

## **Narrative to support Gender Pay Gap Reporting**

### **Gender Pay Gap Results**

The table below shows our gender pay gap based on hourly rates of pay at the snapshot of 5 April 2021. It also shows the difference in bonuses paid in the 12 months prior to April 2021.

	<b>2021</b>	
	Mean	Median
Hourly pay	39%	58.7%
Bonus	55.9%	18.0%

There are several factors contributing to these pay gaps:

- Overall, there has been a slight increase in mean and median for both males & females across the entire population including employees and PAYE contractors.
- There is a significant discrepancy between internal employees and PAYE contractors who are on our payroll but working for our clients in non-permanent roles outside our organization
- PAYE Contractors continue to be a significant part of the data set, increasing in the period by 92. Female population % has continued to decline; In 2018/19 – 68%, 2019/20 – 51% and 2020/21 – 45%. Internal headcount also reduced by 60.
- Overall, the pay for both genders has increased but the gap has widened due to the increase in our PAYE contractor population which is more heavily male. This is largely due to the male dominated industries in which we place contractors predominantly Information Technology.
- The Mean and Median hourly pay rate values have increased for both men and women but the percentage of men and women receiving a bonus has reduced as a large proportion of our PAYE contractors did not receive bonuses. This is also reflected by the fact that a higher percentage of females received a bonus.
- The overall percentage of females in our total figures (inclusive of PAYE contractors) has reduced from 51% the previous year to now 45%. This, again, is due to the increase in PAYE contractors who are predominantly male.
- Whilst there are more female internal employees (61%) than males there are more males in senior leadership positions which tend to be higher paid.

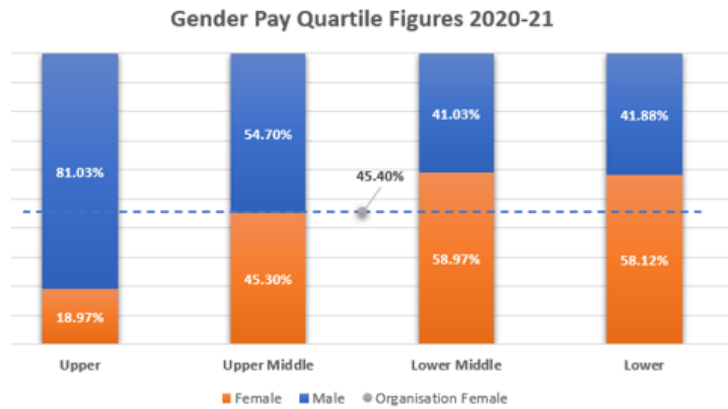
### **Percentage of men and women awarded a bonus**

In the 12 months prior to April 2021, 21.6% of men and 39.6% of women received a bonus.

## Pay Quartiles

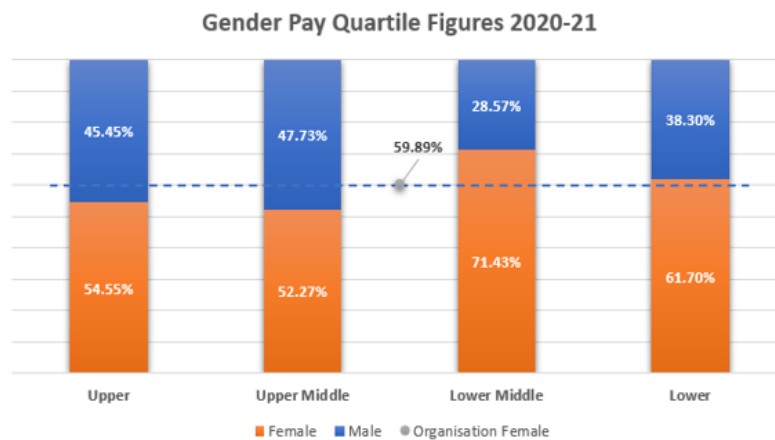
### Total Pay Quartiles

These quartiles show the highest paid quartile is predominantly male which is driven by our high proportion of male PAYE contractors. There are more women in the lower middle and lower paying roles.



### Internal Staff Pay Quartiles

Pay quartiles for our internal employees have changed slightly from the previous 12mths and are consistent with the change in gender split of our internal workforce. The % of males across all four quartiles has increased along with their overall representation in the workforce. Females represent 61% of the internal employee workforce (down from 65% in the previous 12mths), males 39% (up 4%).



## **Difference between equal pay and gender pay gap**

Equal pay deals with paying all employees equally for doing the same or a similar job. Gender pay gap reporting is broader and shows the difference, if any, in average pay between all men and women in the company at all levels and does not take into account the nature of people's jobs or seniority.

We have reviewed our equal pay data and we are confident that, as an employer, we do not have an equal pay issue and our employees, regardless of gender, are paid equally for the same jobs. We are committed to treating our employees of all genders fairly and ensuring they are rewarded in the same way for doing the same job.

Variable pay (commission, bonus etc) may vary for individuals because it changes based on the performance of individual employees rather than being something, we as a company, can entirely control. However, the bonus and commission structures and criteria we have in place are fair and applied equally to all employees.

We have a compensation framework in place across our business. Each role has a defined salary range, and all our employees across all genders, are on the relevant pay point for their level of experience and job role.

Salary increases are driven by inflationary and market led/role specific factors only. The award of significant salary increases only occur when there are changes in the market ranges for certain roles or when there is a significant change in an individual's accountability and responsibilities.

