



Gender Pay Gap Report 2023

SGS IRELAND LIMITED

SGS

Introduction

SGS Group are recognised as the world’s leading, testing, inspection, and certification company. As an affiliate, SGS Ireland have been active in Ireland for over 40 years, with a network that currently spans 40 locations across Ireland, we employ over 480 people. The associated companies that fall into scope for this report are SGS Ireland Limited, SGS International Services Laboratory (ISL), SGS Gas Analysis Services Limited and Walk Meadow Limited/ trading as Safe Electric Ireland.

The Gender Pay Gap Information Act 2021 requires organisations to report on their hourly gender pay gap across a range of metrics. Organisations with over 250 employees must show whether there are differences in such remuneration referable to gender, the reasons for such differences, and the measures (if any) proposed or taken to reduce such differences.

THE GENDER PAY GAP VS EQUAL PAY

It is possible to have a gender pay gap while still paying men and women fairly. This report should not be mistaken for Equal pay, which refers to the difference in men and women’s pay who carry out the same role. The Gender Pay gap calculates and allows for a raw comparison of the average pay between all men and women across an organisation without consideration of the factors that typically impact pay (e.g., Education, Shift differentials, performance reviews etc).

This report covers the 2022-23 reporting cycle with an employee population at the time of 489 of which 253 where female and 236 where male, using a snapshot date of 16 June 2023.

WHAT WILL ORGANISATIONS REPORT ON?

- The difference between the **mean hourly remuneration** of male employees and female employees expressed as a %
- The difference between the **median hourly remuneration** of male employees and female employees expressed as a %
- The difference between the **mean bonus remuneration** of male employees and female employees expressed as a %
- The difference between the **median bonus remuneration** of male employees and female employees expressed as a %
- The difference between the **mean hourly remuneration** of part-time male employees and part-time female employees as a %
- The difference between the **median hourly remuneration** of part-time male employees and part-time female employees as a %
- The percentage of all male employees who were paid a bonus and the percentage of all female employees who were paid a bonus

h. The percentage of all male employees who received benefits in kind and the percentage of all female employees who received such benefits.

i. The difference between the **mean hourly remuneration** of male employees on temporary contracts and that of female employees expressed as a %

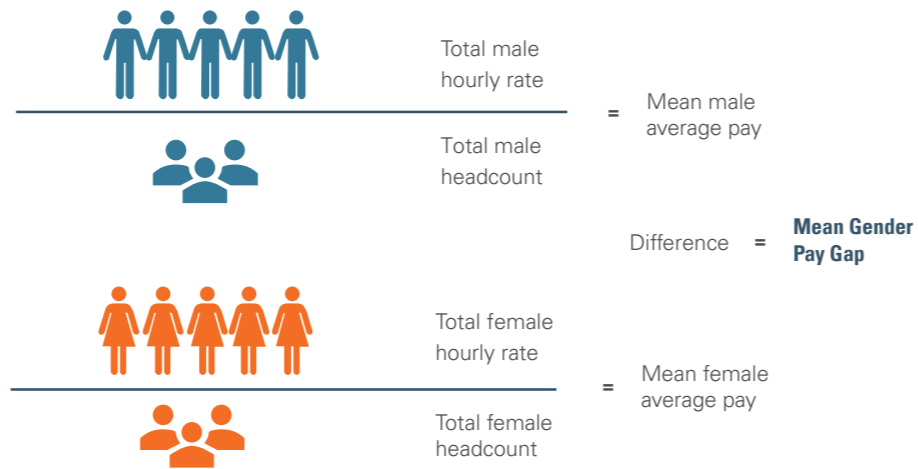
j. The difference between the **median hourly remuneration** of male employees on temporary contracts and that of female employees on such contracts expressed as a %

k. Quartile pay bands, The proportion of male and female employees in the lower, lower-middle, upper-middle and upper quartile pay bands.

*(It should be noted that temporary contract refers to those employed on a fixed term contract within the meaning of the Protection of Employment (Fixed-Term Work) Act 20

DEFINITIONS

Mean – The mean gender pay gap is the difference in the average hourly pay for women compared to men within an organisation



Median – The median represents the middle point of a population. The median pay gap is the difference between hourly pay rate for the middle female employee compared to the middle male employee



Our results

Finding the mean pay gap. To do this we add all the hourly pay rates of our female employees and divided that by the number of women in the organisation (253). We repeated this calculation for the male employees (236). We also used the same calculation for our Part Time and Temporary workers of both genders. The resulting difference is the Mean Gender Pay Gap.

To find the Median pay gap. We ranked our employees by their hourly rate lowest to highest. We then compared the rate at the middle point of our female employee population of 253 and repeated this with the middle point of our male employee population of 236. The resulting difference is the Median Gender Pay Gap.

