

Gender Pay Gap Report

2022 edition

INTRODUCTION



It is a **pleasure** to share with you the results of our Gender Pay Gap review in Servier (Ireland) Industries Ltd., Arklow, Co Wicklow.

People are, and have always been, at the **heart of what we do in Servier**.

In **recent years**, we have **made commitments and taken steps** towards gender equality. In 2019 Servier Arklow **joined the 30% Club** and **committed to the three key pillars** which are to **Activate** senior leaders, to **Influence** those with power to drive change and to **Enable** future women leaders. **And we walked the walk**. Today I am delighted to work alongside **four women and four men** comprising the **Senior Leadership Team**.

Like many companies, this is the **first year** we are publishing our Gender Pay Gap Report. **And we are pleased** to share a **result of 5.9%**, which is a more favourable figure **than the Irish estimate of 11.3%*** and the EU average of 13%*.

However, we will not rest on our laurels! This new report is an **opportunity to look** at gender equality through **another perspective** and **identify areas where we can do better**. With this mindset we are publishing this version and **continuing our journey to ensure equality for all on site**.

*Eurostat figures (2019).



Augustin Blanc
General Manager
Servier Ireland

At Servier, we are committed to therapeutic progress to serve patient needs. **People** have always been at the **centre of our work** and our success depends first and foremost on our employees.

Through our company values, and our unique company culture, we promote a work environment where **everyone is included and respected**.

Diversity and inclusion are among the pillars of the Servier Group's development, and we feel that gender equality is the **foundation of our D&I journey**.

We ensure **equal opportunities** during all recruitment processes as we are convinced that diversity of profiles and opinions is a driver of progress and innovation.

We are delighted to have the opportunity this year, through this report, to learn more about our population onsite, and to report transparently on the findings.

With a mean gender pay gap of **5.9%** we are at a good starting point.

It is, of course, a good opportunity to **highlight areas for improvement** and our focus will be on actions to improve gender equality over the coming years.

We truly consider **diversity** and **gender equality** as key drivers for progress and we are committed to this as part of our HR and CSR strategies over the coming years.



Suzanne Greene
Head of
Human Resources
and Training



What is the Gender Pay Gap?

The gender pay gap refers to the difference between what is earned on average by women and men based on the average gross hourly earnings of all paid employees.

Where a gender pay gap exists, this does not indicate discrimination or an absence of equal pay for equal work – it indicates a gender representation gap within the organisation.

The hourly pay rate is calculated on all pay elements, i.e. basic pay, shift premium, overtime and bonus. This total annual remuneration is then divided by total actual hours worked in the year to arrive at the hourly rate of pay.

In Ireland, according to the latest Eurostat figures, the national gender pay gap is 11.3% (EU average 13%). In this report, we will show the gender pay gap within Servier (Ireland) Industries Ltd., under a number of different pay headings, as well as highlighting the factors influencing the gender pay gap in our organisation.



What is the difference between Gender Pay and Equal Pay?

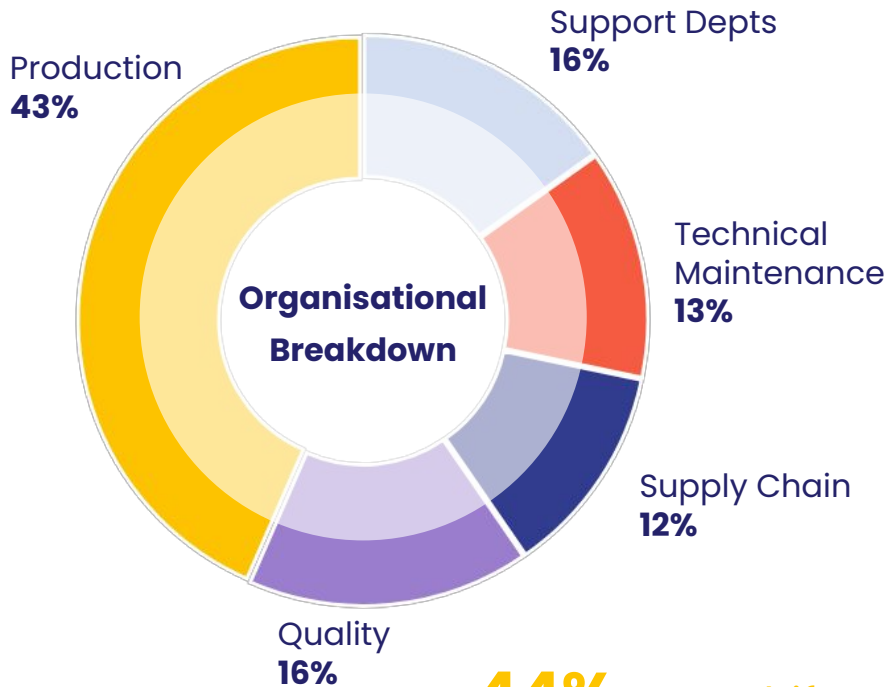
The gender pay gap measures the difference between men and women's average pay.

