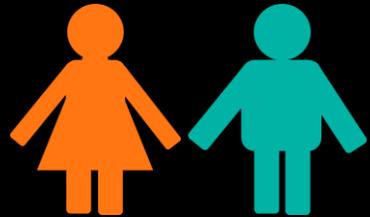


07 January 2020

SIS Gender Pay Report 2019



SIS

SIS and the Gender Pay Gap

The UK government introduced new legislation in 2017 which requires UK employers with 250 or more employees to publish statutory calculations every year to show how large the pay gap is between their male and female employees. The deadline to report the data for 2019 is 4 April 2020. This is the report for the data taken at 5 April 2019.

This report outlines our findings and our thoughts about the gender pay gap at SIS and some initiatives we are considering introducing to reduce the pay gap.

Gender Pay Reporting is Different to Equal Pay

The gender pay gap is the difference between average hourly rate of pay of all men and all women in the business. This is different to equal pay which addresses the differences between men and women who carry out the same job, similar job or work of equal value.

At SIS, we regularly review our employees' salaries to ensure that men and women are treated equally, and we are comfortable with our position regarding equal pay.

Calculating the Gender Pay Gap

There are six statutory metrics required from the government. The legislation requires the data to be taken from a snapshot date of 5 April each year.

An employer must publish six calculations showing their:

1. Average gender pay gap as a mean average.
2. Average gender pay gap as a median average.
3. Average bonus gender pay gap as a mean average.
4. Average bonus gender pay gap as a median average.
5. Proportion of males receiving a bonus payment and proportion of females receiving a bonus payment.
6. Proportion of males and females in each quartile pay band (lower to upper)



What could cause a Gender Pay Gap

The gender pay gap is based on average pay of all females and of all males in SIS, the biggest cause of a gap is due to the number of men and women in different roles and at different levels in an organisation. For example, if the majority of the employees in the senior pay levels are male and the majority of employees in the lower pay levels are female then there is likely to be a gender pay gap.



Other factors which could cause a gender pay gap are:

The number of women working in the Company compared to men. Looking at data published by the Office of National Statistics some industry sectors have a more male dominated workforce for example engineering and technology.

Demographics of the workforce by contracted hours. Gender pay gaps can be driven by a Company having a workforce structure with a higher proportion of women in lower paid part time work than men.

A widening of the pay gap can occur when more women than men take time away from work to raise families.

Gender Pay Gap

On 5 April 2018 SIS had 256 employees' (185 male and 71 female). For the purposes of Gender Pay Gap calculation, if employees are paid less than their usual basic pay during the relevant pay period as a result of being on leave (maternity/statutory sick pay) they are not regarded as a 'full pay relevant employee' therefore are excluded from gender pay gap calculations. The hourly pay was calculated in accordance with ACAS guidelines, it includes basic net pay, bonus pay, car allowance and any other allowances.

At SIS, our mean average calculation shows that men were paid 17% more than women, slightly lower than the national average of 17.1%. Our median average at 11.2% however is significantly lower than the 17.9% figure reported by the Office for National Statistics (2018) as the median pay gap for all employees.

Whilst females made up 28% of our overall workforce in April 2019, only 22% (an increase from 17% last year) of our upper quartile are female. We do recognise this as an ongoing challenge and are committed to improving the situation.

SIS PAY	
Mean	17%
Median	11.2%

Gender Bonus Gap

The Gender Bonus Gap calculations include all bonuses received during 6 April 2018 to 5 April 2019 by males and females employed on 5 April 2019.

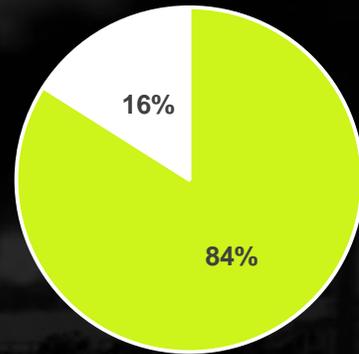
At SIS, our mean bonus pay gap shows that men were paid a bonus 56.8% greater than women. The difference can be attributed to more males employed in senior level roles and more females working flexibly, proportionally, than males (18% compared to 4%). Senior roles have a higher bonus potential and more senior male colleagues participate in the long-term incentive plan/deferred bonus schemes, which is included in the bonus figures and affects our bonus pay gap. Additionally, the bonus gap calculation does not account for part-time hours. Therefore, a bonus for a part-time female colleague is compared to that of a full-time male colleague. This results in a bonus gap even if our colleagues were paid the same hourly rate and received the same bonus as a percentage of salary.

