Gender Pay Gap Report

2024 edition



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At Servier our fundamental ambition is to **serve patients worldwide through therapeutic progress**. To fulfil this ambition we are striving to be as diverse as those communities that we serve. Our company values fully support an **inclusive environment** for more than 21,000 employees across the world.

At our Irish manufacturing site in Arklow, Co. Wicklow we are committed to creating **a better future for our colleagues**, **our community and our company**. We work hard to create a positive workplace culture where we can bring our whole selves to work. We have strong governance through our CSR committees onsite and we have been developing a roadmap for Diversity & Inclusion onsite. Our aim is to build diversity, equity and inclusion at every level of our business.

We are proud to maintain our high level of female representation **(56%)** on our Senior Leadership Team, who are driving and supporting this topic onsite.

This year our gender pay gap of 7% represents an increase on the previous two years. We have taken time to analyse this result and to identify the key drivers. We are fully committed to reflecting on this data year on year and to focusing our actions in an effort to narrow the gender pay gap.

A key principle of our Servier 2030 strategy is to create a **significant positive social impact for a sustainable world.** We believe that gender equity is a key part of this.

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 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?

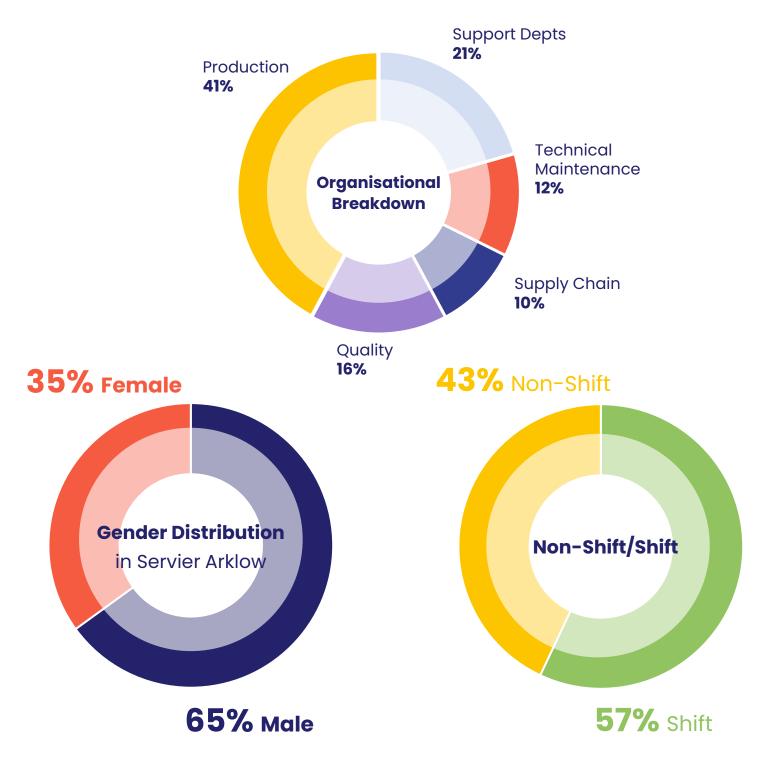
The gender pay gap measures the difference between men and women's average pay.

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, 7 days.

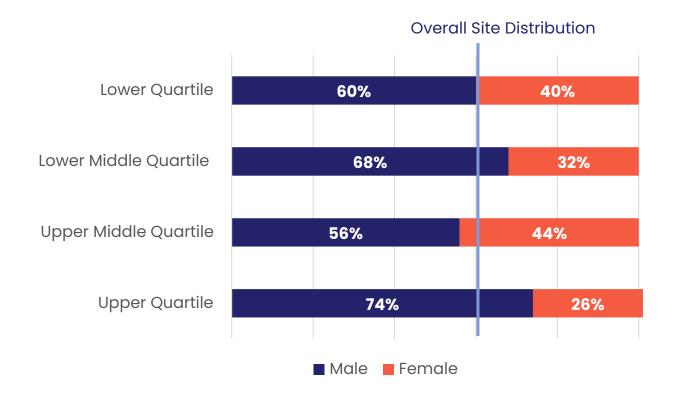
This report is based on a snapshot date of 01/06/2024. The reporting period is the 12 month period 03/06/2023 to 01/06/2024 inclusive.



This report is based on a total of 421 employees of which (65%) are male and (35%) are female. 57% 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 was 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 46% Management and 54% operational shift roles (an increase of 3% Operational shift roles in the upper quartile from last year).
- Within the Management team in the upper quartile the gender distribution is 56% male and 44% female.
- 51% in the Upper and Upper Middle Quartiles are receiving shift premium in addition to basic salary.
- The gender representation in the Lower Quartile and Lower Middle quartile combined is in line with the overall site ratio of 65% male and 35% female.



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.

€30.05



Mean Hourly Remuneration Part Time Employees

Part time employees represent 5.2% (3 male and 19 female) of the overall headcount.

The limited data pool impacts on the findings.

Mean Hourly Remuneration Temporary Employees

Temporary employees represent less than 4.9% (15 male and 6 female) of the overall headcount.

