

GENDER PAY GAP REPORT 2024

Carter Synergy and KB Refrigeration are providers of Refrigeration, Mechanical, Electrical and core building services operating nationally across a broad range of sectors with a workforce primarily employed across England, Scotland and Wales.

It is our requirement by law, to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Gender Pay vs Equal Pay

This report focuses on the Gender Pay Gap for Carter Synergy and KB Refrigeration and not Equal Pay, these are two separate issues. The Gender Pay gap looks at all roles across the organisation and measures the difference between male and female average earnings across the business. The data is expressed as a percentage of male earnings i.e. women earn x percent less than men and is calculated looking at individual hourly rates. If a negative percentage is presented, this would mean that women earn more than men.

Equal pay is the right for males and females to be paid the same when doing the same or equivalent work. Having a gender pay gap does not automatically mean there is an equal pay issue within the organisation, and we believe that we pay equal rates across our roles within the business. However, there can be several reasons for a gender pay gap. These will be explored and explained in the following report. We are committed to Equal Pay rights, but also to improving our Gender pay gap.

Reporting annually is an important way to see how our recruitment, reward and business decisions have impacted the aim of achieving a diverse and inclusive workforce.

What does the report measure?

Our requirement involves carrying out six calculations that show the difference between the average earnings of men and women within the organisation. We can use these results to assess:

- the levels of gender equality in our workplace
- the balance of male and female employees at different levels
- how effectively talent is being maximised and rewarded

The challenge for the Company and across Great Britain is to eliminate any gender pay gap. This report shows our gender pay gap for 2024, our analysis for the reasons into the gaps presented and outlines what we will try to do to address those areas.

Whilst Carter Synergy has reported as a business since 2017, from 2024 we are reporting our data with our sister Company KB Refrigeration. All data contained within the below is taken from a snapshot on 5 April 2024.

Total Full Time Equivalent Employees

| | Carter Synergy | KB Refrigeration |
|----------------|----------------|------------------|
| Males | 291 | 169 |
| Females | 31 | 45 |
| Total | 326 | 214 |

Ordinary Pay

The mean is the average calculation from the hourly rate data. It is achieved by adding all the pay rates together and dividing it by the total number of pay rates.

| | Carter Synergy | KB Refrigeration |
|-------------------------------------|----------------|------------------|
| Mean Hourly Pay Difference | 21% | 29.7% |
| Median Hourly Pay Difference | 30% | 39.6% |

In this report it shows that in 2024 women were paid an average of 21% less than men within Carter Synergy and 29.7% less within KB Refrigeration.

Within Carter Synergy, when comparing the average hourly rates (mean), women receive 79 pence for every £1 men receive. However, since we have first started to report the gender pay gap in 2017, the gap within Carter Synergy has reduced by 17%.

Comparatively at KB Refrigeration, females receive 70 pence for every £1 men receive. Whilst this is higher than we would like there are reasons for the differences which are explained below.



The median is the middle value when all hourly rates are listed from lowest to highest. We are aware that the National gender pay gap is 13.1 % on average in 2023 across all organisations, work types and sectors which is notably lower than the pay gap we present. Carter Synergy's median pay gap continues a downward trend despite some years of fluctuation (39.4% reported in 2017).

Bonus Pay

| | Carter Synergy | KB Refrigeration |
|------------------------------------|----------------|------------------|
| Mean Bonus Difference | 35.3% | -75.5% |
| Median Bonus Pay Difference | 31.1% | -55% |

