for all.

Where apprenticeship programmes are in place, we have encouraged applications from women. We are committed to reviewing opportunities to open apprentice positions within other functions outside of manufacturing disciplines. We are also committed to encouraging internal and external applications from women to increase the proportion of women in senior professional and managerial positions.

I can confirm that the data contained in this report is accurate and calculated in accordance with the legislative requirements for the Snapshot Date of 5th April 2019.

Belinda G. Hyde
VP, Chief Human Resources Officer