

intertek

INTERTEK'S GENDER PAY REPORT IN 2018





INTRODUCTION

Our 44,000 global Total Quality Assurance experts work passionately to ‘Bring Quality and Safety to Life’.

Daily, they contribute to the success of our customers’ products, services and operations and help us to succeed in our Vision of being “The World’s Most Trusted Partner for Quality Assurance”.



Fairness in our pay practices including equal pay for equal work is fundamental to our Values and our remuneration principles. We believe that the level of focus on the UK gender pay gap created by increased legislation is a positive step forward.

People are at the heart of everything we do and our People Strategy has been developed to engage and inspire our colleagues, ensure they have the frameworks in place for them to succeed in safe working environments around the world, and ultimately help them feel proud to work for Intertek and the clients we serve.

At the time of our last report, we talked about the measures we were putting in place to attract, develop and retain talented people and we continue to progress with these initiatives not only in the UK, but across our entire global organisation.

We know we have still have some way to go in addressing the balance of women in senior roles, and at the end of this report, we outline in more detail our results and the further plans we have in place to ensure all colleagues can fulfil their potential as we continue on our good-to-great journey to make Intertek Ever Better, Ever Stronger.



André Lacroix
Chief Executive Officer

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WHAT IS THE GENDER PAY GAP?

The gender pay gap reporting requirements came into effect on 6 April 2017 and require UK domiciled employers with over 250 employees in a legal entity to publish data relating to their UK employee pay. Gender pay gap reporting is part of the UK Government's strategy to reduce the gender pay gap in a generation.

The metrics required under the amendment to the Equality Act 2010 are the mean pay gap and mean bonus gap as well as the percentages of men and women receiving bonuses and a summary of the Group's pay structure segmented by gender. By providing the mean and median pay gaps we can illustrate the different aspects of distribution of pay across our business.

The mean is calculated by adding all hourly salaries of men employed and dividing them by the total number of men employed. The equivalent is also calculated for women employed and the resulting gap is the percentage difference between the average male and female hourly pay figures.

For calculating the median gender pay gap, we identify the hourly pay for the middle (or median) male and female employee, when ranked from the lowest to the highest by pay. The resulting gap is the percentage difference between midpoints in the male and female hourly pay.

CALCULATING THE MEAN*

Male hourly pay for each male employee



Number of male employees

= MEAN MALE AVERAGE PAY

Female hourly pay for each female employee



Number of female employees

= MEAN FEMALE AVERAGE PAY

THE DIFFERENCE = MEAN GENDER PAY GAP

CALCULATING THE MEDIAN*

Lower hourly pay



Upper hourly pay



THE DIFFERENCE

= MEDIUM GENDER PAY GAP

Lower hourly pay



Upper hourly pay



*Hourly salaries include all cash pay (excluding overtime) in April 2017 and all bonuses received in the previous 12 months for full pay relevant/eligible employees.

Gender Pay Gap and Equal Pay

The gender pay gap measures the difference between the pay and bonus of men and women across an organisation irrespective of role and level of seniority. This is different to equal pay, which is the legal requirement to pay the same to men and women who are doing equal work.

At Intertek men and women are paid equally for doing equivalent roles.

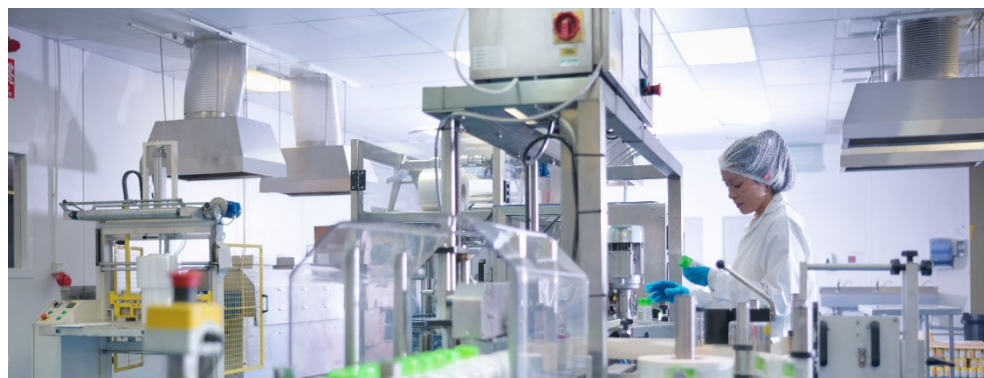
WHAT ARE WE REPORTING?

As in our previous report, we have gone beyond statutory requirements by including in this document results for 100% of our UK colleague population (Intertek UK). This includes our global head office and other legal entities which individually employ less than 250 colleagues.

