

SOCOTEC

SOCOTEC UK Gender Pay Reporting 2020

Our people are our most important and valued asset, and as such, SOCOTEC UK is committed to ensuring that our people are treated equally at work, across all levels and locations. This includes providing the same opportunities for recognition, reward and career development.

At SOCOTEC UK, we recognise that there is an industry-wide problem in attracting women into roles within the infrastructure, construction and compliance sector. We continue to focus to address this imbalance and close the gender pay gap. We are committed to ensuring that all employees continue to be paid equally and fairly for the roles they carry out.

The responsibility of completing the gender pay gap calculations provides us with a valuable insight into the gender balance in our business and, more importantly, gives us an opportunity to review and consider sustainable strategies to address the underlying causes for the imbalance. In this report, we provide information on our gender pay gap.

This report covers the period from April 2019 to 5 April 2020 inclusive.

UK GENDER PAY GAP REPORTING

UK gender pay gap reporting legislation requires businesses to report their gender pay gap for all legal entities in the UK with more than 250 or more employees, which is applicable to SOCOTEC UK Ltd.

The gender pay gap figures are calculated on the snapshot date of 5 April 2020. This means the figures use payments processed either on 30 April 2020 for monthly paid colleagues. The bonus gap includes bonuses paid in the 12 months to 5 April 2020. The calculations show any pay gap between male and female employees against the following parameters:

- › Gender pay gap (mean and median)
- › Gender bonus gap (mean and median)
- › Proportion of men and women receiving bonuses
- › Proportion of men and women in each quartile of the organisation's pay structure.

Gender pay is different to equal pay. Equal pay relates to pay differences between men and women who carry out the same or similar jobs or work of equal value. The gender pay gap is the difference in the average pay and bonuses between men and women across the business.

OUR GENDER PAY GAP STATISTICS

HOURLY PAY

Across SOCOTEC UK, the mean pay gap is 32.95% and the median pay gap is 17.63%, reflecting a higher proportion of men in more senior level positions.

The mean bonus gap is 11.06%. This represents an 8.94% reduction from 20% in 2019. The median bonus gap is 34.62%, which also reduced – a fall of 33.3% compared to 2019.