The limited data pool impacts on the findings.



€18.43 €18.99



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. $^{\rm 6}$

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

Mean Gender Pay Gap Part time Employees

Part time employees represent 5.2% (3 male and 19 female) of the overall headcount.

The limited data pool impacts on the findings.

Mean Gender Pay Gap Temporary Employees

Temporary employees represent 4.9% (15 male and 6 female) of the overall headcount.

The limited data pool impacts on the findings.









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. On analysis two key drivers of the increase were:

- A higher uptake of overtime by males
- A higher uptake of unpaid family leave by females

Median **Gender Pay Gap**

Median Gender Pay Gap All Employees

Here, the gap is in favour of the male group, where the mid point hourly rate of the male group is marginally above the mid point hourly rate of the female group.

> **Median Gender Pay Gap Part Time Employees**

Part time employees represent 5.2% (3 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.

> **Median Gender Pay Gap Temporary Employees**

Temporary employees represent 4.9% (15 male and 6 female) of the overall headcount. The limited data pool impacts on the findings.

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. 8

€**18**.42

€**26.**85

€**20.**73

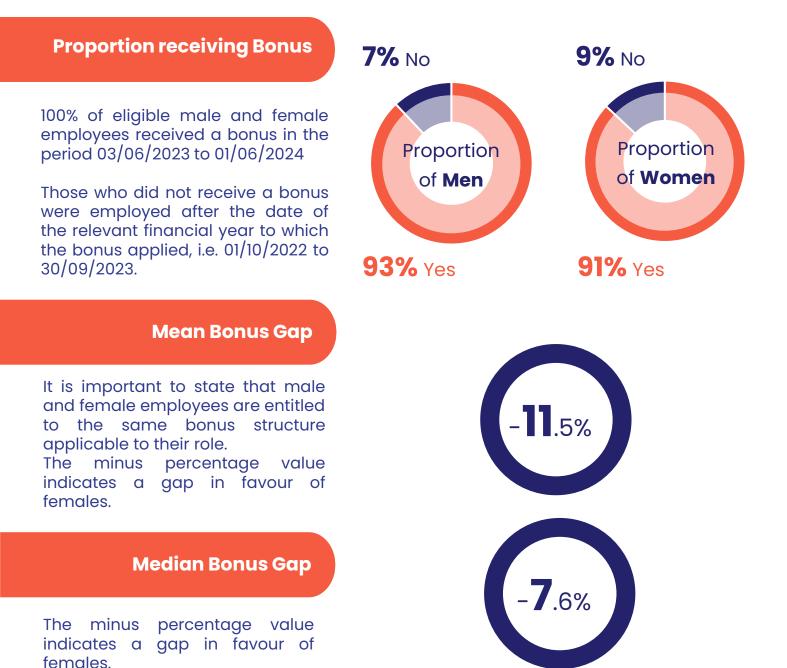
1.8%

39.5%

€**26**.38

€**28**.91

Bonus Attribution



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?

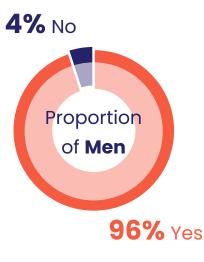
The median bonus gap is reached by finding the exact mid point between the lowest and highest bonus for the male group and the lowest and highest bonus for the female group and then calculating the bonus gap as a percentage. ⁹

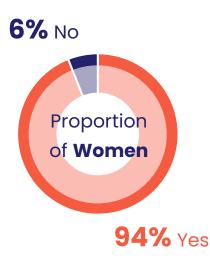
Benefit in Kind

Benefit in Kind 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 females than males, have opted not to take paid medical insurance cover.









Opportunities at Servier

At Servier Arklow, we will continue to:

Support future talent through our Servier **apprenticeships, internships and placements** Encourage future careers in **STEM** through educational sessions and programmes we have in place with local schools

Promote women in STEM via our link with schools and third level institutions

Welcome an increasingly diverse talent pipeline Provide **equal opportunities** during our recruitment and selection process and for all promotion opportunities NEW: In Financial Year 24/25 we will introduce an Inclusion Statement and ensure its presence on all advertised roles



Diversity & Inclusion at Servier

At Servier Arklow, we will continue to:

Support a minimum of 30% gender balance

at Senior Leadership level, which remains at 56% Drive awareness and tangible actions in D&I (Diversity & Inclusion) Provide Senior Level **support**, **oversight and governance** of our D&I Roadmap

NEW: In Financial Year 24/25 we will introduce a Neurodiversity policy NEW: In Financial Year 24/25 we will hold our first Diversity Survey supported by Business in the Community Ireland





Health and Wellbeing at Servier

At Servier Arklow, we will continue to:

Provide **mental health** first aider and mental health awareness training when and where required Work with our Partners to provide information, advice and services regarding all areas of **health and** wellness

NEW: In Financial Year 24/25 we will introduce a Pregnancy Loss policy NEW: In Financial Year 24/25 we will focus on topics around health & wellness in conjunction with our health care providers



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