Gender Pay Gap Reporting

Overview

The gender pay gap legislation requires all companies with over 250 employees to report their data against six key measures. This data is taken as at April 2018:

- Mean hourly gender pay gap
- Median hourly gender pay gap
- Mean gender bonus gap
- Median gender bonus gap
- Proportion of male and female employees who receive a bonus
- Proportion of male and female employees in quartile pay bands

Equal pay is different to the Gender Pay Gap – it is important to understand the difference

GENDER PAY GAP
The gender pay gap is the percentage difference between men’s and women’s median hourly earnings, across all jobs in the UK; it is not a measure of the difference in pay between men and women for doing the same job.

EQUAL PAY
Equal pay means that men and women performing equal work should receive equal pay – this is a legal requirement.

Whilst we remain confident that men and women are paid equally for doing the same job, the greater proportion of men than women in senior roles creates a gender pay gap.

We are working very hard to address the imbalance of our figures through inclusive and diverse recruitment, including diverse shortlists, mixed interview panels, offering flexible working, providing continuous unconscious-bias training.

By attracting more women to the industry and into senior roles we will benefit from greater diversity and a wider talent pool, which will improve business performance.

Embracing diversity and inclusion is one of our key principles and will help to drive our culture and reaffirms our commitment to improve on issues like gender pay and gender equality.
HOW DOES SAS COMPARE TO OTHER ORGANISATIONS?

Most organisations have a gender pay gap of some degree. The median gender pay gap for the whole economy (according to the May 2018 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures is 17.9%.

The median pay gap for full time workers only in the UK is 8.6% (ONS), and in the manufacturing industry this figure is 20.3% (compared to 20.8% last year). SAS median pay gap is 20.05% which means SAS International is 0.25% better than the industry figure.

SAS International has improved by 4.85%.

SAS VS MANUFACTURING INDUSTRY - MEDIAN GENDER PAY GAP
### Mean Gender Pay Gap

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>22.10%</td>
<td>19.45%</td>
<td>(2.65%)</td>
</tr>
</tbody>
</table>

Mean - The average pay of men is SAS is 19.45% higher than the actual pay of women across all jobs.

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median</td>
<td>24.90%</td>
<td>20.05%</td>
<td>(4.85%)</td>
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Median - The middle value of pay (all rates in order - taking the middle value of men and the middle value of Women) is 20.05% higher for men than it is for women.

### Median Gender Pay Gap

### Proportion of Males and Females in Each Quartile

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Quartile</td>
<td>37.57%</td>
<td>62.43%</td>
</tr>
<tr>
<td>Lower Middle Quartile</td>
<td>18.89%</td>
<td>81.11%</td>
</tr>
<tr>
<td>Upper Middle Quartile</td>
<td>14.92%</td>
<td>85.08%</td>
</tr>
<tr>
<td>Upper Quartile</td>
<td>11.67%</td>
<td>88.33%</td>
</tr>
</tbody>
</table>

SAS International Employ’s 722 Employees across 4 locations with the UK.

The images to the left display the breakdown of all these employees into the 4 quartile groups.

Each quartile is calculated by ordering the hourly rates of pay for each employee from lowest to highest and then splitting the list into 4 equal groups. The percentage is then calculated based on the number of male and female employees in each group.

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
Mean Gender Bonus Gap | 39.68%
---|---
Mean - The average bonus for men in SAS is 19.45% higher than the average bonus of women.

Median Gender Pay Gap | 40.69%
---|---
Median - The middle value of bonus (all bonuses in order - taking the middle value of men and the middle value of women) is 40.69% higher for women than it is for Men. Most of the women paid a bonus are in the higher bonus bands.

**PROPORTION OF MALES AND FEMALES RECEIVING A BONUS PAYMENT**

<table>
<thead>
<tr>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.00%</td>
<td>5.94%</td>
</tr>
</tbody>
</table>

Taking all of the employees, 5.94% of all Male employees received a bonus, 4.00% of all female employees received a bonus.

As a business we recognise that we have a long way to go. We need to continue to be proactive and execute a long-term strategy to close the gender pay gap.

We almost certainly need more women in senior roles and whilst this will not happen overnight we are committed to improving this by recruiting, hiring, training, and promoting women at all levels.