	MEAN	MEDIAN
Gender Pay Gap	32.95%	17.63%
Gender Bonus Gap	11.06%	34.63%

BONUS PAYMENTS

Proportion of all employees receiving a bonus



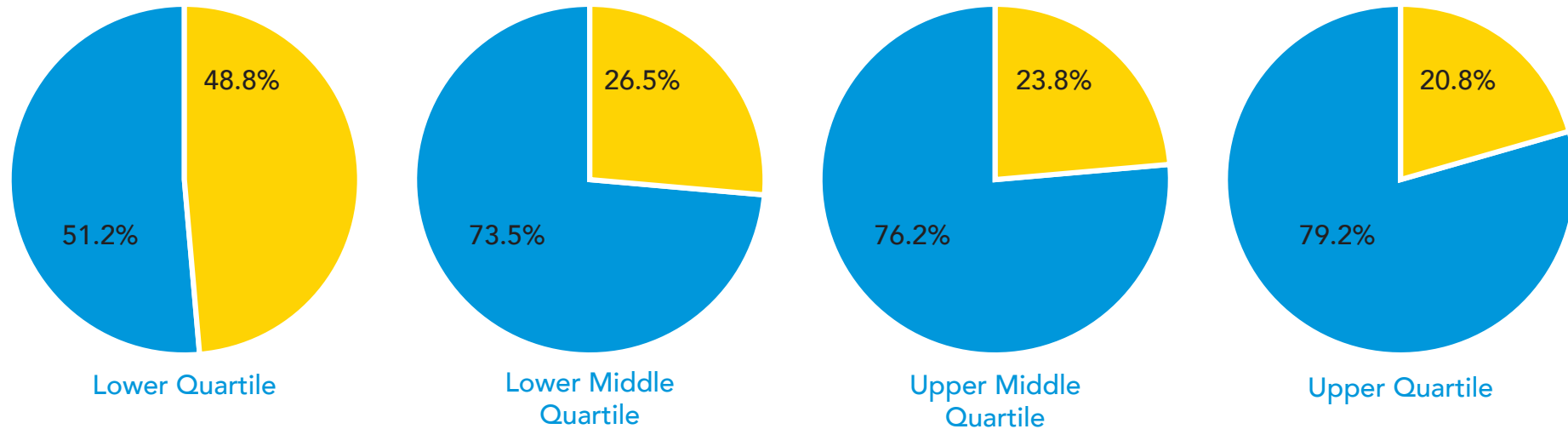
37.14%



23.06%

PAY QUARTILE

Proportion of men and women in each pay quartile



Our quartile data demonstrates that women are more evenly represented in the lower quartiles compared to men.

DEFINING THE TERMINOLOGY

Mean and Median:

The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees, expressed as a percentage of a male employee's earnings

Proportion of males and females receiving a bonus:

The proportion of male and female employees who were paid any amount of bonus pay.

Proportion of males and females in each pay quartile band:

The proportion of male and female employees in four quartile hourly rate pay bands ranked from lowest hourly rate to the highest hourly rate. It is done by dividing the workforce into four equal parts.

WHY IS THERE A GENDER PAY GAP?

SOCOTEC UK Ltd employed 1,305 colleagues on 5 April 2020. Men continue to make up the majority of our workforce – 72% were men and 28% were women.

SOCOTEC UK's gender pay gap report follows the guidance from the Government's Equalities Office with regard to employees who were on Furlough leave. As we entered the COVID-19 pandemic, our employee population was impacted and a proportion furloughed. In line with Government guidelines, employees placed on furlough leave who experienced a reduction in earnings were removed from the gender pay gap calculation and therefore our 2020 reportable figures are in part distorted.

Our gender pay gap requires us to drive our strategy to increase the population of women in the business overall, and also supports the talent growth agenda for female, managers and leaders. Although we are confident that we have equal pay for work of equal value, we do have a gender pay gap when we compare the overall average pay and bonuses for females and males.

We value and employ a large skilled population of operatives, where women are historically under-represented within the infrastructure, construction and compliance sector. As a technical business with highly specialist technical, consultancy and engineering roles, these positions are dominated by males and often attract higher levels of remuneration due to scarcity of skills and competitive markets.

As a business and an industry, we are committed to ensuring changes are made and strive to achieve greater improvements in gender representation.

While we are pleased at the progress being made, we recognise that more needs to be done as a business and across the industries to close the gap.

CLOSING THE GAP

We are already working towards bringing greater balance to SOCOTEC UK and are actively finding new ways to make long-term change within our business.

SOCOTEC UK is committed to attracting and retaining women, ensuring that our workforce is reflective of the diverse communities in which we operate

AREAS OF FOCUS

- ▶ **Inclusive Recruitment** - focus on attracting top talent and a more diverse pool of candidates. Improve the way we recruit, using the most appropriate language in our advertisements to make sure that everyone has the opportunity to apply for our jobs
- ▶ **Talent Attraction** - actively recruiting female engineers where possible into graduate and undergraduate apprenticeships. Developing links with education to raise awareness of career opportunities in the testing, inspection and compliance sector
- ▶ **Career Opportunities and Progression** - upskilling managers and providing tools to teams that initiate conversations on creating opportunities, identifying potential, providing flexible working practices, developing employees and attracting new talent
- ▶ **Monitoring** – enhanced gender split reporting data and KPI information to continue to highlight trends and support strategies to address the underlying causes.

DECLARATION

We confirm the gender pay gap data contained in this report is accurate and that the data reported was accurate as of the snapshot date 5 April 2020. It covers the period from April 2019 to 5 April 2020 inclusive. It has been produced in accordance with the guidance on managing gender pay developed by the UK Government Guidelines and the Arbitration and Conciliation Service (ACAS).

A handwritten signature in black ink that reads "Lisa Money". The signature is written in a cursive style with a small superscript '2' above the 'i' in "Money".

HR Director
SOCOTEC UK