We have an annual performance review cycle which is applied equally to all employees relevant to the individual's performance for the year. There is a moderation process in place for independence and unbiased perspectives and this is a straightforward way for us to eliminate any manager bias that could be in place. Performance against key performance indicators translates into a clear annual reward structure where annual bonuses are awarded against the relevant performance ratings. Top performers will therefore receive a higher bonus regardless of gender.

## **Our plan for tackling the gender pay gap**

We consider this to be an important issue and we are putting a range of initiatives in place to address it. Some of these plans include:

Hiring – We continue to support our leaders and hiring managers to evolve and diversify the hiring profile of talent we bring into our business. We continually review our core hiring processes and the questions we ask at interview to help drive a culture of open-minded behaviour throughout the recruitment process. We have competency-based interview guide for hiring managers and have diverse interview panels to help drive consistency and mitigate unconscious bias in the selection process. We ensure our job specifications contain gender neutral language and we encourage diverse talent to apply to our vacancies.

Retention - We are running clearer, more rigorous and frequent reporting to understand why people are leaving our business. This is both quantitative and qualitative and will help our leaders (supported by Human Resources) to better understand people's reasons for leaving, interpret the data, start to solve the issues and have clear plans in place to address the challenges in their business.

In 2022 we are working on improving our diversity data collection to help with the analysis of our diversity attraction and retention strategies.

Diversity, Equity and Inclusion (DE&I) – We have had a Diversity, Equity and Inclusion Committee in place for the last six years which is a group of employees from across our business from a variety of different backgrounds, levels and roles who are committed to driving a clear DE&I agenda. The aim is to create awareness, challenge behaviours and bias, as well as support the business on evolving gender diversity.

We refreshed our corporate values in 2020 to include *Champion Inclusion* in recognition of the importance we place on fostering inclusion and wanting to embed this into our corporate culture. I&D competencies are also a key part of our competency framework which is used for hiring and development purposes.

In addition to this, the Executive Inclusion Council was established in 2020 to further support and drive I&D initiatives and an DE&I Programme Manager for EMEA joined the business in Jan 2022 to focus on driving initiatives in region.

There are a number of projects underway globally as part of our new DE&I structure. The goal is to review our current processes and to look at how we can improve transparency in hiring and promotion and mitigate bias. The DE&I Programme Manager mentioned above will work alongside the global team ensuring that local needs are represented.

Employee Resource Groups - We have 4 active Employee Resource Groups which are all set up and driven by employees based on the areas they feel are important to them.

- **Balance** – Prioritizing Physical and Mental Wellbeing
- **Embrace** – Promoting Cross-Cultural Dialogue and Understanding
- **Spectrum** – An LGBTQ+ Alliance
- **Stronger Together** – Supporting Parents and Caregivers

Each group is assigned an Executive Sponsor as an advocate for the ERG who attends events to reinforce the importance of the ERG and supports getting finance for promoting events arranged by the ERG.

Employee Engagement - We continue to seek feedback from our people to inform us about where our focus should be so that each leader has a clear people plan in place. These contain some consistent priorities such as evolving our culture; diversity in hiring; managing attrition; improved people management; talent management and development of emerging leaders. In addition to the engagement survey, we also have a DE&I survey which is sent out twice a year, and most recently highlighted our strengths as having an inclusive leadership team who act without bias, as well as our ongoing commitment to equity.

Leadership Development – We are continuing to invest in developing our leaders and our emerging leaders so that we build and develop our talent and have leaders of the future with broader perspectives and diversity of thought. We have just launched our latest global leadership development program, available to identified talent across all AGS business and product areas with an inclusive lens, promoting greater business connectivity, shared learning, and relationship building as well as a focus on inclusive leadership. We have carefully considered our I&D goals and objectives in our approach and chosen participants.

We have also committed that our DE&I Program Managers globally will complete a 360 Inclusive Leadership Compass Certification Program to become certified coaches of the Inclusive Leadership Compass and can therefore work with our Leadership teams across the business to encourage continued inclusive leadership development, and foster accountability.

We have a DE&I Manager in our Talent Development team to ensure that all our development programs incorporate a DE&I perspective at both a leadership and individual contributor level. We now offer workshops on a variety of different topics such as Exploring Identity & Inequality, Allyship and Advocacy and Uncovering Authenticity. We also have our online learning platform, Degreed, which facilitates self-paced learning and includes pathways on Diversity, Equity and Inclusion in the workplace.

In Q4 2021, we worked with an organisation called Consciously Unbiased (CU) to design and deliver training to all managers globally on mitigating bias in the hiring process to help them understand the different types of bias and implement strategies to help keep this in check during the hiring process.

Talent & Succession Management – as part of our internal review of our talent pipeline, we will evaluate and improve our internal promotion processes and criteria to ensure we continue to give everyone a fair opportunity to progress within the company based on their strengths and future potential.

In 2022, we will be implementing an entry level recruitment scheme in partnership with an external diversity network to attract a more diverse pool of candidates to start their careers with us. We are also implementing a global mentorship project in Q2 2022 with a focus on embedding equity and providing opportunities for historically excluded talent.

*I confirm that the published information is accurate:*

A handwritten signature in black ink, appearing to read 'S Bradberry', with a long horizontal flourish extending to the right.

*Simon Bradberry  
Vice President of Operations and BD, EMEA  
Allegis Global Solutions Ltd  
8<sup>th</sup> April 2022*