DIFFERENCE IN PAY BETWEEN MALE AND FEMALE EMPLOYEES (MEAN AND MEDIAN GENDER PAY GAP)

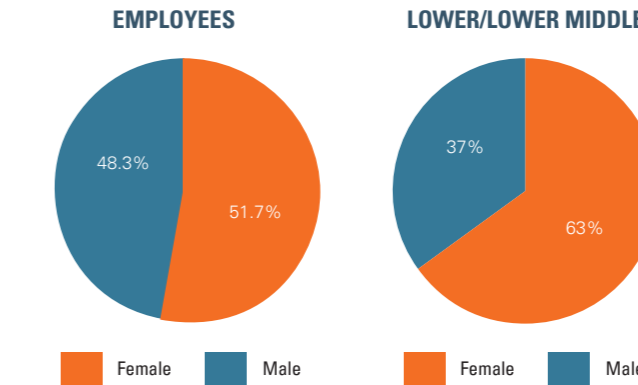
	2021/22	2022/23
Mean Pay Gap	13%	12%
Median Pay Gap	24%	23%

Mean Pay – Our results found that the average pay for the reporting period for a female employee was 12% less per hour than the average pay for a male employee, this is a difference of 1% from the previous reporting period. Meaning that for every €1 a male employee received, a female employee received 88c, increased by 1c per hour.

Median Pay – Our results found that the female employee in the middle of the female population pay range received 23% less than the male employee in the middle of the male population pay range, again this showed a slight improvement from the previous reporting period by 1% – The gender split of our workforce at the snapshot date in June was 51.7% female and 48.3% male.

While there is a slightly higher gender split in favour of female employees the gap is still predominantly driven by an over-representation of females in roles that attract lower pay levels e.g., Customer facing, call centre support, administration roles.

Subsequently when we exclude all Temporary employees from the general workforce population the Median Pay Gap reduces to 13% which is an improvement of 1% on the 2021/22 reporting period.



Median and Mean Part Time - Our result for our Part Time employee population found 0% Gap in the Median Pay meaning the middle female and middle male received the same pay when working part time, this remains unchanged from the previous period. However, our Mean Pay Gap for Part-Time employees showed a difference of -18% on last year, this result again is pre-dominantly driven by more females than male employees opting to work part time across all pay ranges.

Median and Mean Temporary - Our result for our Temporary employee population found a 10% Gap in the Median Pay meaning the middle female employee of the female population earned 10% less than the male employee in the middle of the male population. This is an increase from the 21/22 period resulting from a higher number of females applying and being hired into Temporary contract roles mainly within the Lower pay quartile. Similarly, the Mean Pay Gap saw an increase by 6%, resulting in a 7c difference in average pay for a female employee per hour compared to a male employee resulting from more females employed in the Organisation on Temporary contracts – Females 105, Males 71.

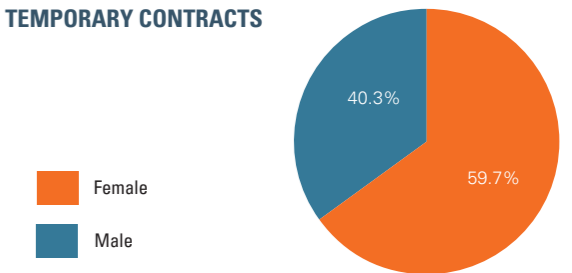
DIFFERENCE IN PAY BETWEEN MALE AND FEMALE TEMPORARY EMPLOYEES (MEAN AND MEDIAN GENDER PAY GAP)

	2021/22	2022/23
Mean Pay Gap	1%	7%
Median Pay Gap	0%	10%

DIFFERENCE IN PAY BETWEEN MALE AND FEMALE PART-TIME EMPLOYEES (MEAN AND MEDIAN GENDER PAY GAP)

	2021/22	2022/23
Mean Pay Gap	-59%	-77%
Median Pay Gap	0%	0%

TEMPORARY CONTRACTS



The Bonus gap signifies the difference between bonuses paid to male and female employees, only employees in receipt of a bonus were included in our calculations. The percentage of females from the female employee population receiving a bonus was higher at 70% compared to males from the male employee population at 62%.

The Mean Bonus Gap fell from 38% to 31%, while this is a step in the right direction the existing gap remains due to having fewer females represented in the Upper Middle and Middle quartile pay ranges.

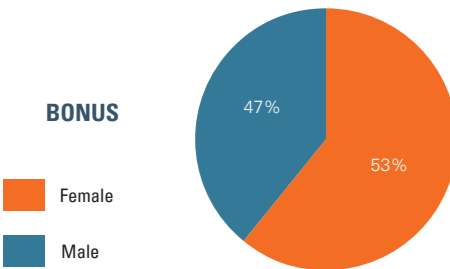
We saw a significant reduction of 35% in the Median Bonus Pay Gap this reporting period, given there was no requirement for share dividend or retention bonus to be paid out. The Median bonus pay gap is 61%, the bonus for the middle female employee was present in the middle pay range and the bonus for the middle male employee was present in the upper-middle pay range.

When we exclude all Temporary employees that received a bonus the Median Bonus pay gap falls by 26% to 35%.

