

## Savencia 2025 Pay Proposal

Thank you for submitting the pay claim on 31<sup>st</sup> January 2025. This document sets out the Company's response and rationale to the requests.

We acknowledge that the pay claim you have submitted for 2025 is made up of the following:

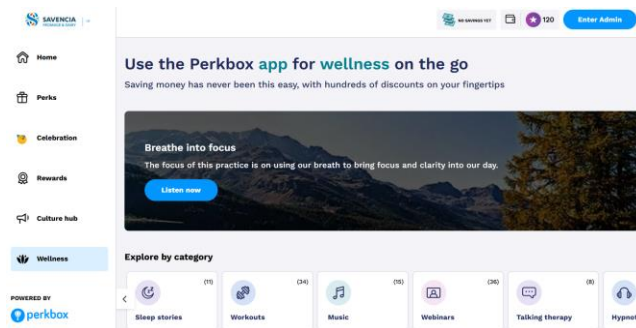
1. A 10% pay award.
  2. Increase of paid time leave for medical appointments.
  3. Company health insurance
  4. That we convert the agreed settlement into an hourly figure as has been done in previous years
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Please see below for our responses and/ or proposals:

1. A 10% pay award.
  - As stated in the pay claim the RPI is 3.6%. It is our intention to reach an agreement that increases the hourly rate sufficiently to accommodate this increased cost of living.
  - The proposal for a 10% increase is significantly higher than the RPI and needs to be considered in conjunction with the publicised government changes to employer national insurance.
  - With effect from April 2025 the employer's NI contributions will increase to 15% and the threshold for NIC will reduce to £5,000 (from £9,100). This will be a significant increase in costs to all employers, including Savencia and therefore must be taken into consideration when we are agreeing the hourly rate increase.
  - Our proposal is to ensure that Savencia staff continue to be paid more than the National Living Wage. We are therefore proposing an increase of 6.3%.

## 2. Increase of paid time leave for medical appointments:

- Savencia places a high priority on the health and well-being of all team members. As such, we provide each employee with **14 hours of paid time** off annually to attend medical appointments that cannot be scheduled outside of regular working hours.
- In addition to this benefit, we also offer the following to look after our team's wellbeing:
  - **Perkbox:** this is a benefits platform that was introduced in 2024 where we can reward staff. It includes a wellness hub where all staff can access videos for meditation, yoga, sleep stories, workouts, music and talking therapy.



- **Viv-up:** Employee Assistance Programme offering 4 x free counselling session per year per employee. In addition, this platform also provides other mental health support.
- **Health Surveillance:** We conduct annual health surveillance on all hourly paid staff to ensure we consider and control the impact of their work environment on their physical health.
- **Occupational Health Management Referrals:** Any staff who are having long term health concerns have access to attend an occupational health appointment to provide us with recommendations on what we can do to their working environment to eliminate any further risks.
- **Qualified Mental Health Champions and First Aiders:** In 2024 we invested in the training of a number of staff to become mental health champions and first aiders. In 2025 we continue this incentive and have some mental health awareness and champion training taking place in April 2025.
- We have completed an analysis of 3 years of data of how people have used these paid hours to attend medical appointments, and the outcome is that the majority of people are not using all of their hours in a year. See below for a table of data relating to this.

	2022	2023	2024
<b>% Used the 14 hours</b>	5.41% (2 people)	2.56% (1 person)	7.69% (3 people)
<b>% Used less than half the hours</b>	75.68% (28 people)	82.05% (32 people)	61.54% (24 people)
<b>% Didn't use the hours at all</b>	29.73% (11 people)	35% (14 people)	25.64 (10 people)

- Based on all of the above it is therefore our decision not to increase the total paid hours of leave for medical appointments as we see our current offering as sufficient to support staff in attending these types of appointments as well as all the other benefits/ provisions we have in place to support health and wellbeing.

### 3. Company Health Insurance:

- As with the points discussed above, Savencia prioritises the wellbeing and safety of our teams which is why we have several incentives to support their health and wellbeing.
- In addition to the above we also have an eye test offer which includes a free eye test per year and up to £89 for the cost of glasses/ lenses if the individual's prescription is related to DSE (Display Screen Equipment) use.
- We have investigated the cost to provide a private medical health plan to our benefits offering but during a year when the Company is seeing a dramatic increase in the labour costs due to the Employers national insurance contributions being increased, this is not a feasible offering for 2025 and therefore we are declining this request.

### 4. Convert the agreed settlement into an hourly figure;

- Any percentage increase that is finalised will be effective from 1<sup>st</sup> January 2025 and will be converted into an hourly rate increase.