Under the requirements of the legislation, we are also separately reporting on ITS Testing Services (UK) Limited which is the only legal entity in the UK which employs over 250 colleagues and constitutes just under 70% the total UK colleague population.

EMPLOYEES IN THE UK

Male/Female split





OUR RESULTS

The legislation requires that we disclose all entities with over 250 colleagues. In the spirit of embracing the legislation, we are reporting here on the whole of Intertek UK, in addition to ITS Testing Services (UK) Limited.

INTERTEK UK

Representing all colleagues employed by Intertek in the UK

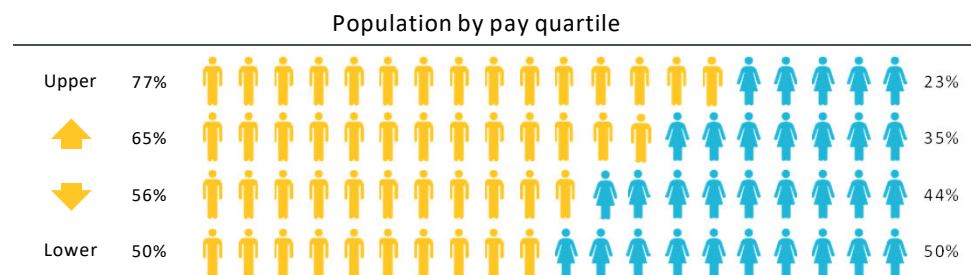
Across Intertek UK, the mean pay gap is 27% and the median pay gap is 18%, reflecting a higher proportion of men in more senior level positions.

The mean bonus gap is 81%. While this gap remains significant, it is reflective of the most senior positions in the Company being primarily held by men.

There is no median bonus gap for colleagues of Intertek UK. This is largely due to our standardised approach to bonuses in line with Group policy which removes the potential for gender bias. 56% of male and 61% of the female populations received a bonus.

Our Intertek UK quartile data demonstrates that we have a larger proportion of females in the lower quartiles to men, which is highlighted by the median pay gap of 18%.

Mean Pay Gap		Median Pay Gap
27%		18%
Mean Bonus Gap		Median Bonus Gap
81%		0%
% Male Receiving a Bonus		% Female Receiving a Bonus
56%		61%



ITS TESTING SERVICES (UK) Limited (ITS)

Representing Intertek's UK legal entity that employs over 250 colleagues.

Within ITS, the mean pay gap is 22% and the median pay gap is 19%. Again, these gaps reflect a higher proportion of men in more senior level positions.

The mean bonus gap is 57%. The median bonus gap is 24%, and the proportion of men receiving a bonus is 55% vs. 64% for women.

Our ITS quartile data demonstrates that we have a larger proportion of females in the lower quartiles to men.

Mean Pay Gap		Median Pay Gap
22%		19%
Mean Bonus Gap		Median Bonus Gap
57%		24%
% Male Receiving a Bonus		% Female Receiving a Bonus
55%		64%





OUR RESULTS IN COMPARISON

To contextualise our results we have benchmarked our gender pay metrics versus a comparator group made up of companies in the FTSE 100, the Big 4 auditing firms and Intertek's results from the previous year.

As can be seen from the charts opposite, Intertek UK has a mean pay gap of 27% which is higher than the comparator group.

At Intertek, we have a standardised approach to bonuses based purely on team financial targets. This removes the potential for gender bias and ensures fair and consistent application of eligibility of bonus irrespective of gender.

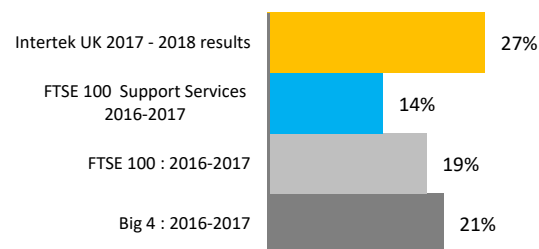
However, whilst we have a good distribution of women in our business (38% of the total UK population) the make-up of our business, with more men at senior levels means our average male bonus is higher than our average female bonus.

There is no median bonus gap for Intertek UK colleagues, which compares favourably to the comparator group.

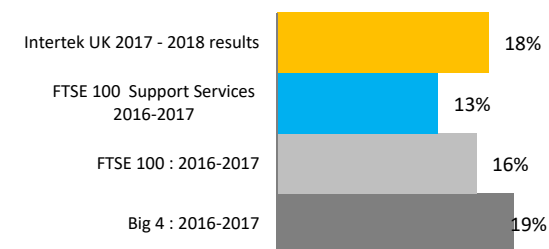
In line with the bonus policy outlined above, there is consistency on eligibility of the bonus award, and our results show an increase in the population that received bonuses as we move to include more of the UK population in a bonus scheme.



