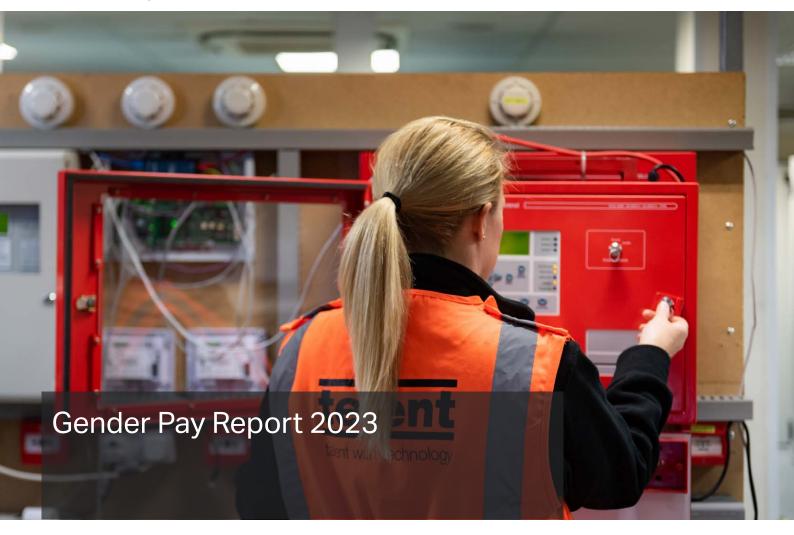


Report: Gender Pay Report 2023



CEO Message

Introduction

As a business that supports critical digital infrastructure for customers across the UK and Ireland, it's essential that all of our people are able to thrive in an environment that helps them fulfil their potential and a culture where they feel they belong. Since our last report, we've been working hard on growing this environment to ensure we attract new and diverse talent and nurture our current colleagues.

Our hard work is paying off and our colleagues would agree. In our last Employee Engagement Survey, 89 per cent of colleagues scored diversity and inclusion at Telent as seven or above with an increased eNPS of 11 over the last 12 months.

In this year's report you'll see that both our mean and median pay gaps have reduced between 2019 and 2023, which is good to see. We're pleased that we are driving change but by no means does our hard work stop here. ED&I is an ever-growing and changing journey and there is more for us to do.

The Executive team and I are committed to driving meaningful change, particularly in the areas of recruitment, colleague support, representation at senior levels, and reward. I look forward to what comes next on this journey as we continue to build on our progress.

Jo Gretton, CEO



Gender Pay at Telent – our results

In the UK, organisations with 250 or more employees are required to report on their gender pay gaps annually. The reports show the difference between the average earnings (excluding overtime) of men and women, expressed relative to men's earnings (excluding overtime). A gender pay gap can be expressed as a positive measure, for example, a gap of 13.9 per cent – this indicates the extent to which women earn, on average, less per hour than men. A negative measure, for example a gap of -9.2 per cent – this indicates the extent to which women earn, on average, more per hour than men.

The purpose of asking employers to report on their Gender Pay is to promote transparency and equality in the workplace and address the causes of the pay gap.

This report covers the 2023 reporting cycle, using a snapshot date of 5 April 2023. All data and information used to compile the 2023 report has been prepared using the standard methodology as set out in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

This report is not about equal pay for equal jobs as it's possible to still have a gender pay gap and to pay men and women fairly. Equal pay looks at the difference in men and women's pay for the same or similar work.



Mean Gender Pay Gap

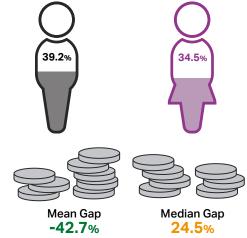
Men are paid on average 11.2 per cent more than women.

Median Gender Pay Gap

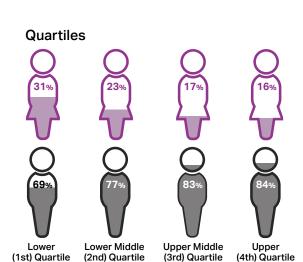
Men are paid on average 15.6 per cent more than women.

Median 15.6% These figures show that more men than women received a boduring the year, but that the mean value received by women we have the control of the year.

Proportion Receiving a Bonus



These figures show that more men than women received a bonus during the year, but that the mean value received by women was higher. The median was higher for men than for women.



Quartiles are calculated by grouping employees into four equal groups: from the highest paid 25 per cent of people (4th quartile), through to the lowest paid 25 per cent (1st quartile).

This diagram shows, for example, that a greater proportion of men than women are in the top 25 per cent of pay (4th quartile).

talktotelent@telent.com



Our results in focus

This year, the mean bonus gap is -42.7 per cent in favour of women.

The trend is clearly showing that both the mean and median pay gaps reduced between 2019 and 2023.

	2019	2023	% change since 2019
Mean Pay Gap	16.3%	11.2%	-5.1%
Median Pay Gap	21.4%	15.6%	-5.8%

The main reason for the gender pay gap at Telent is due to the overall workforce distribution and the types of roles typically taken.

The demographics of our colleague population remains a factor in our ability to close the median and mean pay gaps. The gender split at Telent when the data was taken in April 2023 was:

	Headcount	%
Women	505	22%
Men	1,805	78%
Total	2,310	

It takes time to change any demographics and we recognise that we have a long way to go. We have a number of initiatives to support our focus of attracting, developing, and promoting women within Telent.