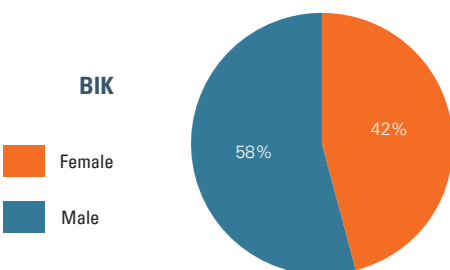
PROPORTION OF MALE AND FEMALE EMPLOYEES RECEIVING A BONUS

	2021/22	2022/23
Mean Bonus Pay Gap	38%	31%
Median Bonus Pay Gap	96%	61%

PROPORTION OF MALE AND FEMALE EMPLOYEES RECEIVING A BONUS



PROPORTION OF MALE AND FEMALE EMPLOYEES RECEIVING BENEFIT IN KIND



OUR WORKFORCE AND PAY QUANTILES

SGS Ireland’s gender pay gap data was taken from snapshot date 16 June 2023. At the time of the report there were 489 people working within our organisation: 253 Women (51.7%) and 236 Men (48.3%)

Each pay quartile represents 25% of our total workforce ranked by total hourly pay.

	2021/2022	COUNT	PERCENTAGE
Upper Quartile	Male	46	48%
	Female	50	52%
Upper Middle Quartile	Male	41	43%
	Female	55	57%
Middle Quartile	Male	30	32%
	Female	65	68%
Lower Quartile	Male	37	39%
	Female	59	61%

The proportion of male and female employees in the lower, lower-middle, upper-middle, and upper quartile pay bands

	2022/2023	COUNT	PERCENTAGE
Upper Quartile	Male	71	58%
	Female	51	42%
Upper Middle Quartile	Male	63	52%
	Female	59	48%
Lower Middle Quartile	Male	57	47%
	Female	65	53%
Lower Quartile	Male	45	37%
	Female	78	63%

Understanding the Gap

At the snapshot date of 16th June 2023, 23% of our total workforce was made up of hourly paid staff of which 59% of those were female. Historically, these hourly paid roles attracted a greater number of female applicants typically looking to return to the workforce or engaging in a contract that better suited their personal requirements. Additionally, research shows that more women than men suspend their career development to focus on activities outside the workplace and this causes a disproportionate talent gap in the workforce, particularly at middle and senior management levels.

Our part time mean gap at (-77%) was predominately represented by females in the Upper and Upper Middle pay quartiles while this bucks the trend of part time roles being seen as naturally less senior, when we look at the data the assumption remains that societal expectations are females are more likely to be seen as the primary care givers often impacting earnings, while very few males in any quartile opted or applied for Part time working.

The growth and expansion of our service business is based on tendering and winning new service contracts and moreover acquiring companies to deliver business needs. In this reporting period, the company acquired two technical and highly specialised entities, fulfilling the assumption that roles of this nature are pre-dominantly male based with high levels of pay. The impact of this has seen the female representation at upper and upper middles quartiles decrease by 10% and 9% respectively from the 2021/22 period, this combined with the significant female representation at the lower quartile is driving our Gap.

The Median bonus gap considers the greater weighting towards variable pays at a more senior level which now has a higher representation of men at this level. Moreover, the calculations are not adjusted for temporary contract workers which has an over-representation of women at the lower and middle pay levels.

The BIK gap has been impacted by the higher representation of men at the senior level / upper quartile due to acquisitions of a technical nature and in turn the mix of associated rewards including benefit in kind.

Bridging the Gap

At SGS Ireland we are committed to being open and transparent with our employees about our gender pay gap. This report will provide our organisation not only with an opportunity to understand why we have a disparity in pay and bonuses but the causative factors and the ongoing work we can do to improve and bridge this gap moving forward.

We will continue to encourage and support our workforce in the lower and middle pay levels by introducing professional and personal development through learning pathways that are designed to advance the skills of our workforce so that they are equipped with the tools they need to consider future opportunities for their career development. We will continue to advertise all our vacancies and opportunities internally first and direct managers to encourage their staff to apply where appropriate.

Thorough our foundations in Leadership training program targeted at female high performers we are laying the groundwork to help increase our gender representation in leadership roles within the organisation. Furthermore, we are providing support to our managers to have productive discussions with their staff on individual development plans during appraisals particularly focusing on ensuring a gender balance for succession planning exercises.

The Higher Education Authority reports that only 19% of women are entering higher education to study STEM. SGS Ireland are committed to working collaboratively with our University and Technical Institute partners to promote our internship and apprenticeship programs to attract female talent particularly into our Science and Engineering business areas. We will strive to use gender-neutral language in our job advertisements and ensure diverse interview panels wherever possible.

We will monitor exit interview responses ensuring the leave reasons are not gender-related.

We will endeavour were possible to monitor, harmonise and align our terms and conditions for companies we look to acquire.

Continue to promote and enhance where possible our family-friendly policies and proactively communicate our open, inclusive, and flexible work culture and to reaffirm our commitment to equality in the workplace.

Declaration

We confirm that the figures contained within this report are accurate and have been calculated in line with The Gender Pay Gap Information Act 2021.

BERNADETTE PRENDERGAST
Human Resource Manager

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WHEN YOU NEED TO BE SURE

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