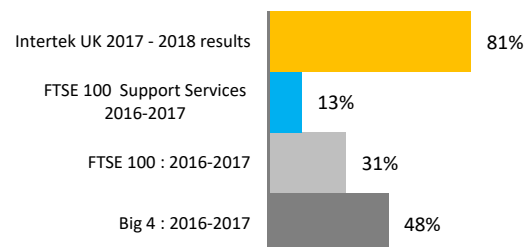
MEAN GENDER PAY GAP



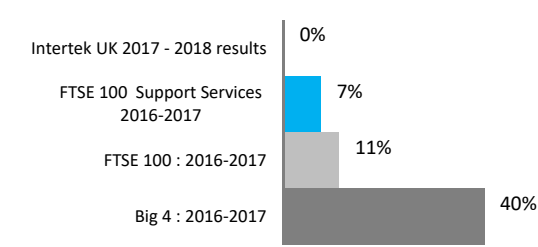
MEDIAN GENDER PAY GAP



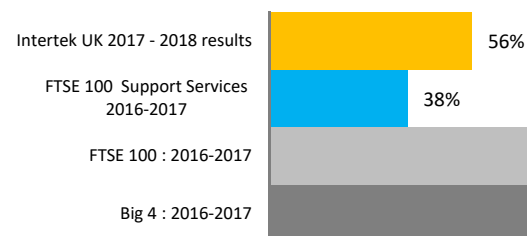
MEAN BONUS GAP



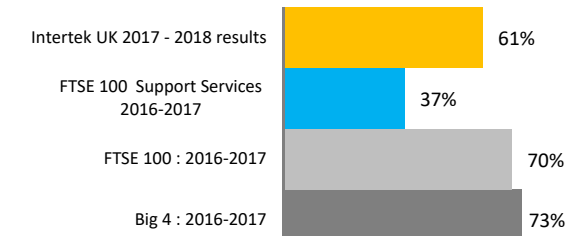
MEDIAN BONUS GAP



% MALES RECEIVING A BONUS



% FEMALES RECEIVING A BONUS



This analysis has been prepared by Intertek on the basis of publicly available information. It is a composite of data submitted to the UK government's reporting platform as at 5 April 2018 and has been subject to interpretation by Intertek. Intertek is providing comparative information for:

FTSE100 Support Services: An index of all stocks designed to measure the performance of the support services sector of the FTSE100 Index.

FTSE100: An index of the 100 most highly capitalised companies traded on the London Stock Exchange.

Big 4: a group of leading assurance & professional service companies consisting of PwC, Ernst & Young, Deloitte and KPMG.

Intertek is a constituent of the FTSE 100 and the FTSE Support Services indices. Other than in respect of Intertek's own data, the comparative information provided by Intertek is for information purposes only, should not be relied upon for any purpose and Intertek assumes no liability or responsibility for it.



MEET SOME OF OUR INSPIRATIONAL COLLEAGUES

We know we have some way to go on our journey towards addressing the Gender Pay Gap in the UK. As a global company we embrace diversity in all forms and have inspirational role models across all parts of our business. Some of our colleagues were willing to share their personal experiences at Intertek.



Diane Bitzel
Group Chief Information Officer

"I joined the Intertek Executive Team in May 2018. I have been made to feel so welcome as a key part of the leadership team, and look forward to achieving more success and value for the Group and all its stakeholders. I love working in our purpose-led culture"



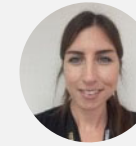
Cathie Mackenzie
Global Business Manager Minerals;
Minerals GBL

"I joined Intertek in 2000 to run our Minerals Operations in Indonesia, before returning to Australia to assist with a major acquisition and business integration. I have had opportunities since, in both the Minerals global business line and country management roles."



Ashleigh Wake
Site Director, Chemicals &
Pharmaceuticals Manchester

"Every senior manager I have worked with whilst at Intertek has given me the support, encouragement and freedom throughout my journey to allow me to grow on a personal level as well as drive the strategic direction of the business."



Kate Grimes
Business Development Director,
Caleb Brett, UK

"When I first was promoted to manage a laboratory department of 13 people, I was supported by Intertek and was placed on an internal Management Development Programme where I honed the skills required to be an effective manager."



Nuala Gage
Regional Sales Manager, Industry
Services, Sub-Saharan Africa

"Having worked with Intertek for six years, I can honestly say that I have never been bored or felt that my unique talents were not appreciated."



