



Gender Pay Gap Report

SIG plc 2021

Introduction

We believe that everybody deserves to be treated equally and that any differences are celebrated, not discriminated against. That's why we are committed to not only creating an inclusive workplace, but also extending this to all those that we interact with, from customers to suppliers and even down to the communities in which we operate.

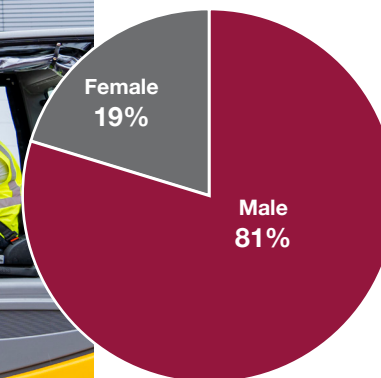
The construction sector as a whole typically attracts and employs more male employees and we are no different to this, with a current workforce of around 81% population being male. Despite believing that job opportunities are for everybody, regardless of gender, we have struggled to shift our gender balance over the years - but that won't stop us trying.

We have always welcomed gender pay gap reporting. We believe it encourages and challenges businesses to review their compensation arrangements and ensure any results favouring a specific gender are appropriate and justifiable.

Our gender pay gap results are set out for both SIG Trading Ltd (which we are legally required to report) and for SIG plc as a whole within the UK (i.e. including employing entities with less than 250 employees).



The gender balance at SIG



What is the gender pay gap?

Gender pay gap and equal pay

The terms 'gender pay gap' and 'equal pay' are often used interchangeably but have different meanings:

- **Gender pay gap:** This is the difference between the overall pay for all women and all men in an organisation, across all roles and seniority levels.
- **Equal pay:** The Equal Pay principle, set out in the Equality Act 2010, is that men and women performing equal work must receive equal pay, unless there is a material reason (not linked to gender) that justifies a difference.

Mean and median (used for pay and bonus)

- **Mean** is the average pay value (calculated by adding together all pay/bonus values and dividing by the number of employees).
- **Median** is the middle pay value if you lined up the pay/bonus values from high to low (or vice versa).

Proportion receiving a bonus

- The percentage of employees of each gender who received any amount of bonus pay.

Proportion in each pay quartile

- Similar to the median, the pay values are lined up from the highest to the lowest paid and then split into four equal parts (quartiles).

The Pay Gap Explained

SIG continues to differ from the wider construction industry and national picture, in that the mean and median hourly rate for female employees is higher than that of male employees.

Considering that a pay gap in favour of female employees is still a pay gap, at -3.3% it continues to compare favourably to national figures (15.4%) and construction industry norms (4%).

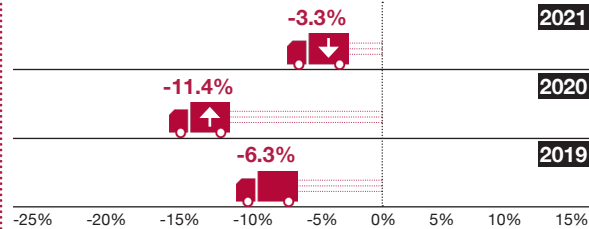
We have seen the negative pay gap close this year following an organisational restructure where a number of male employees were recruited at a management/senior level, increasing the average pay level for male employees thus reducing the negative mean pay gap from -11.4% (2020) to -3.3% (2021).

The restructure also impacted the median pay gap with an increased number of male employees in both the upper and upper middle quartiles, thus slightly decreasing this from -20.2% (2020) to -19.5% (2021).

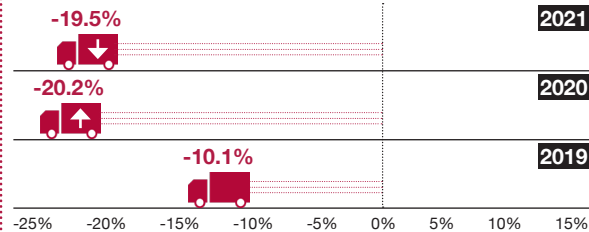
SIG Trading Ltd and SIG plc UK continue to show the same pay gap trends and populations are distributed similarly between the quartiles.

Pay (SIG Trading Ltd)

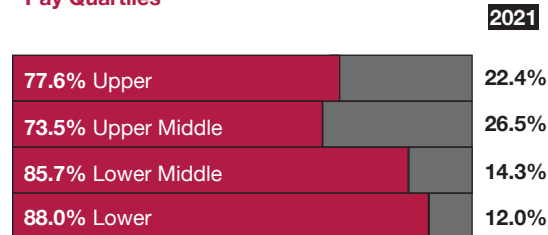
Mean Pay Gap



Median Pay Gap

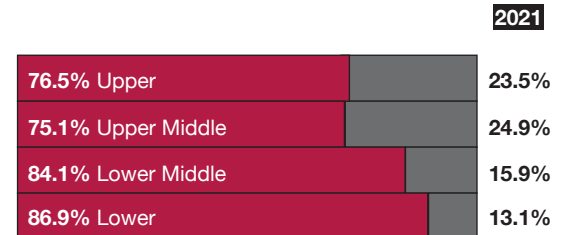
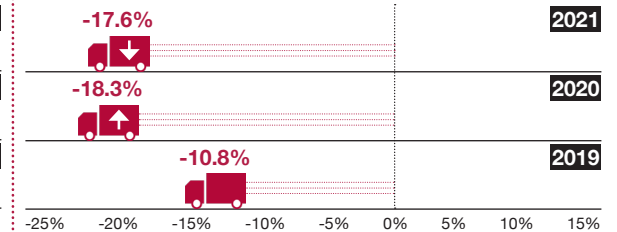
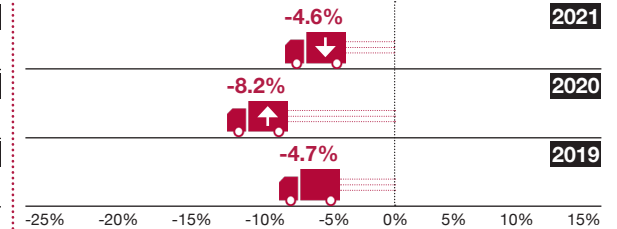


