

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 2022. It also shows the difference in bonuses paid in the 12 months prior to April 2022.

	2022	
	Mean	Median
Hourly pay	42%	36.1%
Bonus	45.4%	31.2%

There are several factors contributing to these pay gaps:

- Overall, the mean and median hourly pay rates have stayed almost the same for females with just a slight increase in the median pay rate. For males we saw a significant increase in the median rate with only a slight increase in the mean.
- Females have increased as a percentage of the overall population from 45% to 53%
- 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, and who tend to work in male dominated industries such as Information Technology.
- In the contractor population, we have seen an increase in the number of females closing the gap from 45.9% to 38.4%. The mean and median hourly rate has increased for both males and females although we have seen a more significant increase for the mean hourly pay rate for males.
- The gap for internal employees is closing with significant changes in mean hourly rate. Females also represent 64% of the internal workforce. We are now starting to see more pay equity in the upper pay quartiles in our internal workforce which have typically been skewed towards male.

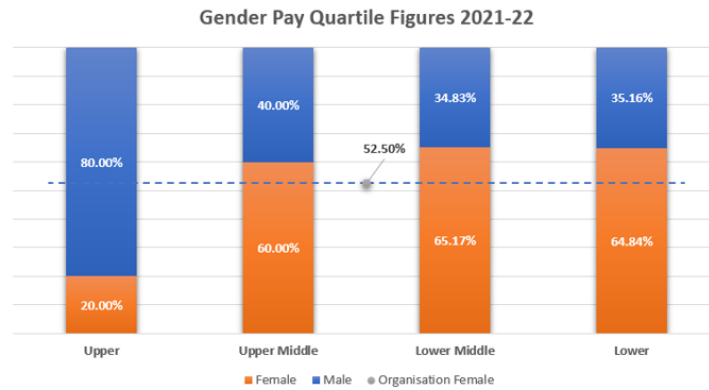
Percentage of men and women awarded a bonus

In the 12 months prior to April 2022, 21.05% of men and 31.75% of women received a bonus.

Pay Quartiles

Total PAYE Quartiles

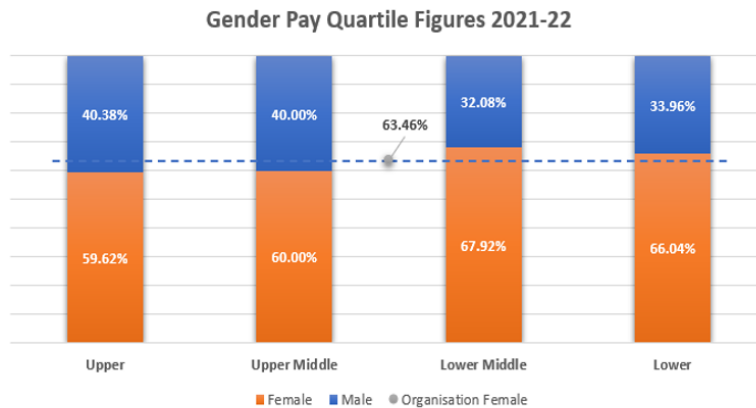
These quartiles show the highest paid quartile is predominantly male which is driven by our high proportion of male PAYE contractors. There are more women in the lower middle and lower paying roles.



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. Females are now more evenly represented across all 4 quadrants with improvement in the upper middle and upper quadrants seeing the distribution more in line with the headcount.

The % of females across all four quartiles has increased along with their overall representation in the workforce. Females represent 64% of the internal employee workforce (up from 61% in the previous 12mths).



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 for internal employees. 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. In 2022, we did a wholesale review of the compensation framework and the positioning of all internal employees within each job band and made adjustments to ensure equity. For the contractor population, we have a pay benchmarking tool available to our clients and an underpinning taxonomy to support them in paying appropriately. Over 90% of our clients utilise this tool.

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 guides for hiring managers and have diverse interview panels to help drive consistency and mitigate unconscious bias in the selection process. We have recently introduced a video tool into the hiring process that simplifies the capture of competency-based evidence in interviews. We ensure our job specifications contain gender neutral language and we encourage diverse talent to apply to our vacancies. We also run training to support managers with this process and this includes training on Unconscious Bias. In 2022, we implemented 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 also implemented a global mentorship project in Q2 2022 with a focus on embedding equity and providing opportunities for historically excluded talent.

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 worked on improving our demographic data collection to help with the analysis of our diversity attraction and retention strategies across the strands of gender, ethnicity, and disability status. As we move into 2023, we have a continued focus on improving this dataset, so that we can more accurately utilize this data to support our strategic decision-making.

Diversity, Equity, and Inclusion (DE&I) – We have had a regional Diversity, Equity and Inclusion Council 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. The council, supported by our regional DEI team, are currently focused on advancing DEI across our three pillars of Workforce, Workplace, and Marketplace and have goals set out under each. For example, some of the projects our council are working to achieve in 2023, include: reviewing the support available during our attraction and interview processes and creating new best-practice guidance, working to facilitate the sharing of pronouns both internally and externally, as well as the curation of a DEI Marketplace playbook.

In addition to the work undertaken by our regional council, there are also a number of projects underway through our regional DEI team. The DE&I Programme Managers in region, work alongside their global team ensuring that all local needs are considered and acted upon through their strategic initiatives. Internally, some key projects in flight include:

- Working to increase the demographic dataset of the organization and utilizing this information to increase representation and equity at all levels of the business. We are targeting to obtain data for 50% of our internal employee population to support future target setting.
- Engaging in strategic partnerships and sponsorship opportunities
- Providing 360 Inclusive Leadership Compass coaching opportunities for all leaders internally, through individual and group coaching sessions, as well as via the implementation of an on-demand learning pathway curated specifically for all levels in the business
- The continued roll out of our Mentorship program in collaboration with a technology partner, to provide development and advancement opportunities for our underrepresented communities

Employee Resource Groups - We have increased the number of active Employee Resource Groups (ERGs) from 4 to 6. ERGs are all set up and driven by employees based on the areas they feel are important to them.

- **Balance** – Prioritizing Physical and Mental Wellbeing
- **EMERGE** – Promoting Cross-Cultural Dialogue and Understanding
- **Spectrum** – An LGBTQ+ Alliance
- **Stronger Together** – Supporting Parents and Caregivers
- **Enable** – Championing people with disability
- **Elevate** – Empowering all women

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 once 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 carefully considered our DEI goals and objectives in our approach and chosen participants.

We are launching an Inclusive Leadership Learning Journey in Q2 2023 which all people managers will need to complete. This learning journey is based on the 360 Inclusive Leadership Compass coaching program which all members of our Senior Leadership Team went through in 2022, which will allow us to expand this learning and share these opportunities with employees at all levels of the business. All of our senior leadership team completed the 360 Inclusive Leadership Compass review to assess their level of inclusive behaviour, to provide feedback and to encourage continued inclusive leadership development, and foster accountability. All senior leaders have, as a result, been asked to sponsor someone from an underrepresented group in 2023 to ensure that we are continuing to empower diverse talent.

We have previously partnered with Linkage in North America, a Women in Leadership four-day learning conference that equips women leaders with actionable strategies to overcome the hurdles women often face in the workplace. We are pleased to announce that in 2023, we will expand this partnership to EMEA for the first time, so that female leaders in the region will be able to attend this immersive leadership development experience which drives results and accelerates the advancement of women.

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. To assist with removing bias we are creating Success Profiles for each role. We will also be running leadership assessments using an external provider to remove some of the bias in how we assess 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*