Equal pay, on the other hand, is the legal obligation that requires employers to give men and women equal pay if they are employed to do like work.

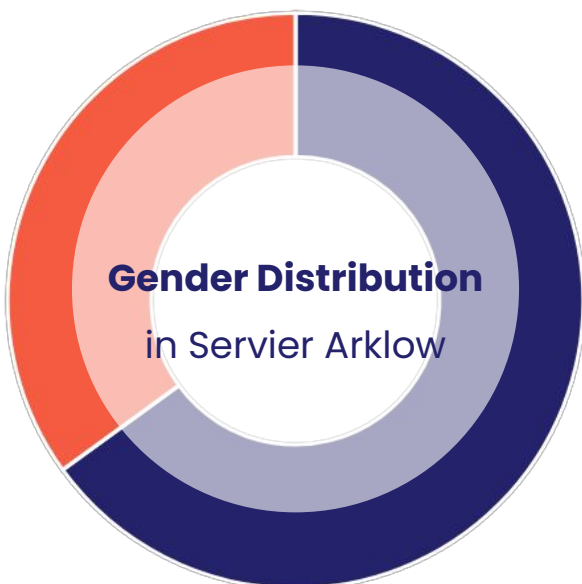
Background

Servier (Ireland) Industries Ltd. is a pharmaceutical manufacturing plant based in **Arklow**, Co Wicklow. Our manufacturing facility is operated on a shift basis spanning 24hrs, 7days.

This report is based on a snapshot date of 03/06/2022. The reporting period is the 12 month period 05/06/2021 to 03/06/2022 inclusive.