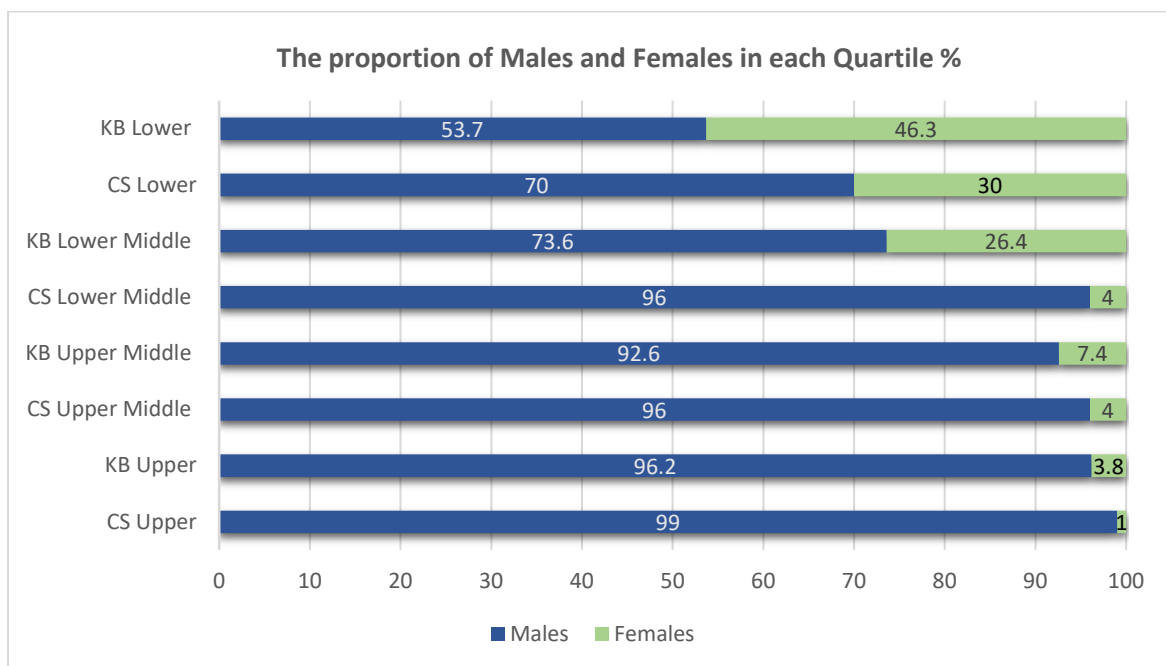
The Proportion of Males and Females Receiving a Bonus Payment

| | Carter Synergy | KB Refrigeration |
|--|----------------|------------------|
| Males receiving a bonus payment | 14.4 | 1.4 |
| Females receiving a bonus payment | 11.3 | 4.3 |

Bonuses within the business are generally awarded around the project delivery, service delivery and sales functions with a structured programme being in place within these areas. The bonus schemes are role based and identical for those within that position however males make up significant representation within these areas of the business. Typically, people within more senior positions receive higher pay and bonuses are rewarded against the level of responsibility they hold.

As reported previously, historically we have departments where we would not consider awarding a bonus such as finance or administrative functions. Females make up significant representation within these areas of the business. Within KB Refrigeration there are number of females in senior roles eligible for bonus payments. The data represents that the average (mean) bonus paid for females in 2024 was higher than the males who also received a bonus.

Quartile Representation:



Looking at our organisation makeup, Carter Synergy and KB Refrigeration have a gender imbalance in the different levels of roles within the business, which is demonstrated when looking at the quartile split. The engineering resource is 100% dominated by a single sex (male) and represents over 50% of our total workforce. Across the total workforce the female headcount is c.14% and c.21% respectively. Whilst there is no occupational reason for male dominance it is difficult to attract females to engineering roles. In addition, we also have strong retention rates across core areas of our senior employees which reduces the opportunity for development.

Women are a minority in the UK’s STEM workforce (science, technology, engineering, and maths) and less than 15% of engineering professionals are women. As a social trend, women are less likely to study in STEM fields and therefore attracting women continues to be a challenge. We recognise as a business we continue to have a low representation of females in middle and senior positions within the organisation, although we continue to make changes when an opportunity develops, this is still small.

Next Steps: Action Plan

We are committed to taking action to try and reduce our gender pay gap and recognise that we have work to do to improve this and it be reflective of the communities we operate in. We will continue to proactively try to make a difference in our gender pay gap by working towards the following actions:

Training, Recruitment & Retention

A large proportion (50%) of the Company's human resource is made up of engineers, and unfortunately, it is evident that we struggle to attract females into this industry (as referred to above). As a business we will aim to recruit and develop more female employees; to achieve this we will:

- Continue to utilise initiatives such as the Apprenticeship Levy and review our current training opportunities to encourage an increase in female representation at a senior level.
- Review our recruitment processes and strategies to ensure that we focus on attracting female talent into our workforce
- Attempt to eliminate perceptions that engineering should be a male dominated environment and Utilise STEM activities within the educational setting to promote that engineering is open to males and females.

Flexibility

We have hybrid working practices and where possible we encourage roles to be balanced between home and the office. The continuation of these practices allows us to attract a broader range of people into the business. We will also look to see if our site-based roles can be achieved more flexibly through operating non-traditional working hours but still meeting the needs of the customer.

Pay & Reward

In determining any pay awards, as a business, we look at the economic climate, and both company and individual performance. We will continue to integrate gender pay gap considerations into future pay and reward reviews. We need to consider offering modern and flexible benefits that appeal to a broader range of people in addition to some of our enhanced family leave practices.

Declaration

I hereby confirm the information provided in this report to be accurate.



A Bews
HR Director
March 2025