Our ever-growing ED&I journey

We've made great strides in our Equality, Diversity, and Inclusion (ED&I) journey in line with our ED&I Action plan. Since it was introduced in 2022, we've launched a number of initiatives to support our journey.

What makes our journey inspiring has been the grounding of our strategy and implementation in the real experiences of our people. From our data gathering right through to the actions of our strategy, we've listened to our colleagues, gained a nuanced understanding of the issues, ensured our leaders are invested, and maintained rigorous mapping of our initiatives to ensure we're on track.

Driven by our ED&I Steering Group and supported by the HR team, we've introduced a wealth of new initiatives focused on growing an inclusive culture. Our recent achievements include mandatory inclusive leadership training for our leaders, a robust yearly programme of communications to share colleague stories and celebrate national days (i.e. International Women's Day, Black History Month etc.), more colleagues coming forward to lead community networks and create safe spaces around ED&I topics, networking with other organisations to share best practices, and introducing wellbeing webinars and workshops around a number of important topics (i.e. menopause awareness, breast cancer, etc.).

Colleagues around our business are more engaged than ever before in ED&I and the feedback has been very encouraging. In our latest Employee Engagement Survey:

- The employee net promoter score for Telent's female population has seen an increase in engagement from 27 eNPS to 41 eNPS – an increase of +14 eNPS
- The largest increases were in the Freedom of Opinions, Recognition, Reward and Strategy sub drivers
- Inclusivity scores for this group have increased from 6 eNPS to 39 eNPS – an increase of 33 eNPS
- Health and Wellbeing Organisational Support also saw a big increase from 0 eNPS to 35 eNPS – a huge increase
- And overall, 89 per cent of our colleagues scored diversity and inclusion at Telent as 7 or above with an increased eNPS of +11 over the last 12 months.

Our progress has been very encouraging and we're hopeful this momentum will continue over the coming years. Our ED&I Action Plan continues to look ahead to the next three years, tying into our overall five-year People Strategy, and will be updated in line with our colleague feedback and the changing world around us.

Heather Green, Chief Financial Officer and Executive Sponsor of the ED&l Steering Group

Our progress and achievements

In 2022, we launched our new core Values (and the Behaviours that underpin them) as the foundations for shaping our inclusive culture. With Be Inclusive as one of our core Values, all the work we do internally and externally reflects this dedication to growing a culture that supports our colleagues and attracts new talent to our business.



Learning and Development

'Increasing positive sentiment and trust in performance reviews and career progression opportunities'. This is one of five key areas of focus highlighted in our ED&I Action Plan for improvement and growth. In April 2022, we launched a brand-new performance management process called My Journey designed to be driven and owned by our colleagues and their managers.

My Journey focuses on quality, one-on-one conversations between managers and their teams. It's a chance for colleagues to get feedback on their performance at regular intervals throughout the year and talk about their development and career aspirations. It's also an opportunity for colleagues to get more guidance on what they need to focus on and the support they might need to help them get there.

Not only does My Journey support personal growth, but it also feeds into creating a high-performing culture at Telent. It's important that everyone feels engaged, motivated, and (above all) supported on the journey.

We've seen a positive impact since its introduction. In April 2021 the number of colleagues with development objectives set was 26.75 per cent. Following the launch of My Journey, 88.5 per cent of our colleagues had objectives set and this year it's grown to 89 per cent.

Leadership and role modelling

It's important that our Executive team and the wider Senior Leadership are visible and actively promoting a positive inclusive culture. Allyship is important for modelling the behaviours we want to see adopted around our business. To support our leaders with the right tools and knowledge, we launched an Inclusive Leadership training programme.

The programme covered topics such as:

- An overall understanding of ED&I and its importance
- Holding yourself accountable for your own biases
- Understanding bias, privilege, and evidence-based decision making
- · Challenging non-inclusive behaviours.

We've ensured that each of our Community Groups has a sponsor from Senior Leadership – someone at a senior level in our business who champions their agenda and any actions they choose to take.

To ensure they're visible to all colleagues in these activities, a member of our Leadership team facilitates each live

event covering an ED&I topic. For example, members of our Executive team have previously hosted live discussions around Pride Month, Mental Health Awareness, International Women's Day, and more.

Our people lead the way

It's our people that make Telent a great place to work. It's why it's a priority to support an environment that brings diverse people together and encourages everyone to thrive, and I'm proud of the work we've done over the last year to grow an inclusive culture around our business.

As Group HR Director and ED&I Executive Sponsor, I'm passionate about implementing changes that ensure everyone feels able to be themselves and empowered to reach their full potential. We've introduced many initiatives over the last year to support this goal, and it's amazing to see how positively our colleagues have responded to these actions.

Our most influential stakeholders are our colleagues. Their feedback led us to develop our ED&I Action Plan and their passion and enthusiasm has been helping to drive it forward. I'm inspired every day by people who feel comfortable to share their unique experiences to support their teammates. Our Community Groups are growing each day thanks to our colleagues and, while some have only been running for a few months, they have already created an important safe space for colleagues of all backgrounds to connect and grow.

Our gender pay gap is showing great improvement from 2019 which is encouraging to see. We recognise there is still more we can do to bring the pay gap down further over the coming years. Our ED&I Action Plan and our People Strategy will ensure that we continue to create a thriving inclusive workplace – an environment that goes beyond job satisfaction with a focus on the connection that colleagues have with their work, their manager, and their fellow teammates.

I confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Marvell
Jemimah Parnell, Group HR Director, Telent