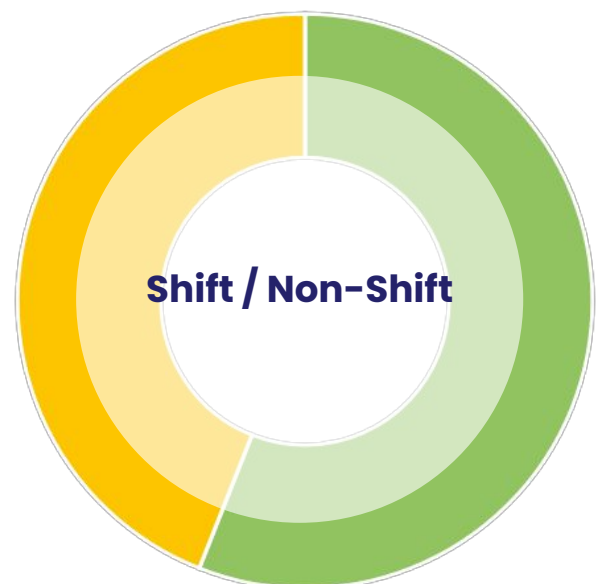


35% Female



65% Male

44% Non-Shift



56% Shift

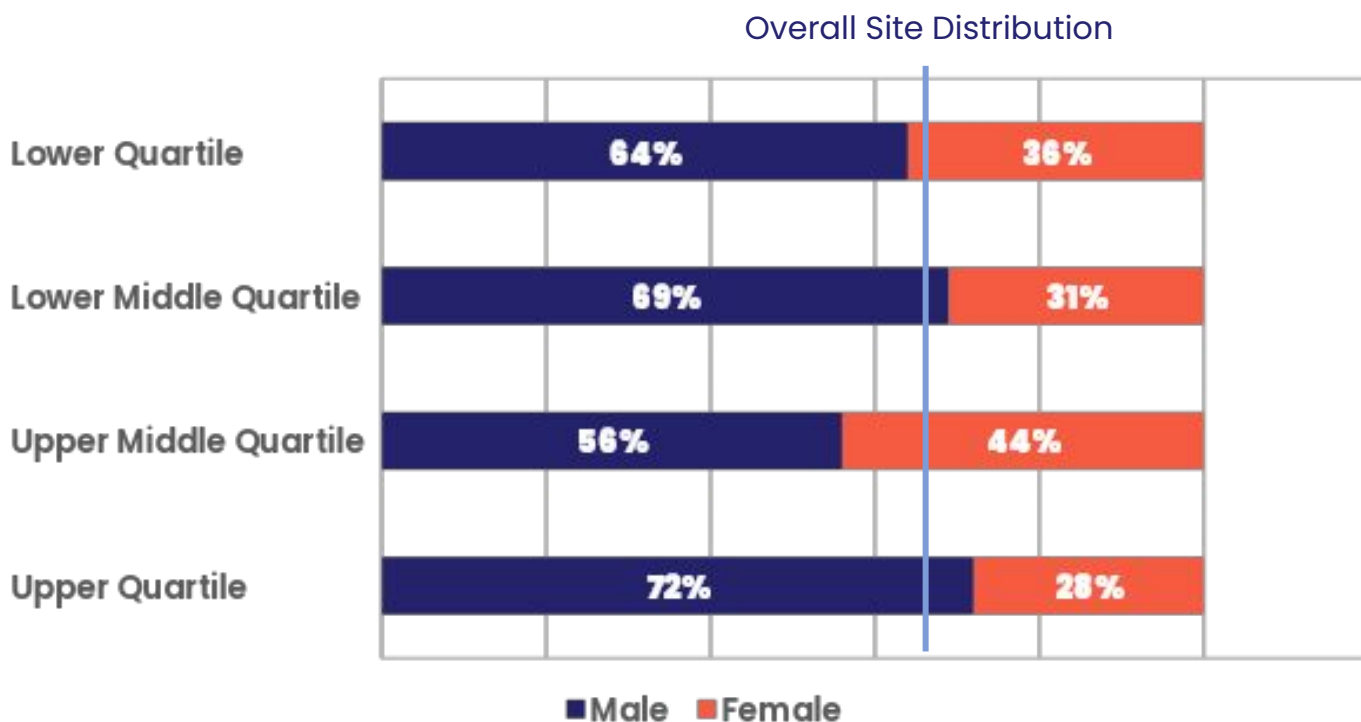
This report is based on a total of 388 employees of which 253 (65%) are male and 135 (35%) are female. **56% of personnel are working on a shift basis.**

Pay Quartiles

Male/Female

Representation

In order to group employees into quartile pay bands, we created a ranking of employees based on their hourly remuneration from lowest to highest. This is then divided into four even groups to show the proportions of men and women in each of these quartiles (Lower, Lower Middle, Upper Middle and Upper).



Key points to note within these quartiles:

- The Upper Quartile is made up of 40% Management and 60% operational shift roles.
- Within the Management Team in the Upper Quartile there is a good gender balance of **55% male and 45% female**.
- 50% in the Upper and Upper Middle Quartiles are receiving shift premium in addition to basic salary.
- The male/female representation is well-balanced in the Upper Middle Quartile.
- The gender representation in the Lower Quartile is in line with the overall site ratio of 65% male and 35% female and includes a higher representation of males in operational shift roles.



Mean Hourly Remuneration

Mean Hourly Remuneration All Employees

The mean hourly pay rate is calculated on all pay elements, i.e. basic pay, shift premium, overtime and bonus.



€**29**.11



€**27**.38

Mean Hourly Remuneration Part Time Employees

Part time employees represent 6% (5 male and 19 female) of the overall headcount.

The limited data pool impacts on the findings.



€**19**.48



€**32**.35

Mean Hourly Remuneration Temporary Employees

Temporary employees represent 5% (13 male and 6 female) of the overall headcount.

The limited data pool impacts on the findings.



€**19**.82



€**22**.21



What is mean hourly remuneration?

The mean is the average hourly pay across each gender. This is calculated by adding together all the hourly rates of pay for each gender and then dividing the total by the number of people of that gender.

Mean Gender Pay Gap

Mean Gender Pay Gap All Employees

Due to the nature of our manufacturing business, factors influencing the gap in favour of males include:

- A higher proportion of males earning shift premium
- A higher proportion of males volunteering for overtime
- A higher proportion of males working weekend shift
- A reduction in hours worked in the female group due to voluntary family leave

5.9%

Mean Gender Pay Gap Part time Employees

Part time employees represent 6% (5 male and 19 female) of the overall headcount.

The figure indicates a gap in favour of the female part time group, however, the limited data pool impacts on the findings.



-66.10%*

Mean Gender Pay Gap Temporary Employees

Temporary employees represent 5% (13 male and 6 female) of the overall headcount.

The figure indicates a gap in favour of the female temporary group, however, the limited data pool impacts on the findings.



-12%*

**The minus percentage value indicates a gap in favour of females.*



What is the mean gender pay gap?

The mean gender pay gap is the difference in the average hourly rate of pay of men and women expressed as a percentage.

The result of **5.9%** is a more favourable figure than the Irish estimate of **11.3%*** and the EU average of 13%*.

*Eurostat figures (2019).