Surekha Nair
General Manager – Human
Resources, Softlines and Hardlines,
India and Mauritius

"I joined 13 year ago and for me it has been a journey of enriching growth - I have learned immensely and continue to learn with Intertek. My manager always encourages, supports and provides guidance to me and the wider team."



Fiona Evans
Group Company Secretary

"For me, it has been a such an exciting journey working with fantastic people since I joined in 2003. As Intertek has grown and expanded, I have been able to develop my role at the same time."



Lynne Agrella
Director Food Services, UK

"I have been impressed with the support from the Intertek senior team - they have worked with and mentored me in the further development of our business. It is clear that we have a strong development process for all team members, including recruitment and flexible working for people at all levels of the business."



Ida Woodger
Deputy Company Secretary

"Having started in a junior position, Intertek supported me in gaining a professional qualification alongside my role. Exposure to new projects, taking on additional responsibilities over time and the support of a great team have helped me grow in experience and confidence."



Muge Heneghan
Country Managing Director-Turkey

"Intertek is a big family of many talented, inspiring, energetic people from different cultures with different expertise areas creating a massive platform where you can learn every day from each other and create together."



Fiona Fong
Marketing Manager for Global
Softlines

"Intertek is a big organisation that embraces cultural and social diversity. It is very exciting and inspiring to work in such environment as well as to interact with people around the world."



Malissa Boudreaux
Vice President, Sales & Marketing,
Global Resources

"More than ever, it's critical to feel a sense of purpose in our careers and Intertek provides that for me. I'm energised by Intertek's clear and focused strategy, diverse portfolio of services and solutions, high-performance leadership team, and the company's contribution to the future of the industries in which we operate."



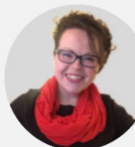
Simona Romanoschi
Sr Director, Business Assurance
Innovation

"Working at Intertek provides tremendous learning, opportunity, growth and motivation. We help our customers "bring quality and safety to life" and thus we contribute in our own way to the betterment of the world."



Grace Li
Vice President, HR China, Regional
Management of South China

"I have had opportunities at Intertek to learn and try new things, to take more responsibilities, to work in diverse teams, and to connect with people with different backgrounds and know-how. Intertek is a place full of opportunities with a supportive and positive culture to grow and develop."



Lauren Whittemore
Director, Global Marketing – Business
Assurance & Food Services

"At Intertek, I have been privileged to learn from some of the brightest, most experienced mentors in the industry and over my tenure I have progressed in seniority with responsibilities not only within marketing, but other areas of the business which have provided new opportunities to expand and grow both personally and professionally."



Nichola Rathbone
VP of HR for Europe and Central Asia

"People are at the centre of our strategy and everything we do, which means I can make a real impact in my role. I like the fast pace, the challenge, the dynamic culture of the organisation. We are able to take decisions quickly, to progress quickly. I truly believe there are opportunities to learn and grow at Intertek on a daily basis."

OUR COMMITMENT TO REDUCING THE GENDER PAY GAP AT INTERTEK

For 130 years, we have been driven by our core purpose of 'Bringing Quality and Safety to Life' and today we continue to be guided by our Values:

- We are a global family that values diversity.
- We always do the right thing. With precision, pace and passion.
- We trust each other and have fun winning together.
- We own and shape our future.
- We create sustainable growth. For all.

Our Vision is "To be the World's Most Trusted Partner for Quality Assurance".

Our Company strategy, our Values and our Vision inform our People Strategy which aims at "Energising our colleagues to take the Company to new heights".

We recognise that our gender pay gap exists because today at the senior levels of the business we have more men than women. We know that to reduce the gap we need to continue to nurture and develop women at all levels.

This is not a shift that will happen immediately, but over time with consistent organisational focus not just in the UK, but throughout our business worldwide. We are determined to develop and retain more women in senior roles.

In order to put particular emphasis on the development and growth of women in our workforce, in 2018 we put in place several measures that continue to be rolled out in 2019. These measures are not confined to the UK alone, but are implemented throughout the organisation:

- **We commit to providing an energising workplace free of any gender bias and where any employee can flourish based on their talent and effort.**
- **We insist that shortlists of candidates for any external hire have a balance of gender diversity.**
- **We continue to commit to providing flexible work opportunities in roles which can accommodate this.**
- **We will continue to provide mentorship to talented women so we can address the gap in gender numbers at senior levels.**

We know that in order to be the most trusted Total Quality Assurance Partner to our clients, it is vital that our workforce represents the best available talent, reflects the communities in which we operate and is free of gender or other biases.

We are committed to achieving this.



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intertek
Total Quality. Assured.