



# Gender Pay Gap Report

SIG plc 2022

# Introduction

At SIG plc, we are committed to developing a working environment that is fair and inclusive, so our employees can feel safe, proud, valued and enabled to make meaningful contributions to the business. We are determined to ensure that we extend the same openness to all our customers, suppliers, business partners and the communities in which we operate.

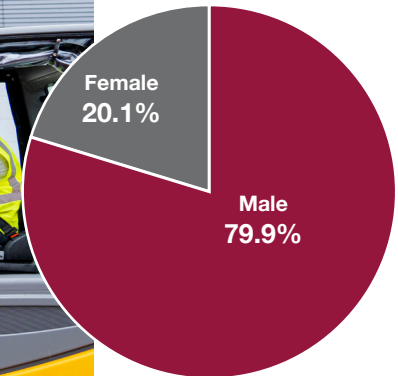
The construction sector as a whole typically attracts and employs more male employees, and we are no different in this respect, with men making up around 80% of our UK workforce (as at April 2022). We believe that job opportunities are for everyone, regardless of gender, and we have already taken positive steps to encourage more females into traditionally male-dominated roles through initiatives such as our apprenticeship scheme and leadership programmes. However, it will take time for SIG, and our industry more widely, to change the shape of gender representation in our workforce – but we're focused and committed to the challenge.

We have always welcomed gender pay gap reporting, as 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

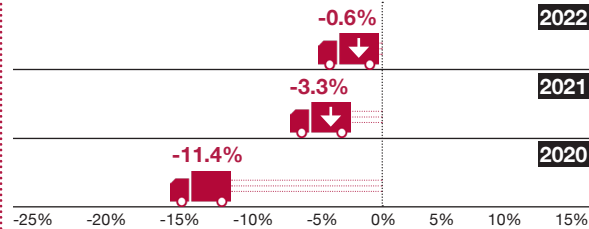
SIG continues to differ from the wider construction industry and national picture, in that the mean and median hourly rate for female employees is higher than that of male employees. We have again seen the negative pay gap close this year from -3.3% (2021) to -0.6% (2022), which continues to compare favourably to the national average of 14.9% (Office for National Statistics, 2022).

The reduction in the pay gap is largely the result of increases in hourly rate pay for male-dominated manual roles in late 2021, as SIG sought to attract and retain employees as a result of shortages in the UK labour market for roles such as warehouse operatives and HGV drivers. The response to labour market challenges also impacted the median pay gap which decreased from -19.5% (2021) to -10.1% (2022).

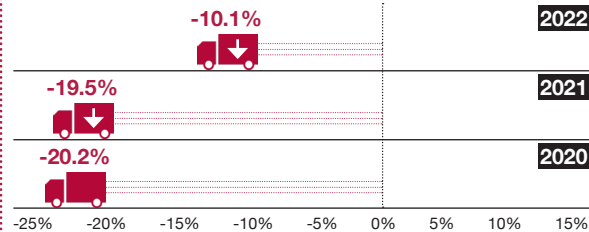
However, another contributory factor in narrowing the gap is the increase in female representation in lower paid roles; an indication that our initiatives to encourage more females into entry-level roles is starting to have an impact.

## Pay (SIG Trading Ltd)

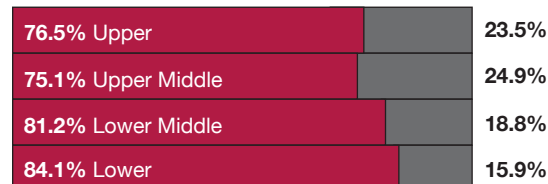
### Mean Pay Gap



### Median Pay Gap

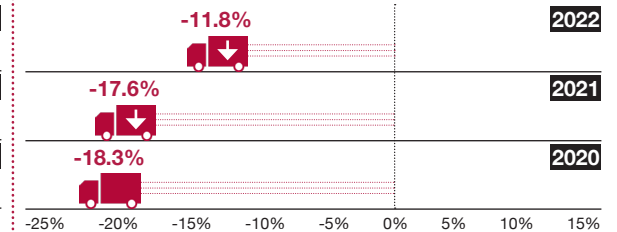
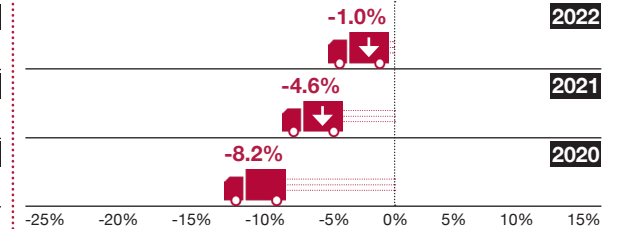


### Pay Quartiles

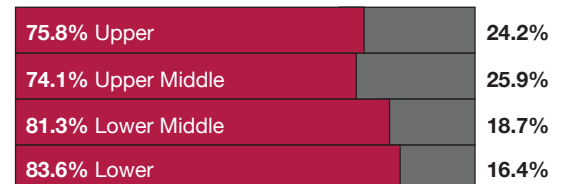


♂ Male ♀ Female

## Pay (SIG plc UK)



### Pay Quartiles



## The Bonus Gap Explained

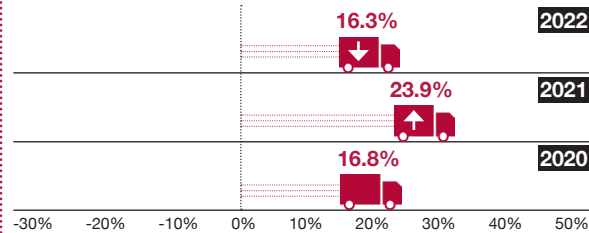
Both the mean and median bonus gaps have reduced over the past year. The mean bonus gap narrowed from 23.9% (2021) to 16.3% (2022), which is largely due to the overall female population being on a higher value bonus plan compared to the overall male population.

