

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 2020. It also shows the difference in bonuses paid in the 12 months prior to April 2020.

	2020	
	Mean	Median
Hourly pay	36.2%	42.5%
Bonus	51.7%	18.0%

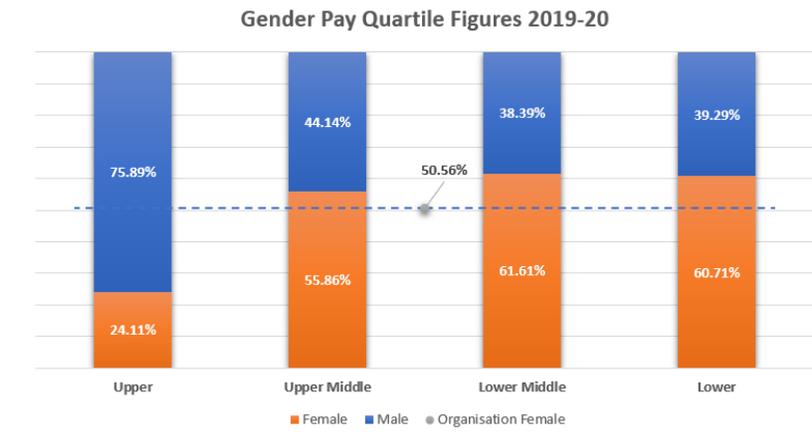
There are several factors contributing to these pay gaps:

- PAYE Contractors are now a significant part of the data set, increasing by 111 driving up the gender pay gap as these PAYE contractors tend to be higher paid and almost two thirds of them are male. Internal headcount also reduced slightly by 19
- 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.
- 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 much higher percentage of females received a bonus.
- The overall percentage of females in our total figures (inclusive of PAYE contractors) has reduced from 68% the previous year to now 51%. This, again, is due to the increase in PAYE contractors who are predominantly male.
- Whilst there are more female internal employees than males (ratio of 65:35), there are more males in senior leadership positions which tend to be higher paid.

Percentage of men and women awarded a bonus

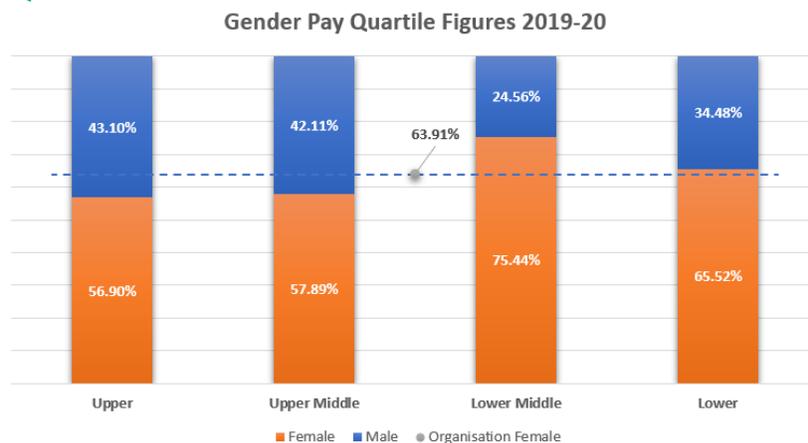
In the 12 months prior to April 2020, 35.3% of men and 61.5% of women received a bonus.

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 upper middle, lower middle and lower paying roles.

Internal Staff Pay Quartiles



Pay quartiles for our internal employees have stayed roughly the same as the previous 12 months and are fairly consistent with the gender split of our internal workforce. Females represent 65% of the internal employee workforce, males 35%.

Difference between equal pay and gender pay gap

Equal pay deals with paying men and women equally for doing the same or a similar job. Gender pay gap reporting is broader and shows the difference 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 men and women are paid equally for the same jobs. We are committed to treating women and men 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 men and women.

We have a compensation framework in place across our business. Each role has a defined salary range, and all our men and women 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 also have an annual performance review cycle which is applied equally to all men and women 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 created a competency-based interview guide for hiring managers and are introducing diverse interview panels to help drive consistency and help mitigate unconscious bias throughout 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) 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.

Inclusion & Diversity (I&D) – We have had an Inclusion and Diversity Committee in place for the last five years which is a group of men and women across our business from a variety of different backgrounds, levels and roles who are committed to driving a clear I&D 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 Inclusion and Diversity Programme Manager is being hired for EMEA to join the global I&D team in Q3 2021.

There are a number of projects underway globally as part of our new I&D 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 Inclusion and Diversity 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. 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.

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 also have carefully considered our I&D goals and objectives in our approach and chosen participants.

We have appointed an I&D advisor to our Talent Development team to ensure that all of our development programs incorporate an I&D 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 Unconscious Bias. Our online learning platform Degreed which facilitates self-paced learning includes pathways on Inclusion and Diversity in the workplace.

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.

I confirm that the published information is accurate:



*Simon Bradberry
Vice President of Operations and BD, EMEA
Allegis Global Solutions Ltd
18 August, 2021*