SIS BONUS	
Mean	56.8%
Median	26.5%

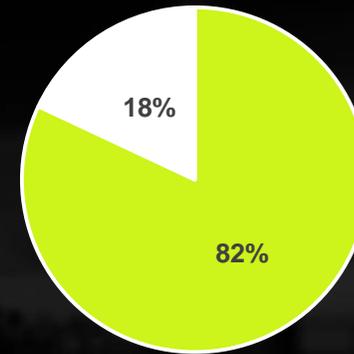
Bonus Proportions

The proportion of male and female employees who received a bonus during 6 April 2018 to 5 April 2019:

MALE BONUS PROPORTION



FEMALE BONUS PROPORTION



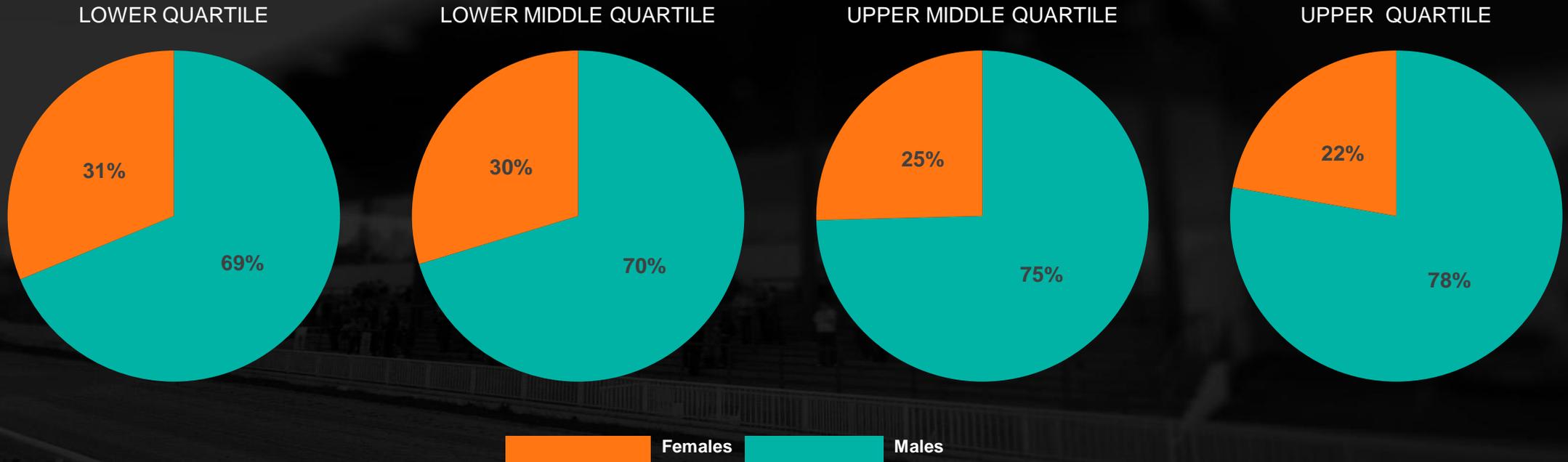
Received a bonus
Did not receive a bonus

84% of males and 82% of females received a bonus in the specified period.

The legislation requires us to only consider bonus payments made 12 months prior to the snapshot date of 5 April 2019, at SIS our bonus payments are paid on or around the 25th of April, therefore for the purposes of this report we have to consider bonus payment data from the prior year (April 2018). Consequently, the majority of employees who are shown to not have received a bonus are new starters who joined the company from January 2018 therefore did not receive a bonus in Financial Year 2018

Proportion of Males and Females in each Quartile Pay Band

The final calculation is to order the males and females from lowest to highest pay and split into four groups. The below illustrates the gender distribution at SIS when employees are placed in equally sized quartiles based on pay.



As illustrated the lower quartile has the highest percent of females at 31% and then reducing in each quartile. The upper quartile has the lowest percentage of females at 22%.

Action

The industry sectors SIS operates in have traditionally had a higher proportion of male dominated roles and this is reflected within our company headcount by the proportion of male and female employees (185 males and 71 females). However, in recent years the company has attracted more females, increasing the number of female employees from 18% in 2011 to 27% in 2019.

The upper quartile pay band contains the lowest number of female employees. Lack of female representation at senior level along with predominantly male departments such as Information Technology, Broadcast Engineering and Software Engineering do impact the gender pay gap. The Ofcom monitoring report on diversity in television (September, 2017) reported that women are underrepresented across the broadcast industries and are represented even less at senior levels. They reported that employees are increasingly likely to be male the more senior the role and that high percentage of employees in programming roles are men.

With a view to reducing the gap we have devised five initiatives:

1. We have set a target of having at least one female on each vacancy shortlist during recruitment, our recruitment partners have been informed of this objective so are actively seeking female candidates where possible. The appointment in 2019 of a senior female in Software Engineering demonstrates our continued progress towards the challenging objective of increasing diversity in senior roles.
2. We have launched an in-house leadership development programme called SIS LEADERShip in which there are a number of female participants. Female middle managers continue to be able to participate in the six month leadership development programme STRIDE delivered by Oakridge. This is a leadership development programme designed specifically for women in middle management. The programme is about empowering women to develop their leadership skills and support them to attain senior level positions within companies. A number of our female managers have already completed this programme.
3. Staff have now completed the 'Overcoming Unconscious Bias' and 'Bullying and Harassment' e-learning modules through our partner Engage in Learning. These are particularly relevant for managers as it may help them become more aware and mindful during the recruitment process and when considering promotions for employees. A further e-learning module centred on equality and diversity will be rolled out to all staff in the coming months.
4. SIS have agreed to become a founding partner of All In Diversity, we look forward to a productive partnership in the coming months.
5. We have further improved our maternity leave policy in 2019, both in terms of the pay amount and timing of enhanced pay, we are hopeful this continues to make us attractive as a family friendly employer to new and existing employees



January 2020

I confirm that the data in this report is accurate.

Richard Ames, Chief Executive