This means that whilst the average bonus payment continues to be paid higher for male employees, the mean value is reduced due to the significant number of male employees in operational roles being on low value incentive plans. 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.

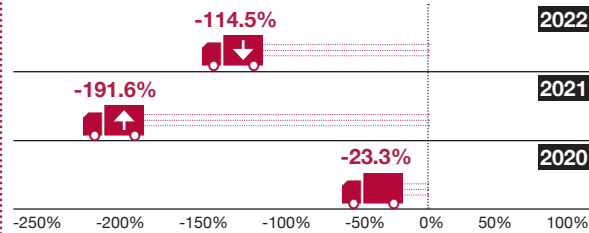
In contrast the median bonus gap remains negative (in favour of females) but has reduced from -191.6% (2021) to -114.5% (2022). This is primarily due to a strong performing year generating an increase in both the amount and value of bonus payments received by employees throughout the business. Whilst this benefited both males and females, it impacted men more because those schemes with a higher percentage of salary bonus opportunity had more male participants.

### Pay (SIG Trading Ltd)

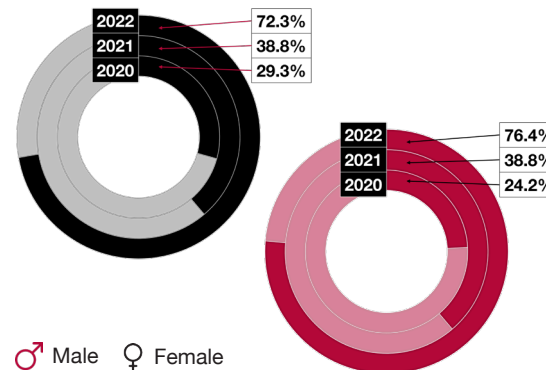
#### Mean Bonus Gap



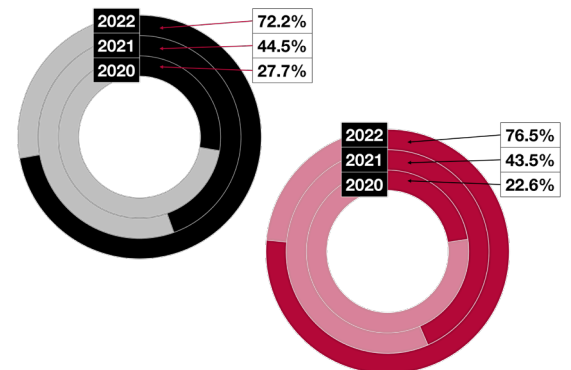
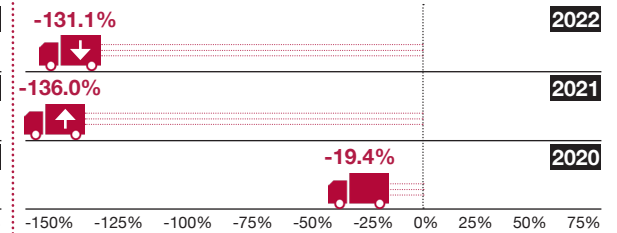
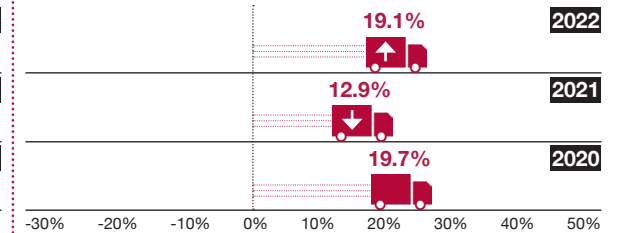
#### Median Bonus Gap



#### Proportion Receiving Bonus



### Pay (SIG plc UK)



## Looking Ahead



### What more is SIG doing to build an inclusive workplace?

Looking to the year ahead, we're putting plans in place to further address the gender imbalance and create a more inclusive organisation.

These include:

- Reviewing our recruitment advertising, processes and branding to ensure it is attractive to a diverse range of candidates.
- Encouraging existing employees to progress their careers with SIG by ensuring everyone is aware of the progression opportunities available and that the processes and policies around those opportunities are impartial, fair and provide equal opportunities for every individual.
- Developing and launching an education programme to support managers in fair and transparent recruitment practices.
- Shining the spotlight on our female workforce and the positive difference they make to our business and the industry during SIG's Women in Construction Month.
- Encouraging the establishment of DEI forums and employee resource groups to share ideas, initiatives and good practice across the business.
- Providing increased channels to attract, promote and retain diverse talent, particularly through apprenticeship and graduate programmes.
- Determining DEI measures to report progress, trends and to highlight areas of focus.



## Executive Statement



At SIG, we know that our people are integral to the delivery of our business strategy. That's why we are committed to developing a working environment that is fair and inclusive, in which our employees can thrive, innovate and build success together. I am pleased that once again our gender pay gap has narrowed and remains well below the national average. We have clear plans in place to further address the gender imbalance and create a more inclusive organisation, which is supported by our Board and Executive Team.

**Julie Armstrong**  
Chief People Officer



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.