Pay Quartiles



♂ Male ♀ Female

Pay (SIG plc UK)



The Bonus Gap Explained

A strong performing year saw an increase in both the amount and value of bonus payments received by employees throughout the business.

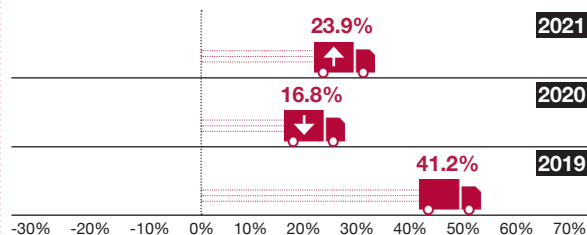
The mean bonus gap increased from 16.8% to 23.9%, which was impacted by the majority of performance incentive payments being calculated on a percentage of salary, with more male employees being employed in the most senior roles.

In contrast the median bonus gap continues to negatively increase (in favour of females) to -191.6% from -23.3%. This year's significant movement is a direct result of the increase in the amount of smaller financial incentive payments being paid to the male dominated operational staff relating to overall business performance.

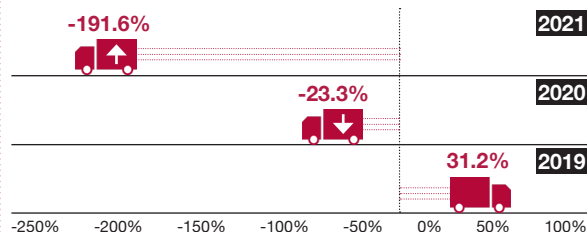
These incentive payments are based on branch/team performance and are fixed amounts, not a percentage of salary, which are paid to all operational staff where the business has exceeded targeted performance.

Pay (SIG Trading Ltd)

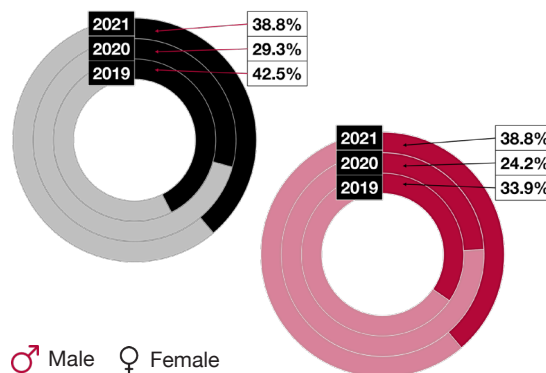
Mean Bonus Gap



Median Bonus Gap

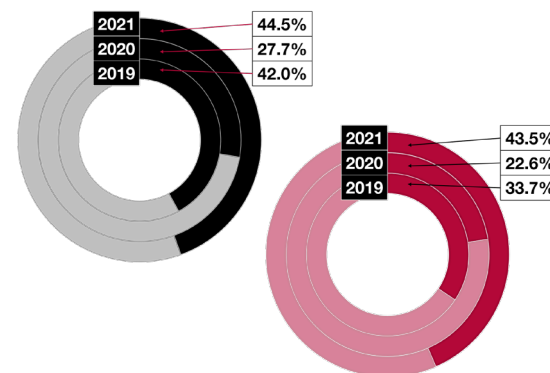
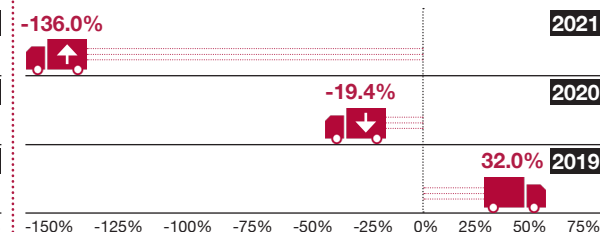
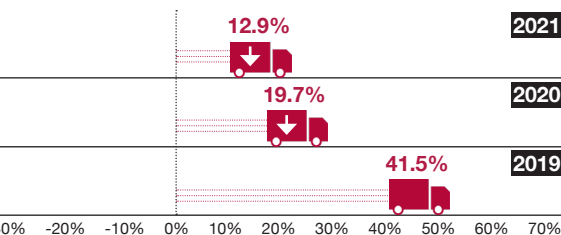


Proportion Receiving Bonus



♂ Male ♀ Female

Pay (SIG plc UK)



Executive Statement



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One of the strengths that SIG has are its talented people, clearly, they are a critical to delivering our strategy. We recognise that in order for a business to be successful you have to make sure that you create the right environment in which people can thrive, innovate and build success. Therefore, having a diverse workforce in an inclusive environment is a key enabler.

Julie Armstrong
Chief People Officer

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I confirm that the information contained within this report is accurate and has been prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.