Median Gender Pay Gap

Median Gender Pay Gap All Employees

Here, the gap is in favour of the female group, (minimal difference) where the mid point hourly rate of the female group applies to a more specialised role versus an operational role in the case of the mid point hourly rate in the male group.



€25



€25.53



Median Gender Pay Gap Part Time Employees

Part time employees represent 6% (5 male and 19 female) of the overall headcount.

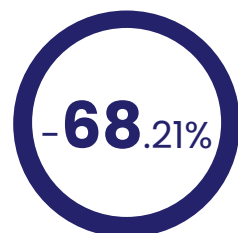
The figure indicates a gap in favour of the female part time group, however, the limited data pool impacts on the findings.



€19



€31.96



Median Gender Pay Gap Temporary Employees

Temporary employees represent 5% (13 male and 6 female) of the overall headcount.

The figure indicates a gap in favour of the female temporary group, however, the limited data pool impacts on the findings.



€19



€24.29



What is the median pay gap?

The median pay gap is reached by finding the exact mid point between the lowest and highest hourly pay rate for the male group and the lowest and highest hourly pay rate for the female group and then calculating the pay gap as a percentage.

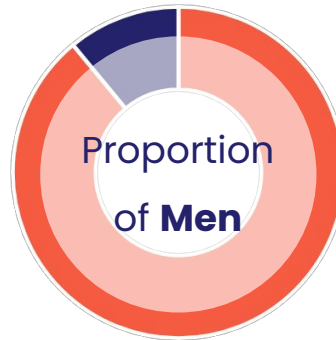
Bonus Attribution

Proportion receiving Bonus

100% of eligible male and female employees received a bonus in the period 05/06/2021 to 03/06/2022.

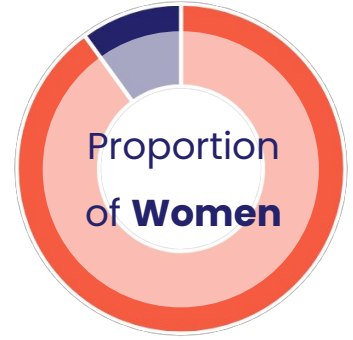
Those who did not receive a bonus were employed after the date of the relevant financial year to which the bonus applied, i.e. 01/10/2020 to 30/09/2021.

11% No



89% Yes

10% No



90% Yes

Mean Bonus Gap

It is important to state that male and female employees are entitled to the same bonus structure applicable to their role.

The minus percentage value indicates a gap in favour of females.



Median Bonus Gap

The minus percentage value indicates a gap in favour of females.



What is the Mean Bonus Gap?

The mean bonus gap is the difference in the average bonus of men and women expressed as a percentage.

What is the Median Bonus Gap?

The median bonus gap is reached by finding the exact mid point between the lowest and highest bonus for the male group and the lowest and highest bonus for the female group and then calculating the bonus gap as a percentage.

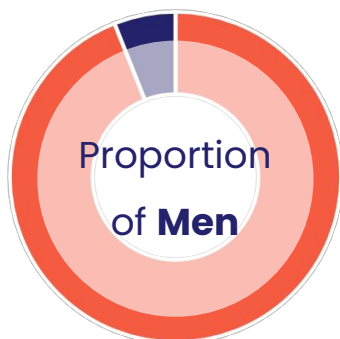
Benefit in Kind

BIK above refers in particular to Medical Insurance paid by the Company.

All employees are entitled to medical insurance for themselves and their immediate family.

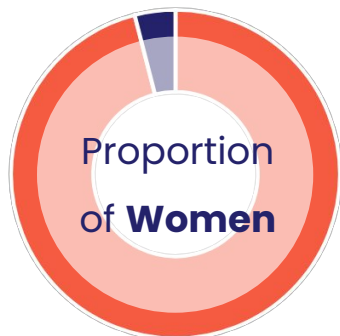
However, a small number of people, and in this case more males than females, have opted not to take paid medical insurance cover.

6% No



94% Yes

4% No



96% Yes





Our Action Plan



Leadership Commitment

Servier's Leadership Team is committed to understanding the drivers of our gender pay gap and to addressing these through our Diversity & Inclusion Strategy. This is a priority for the site in the coming year.

Since 2019, we have increased female participation at senior leadership level from 10% to 44%.



Recruit – Engage – Retain

We are committed to ensuring:

- Equal opportunities during our recruitment and selection process.
- Equal opportunities for all in promotion opportunities.
- An increasingly diverse talent pipeline.



Flexible Ways of Working

Flexible working is a key enabler of diversity and enables a good work-life balance. We ensure equal opportunity by constantly developing flexible work initiatives.

We will continue to design our working practices to enable a more flexible working culture that supports diverse talent throughout the career journey.



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