

24 January 2023

SIS Gender Pay Report 2022



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 2022 is 4 April 2023. This is the report for the data taken at 5 April 2022.

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 2022 SIS Ltd had 258 total employees' (194 male and 64 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 19.34% more than women and our median average is 18.30%.

SIS PAY	
Mean	19.34%
Median	18.30%

Gender Bonus Gap

The Gender Bonus Gap calculations include all bonuses received during 6 April 2021 to 5 April 2022 by males and females employed on 5 April 2022.

Exceptionally due to the pandemic there were no performance bonuses paid during the 2022 reporting period so the Median was 0. The increase in Mean from last years 42.42% is related to two factors:

1. SMT received a deferred element of their bonus related to the previous year, as standard practice, and because there are more males than females in SMT proportionally compared to the rest of the workforce it has impacted the Mean calculation.
2. Employees in the Commercial team received commission payments, there were more male recipients than females.

SIS BONUS	
Mean	65.57%
Median	0%

Bonus Proportions

The proportion of male and female employees who received a bonus during 6 April 2021 to 5 April 2022 (rounded):



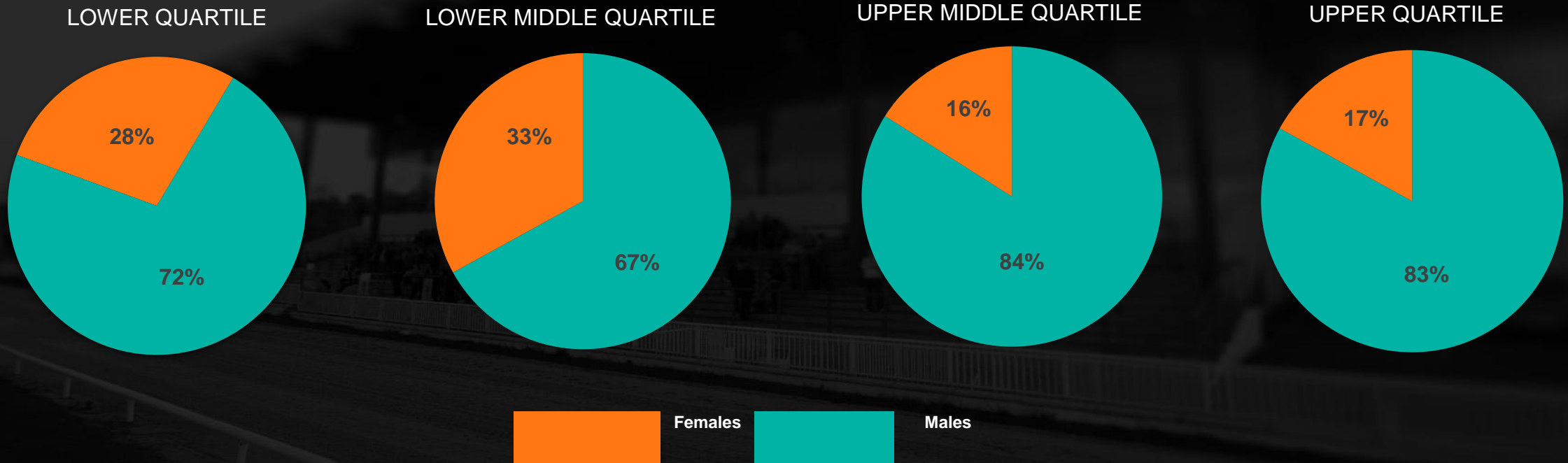
5% of males and 5% of females received a bonus in the specified period.

The legislation requires us to only consider bonus payments made 12 months prior to the snapshot date of 5 April. 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.

Exceptionally due to the pandemic there was no performance bonus paid in April 2021, 95% of employees did not receive a bonus during the reporting period.

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.



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.

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

1. We continue to target having at least one female on each vacancy shortlist during recruitment. We work closely with tailored recruitment partners, informing them of this objective so are actively seeking female candidates where possible. Additionally we have begun using gender decoding for job advert descriptions - removing vocabulary or terminology that could be considered biased towards one gender.
2. We have successfully facilitated our second annual in-house leadership development programme called SIS LEADERShip. In the first cohort, only 3 of the 18 participants were female. The 2nd Cohort saw an increase of 43% female participation. We annually reviews of the population and despite the impact of the pandemic have actively worked with a number of our female workforce to increase their breadth of experience and advance their career progression. For the first time we have more females than males rated at the highest level as part of our annual performance review process
3. 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. We still see strong numbers of females participating in STRIDE which we are proud to continue to support.
4. 'Overcoming Unconscious Bias' and 'Equity, Diversity and Inclusion' e-learning modules through our partner Engage in Learning were rolled out as refresher training in the Autumn of 2022. 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.
5. Since becoming a founding partner of All In Diversity, SIS has participated in both Index surveys.
6. SIS Content Service Inc, our office in the US, opened in November 2021 with two Senior female hires focusing on this territory. SIS Ltd successfully appointed two female Non-Executive directors in September 2021 to support International Expansion.
7. We have a new Diversity and Inclusion SMT Champion, focusing on new initiatives in this space.



January 2023

Richard Ames, Chief Executive