We are implementing schemes to support women’s progression to provide opportunities that will help close the gender pay gap and can ensure that SAS is ahead of its competitors in retaining talented staff and achieving a more balanced workforce.
RECRUITMENT & SELECTION
This area is key to our ongoing strategy to encourage more women and greater diversity into the business.

TALENT MAPPING
Detailed talent mapping is carried out twice yearly and is used to identify key talent within the business irrespective of gender.

RAISE AWARENESS
This topic is now an agenda item at our SAS International board meetings and reported on monthly.

MANAGEMENT DEVELOPMENT PROGRAM
This has recently been introduced to support and encourage employees looking to step up into supervisory and management positions, irrespective of gender or background. We will look to enhance this area further as we believe it is key to developing internal talent.

FLEXIBLE WORKING POLICIES
By introducing flexible working we have achieved tangible improvements to our recruitment, staff retention and overall employee relations. Obtaining a work life balance is very important to our employees which we fully recognise.
Although only an estimated 9.1% of the construction industry is made up of women, that number is on the rise, and for good reason. There’s no shortage of new construction jobs in the UK, with the industry set to need more and more skilled people in the future. No construction business is going to succeed if it does not successfully recruit and retain women. SAS embraces equality and wants to encourage more women to join our business and be promoted within it.

SAS International has continually provided me with the opportunity to develop myself professionally. After four years in the Marketing department, I have received two promotions, been given HR support and have also been appointed a personal mentor to ensure my guided transition into a management role. I am extremely proud to work for a brand which focuses its efforts on excelling their people for the overall success of the business.

**Gordana Pavlovic | Senior Marketing Executive**

I joined SAS at the beginning of 2017 as a Project Developer. As I started to progress in the role, I made it very clear I wanted to reach management level. SAS put the development plan in place for me to ensure I was ready. Within two years I now lead the UK Project Development Team. I am committed to ensuring SAS continues to develop any female or male who has the right attitude to progress. I want all my employees to have the support I had to be able to reach their full potential. SAS helped me achieve my goal.

**Tyler Goodenough | Project Development Manager**

I joined SAS International in February 2018 after working in the education sector for the past 12 years. During the last year, the company have been excellent in supporting my transition back into management in the manufacturing industry. SAS have recognised my skills and achievements and have rewarded me with a promotion into the senior management team. I am proud to work for a company that values its employees and is committed to creating a culture of fairness, values diversity and enables people to fulfil their potential.

**Debbie Swan | Sales Office Manager**

After graduating in Interior Design, SAS International has given me the opportunity to progress within the engineering department. Whilst studying I focused on the visual aspects of design, whereas now I can actually see how products come to life! SAS International has supported me throughout my time here, by allowing time for training and attending specialist drawing and programming courses. I am honoured to work in a company that values, supports and encourages progression.

**Anishaaben Padhiar | Bill of Manufacture Engineer**
At SAS International everyone recognises that equality and diversity in the workplace provides opportunity for all our employees and is good for our business.

SAS International aims to be an inclusive Company, valuing everyone equally and ensuring that everyone has the same opportunities for recognition, reward, and career development. We want everyone who works at SAS International to feel that they belong and can thrive within our Company. We are confident that we have equal pay at SAS International and we have robust processes to ensure this. However, we recognise that we have a gender pay gap which we need to address as we move forward.

The Gender Pay Gap can arise from many different factors. At SAS International approximately 20% of our employees are female. In the past preconceived views on employment in manufacturing and construction means that there have historically been fewer men than women in senior, higher paid roles, and this is the major reason for our Gender Pay Gap. Our biggest opportunity to address the Gender Pay Gap is through inviting more female talent to join our Company and encouraging and developing that talent alongside their male colleagues to take senior roles in our business.

We are making great progress in closing the Gender Pay Gap, and this report shares some encouraging stories from women within the Company. In addition, in the last year we have made a 4.85% improvement on the figures published last year, and we are now below the expected gender pay gap in our industry sector. In addition to this, we believe the changes we are making will accelerate this improvement in the coming years.

We have recently appointed two women directors onto our SAS International Board, one appointment was made externally and one an internal promotion. These actions will definitely show improvements to the upper quartile figures for 2019.

As a Company we are committed to closing the Gender Pay Gap and delivering equality and diversity amongst our colleagues. Thank you for reading this report.

I, Todd Altman, Chief Executive, confirm that the information in this statement is accurate.

Signed: ........................................................... Date: 21st March 2019.