



Gender Pay Report 2022

CEO Message

Introduction

Telent doesn't operate in a bubble. Our services connect and impact on the daily lives of everyone in the UK, so it makes sense that we're representative of those wider communities. Our people make Telent a great place to work. It's our priority to support an environment that brings diverse people together and encourages everyone to thrive. Ensuring an inclusive culture is essential too: when we work together, when we value ourselves and each other, we achieve more as individuals and as a team.

These words are published on our intranet as a reminder to everyone about the importance of Equality, Diversity, and Inclusion (ED&I) within Telent. Be Inclusive is one of four new Values and Behaviours we introduced across Telent in 2022. As a senior management team, we're determined to focus on inclusivity and make sure our colleagues are clear how important this value is for our growth and success. An inclusive culture is critical as it enables us to unlock the full potential of our people.

For a number of historical reasons, we work in an industry that has traditionally been very male-dominated – the number of women choosing to study a STEM related

discipline is low compared to men and so the talent pool is smaller. There are also many more men than women in technical roles, with more women in business support and administrative functions.

We have recruited some exceptionally talented women and will continue to do so to bridge the gap. Gender diversity adds to our overall culture and how we work together to deliver for our clients. There's still a lot of work to do but we're focused on driving long term changes. As the saying goes, 'it's a marathon not a sprint' so we don't expect to see immediate results and are prepared for our pay gap numbers to fluctuate whilst our plans take hold. We're working hard to ensure everyone feels included with high levels of engagement and that we have good representation across all levels of our organisation, particularly within our leadership teams.

I'm proud to be one of the few women CEOs in our industry and I want to create a culture where people of all genders and backgrounds can thrive and be successful in their careers at Telent.

Jo Gretton, CEO

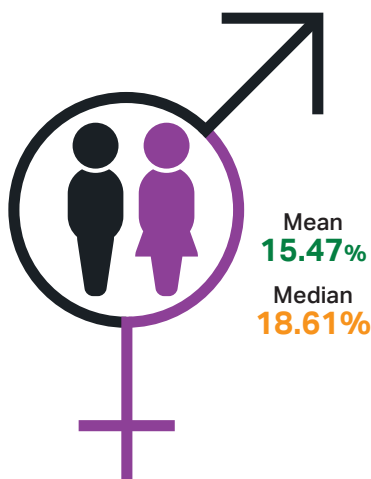
Gender Pay at Telent – our results

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). If an organisation reports a gender pay gap, it doesn't mean that women are paid less than men for doing the same job, but it does show that, on average, men occupy higher-paying roles than women.

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 2022–23 reporting cycle, using a snapshot date of 5 April 2022. All data and information used to compile the 2022 report has been prepared using the standard methodology as set out in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

It's possible to have a gender pay gap even when an organisation has clear, externally benchmarked salary ranges for all jobs. 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.



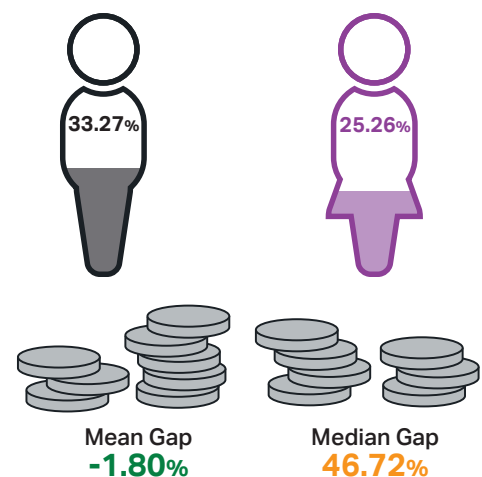
Mean Gender Pay Gap

Men are paid on average 15.47 per cent more than women.

Median Gender Pay Gap

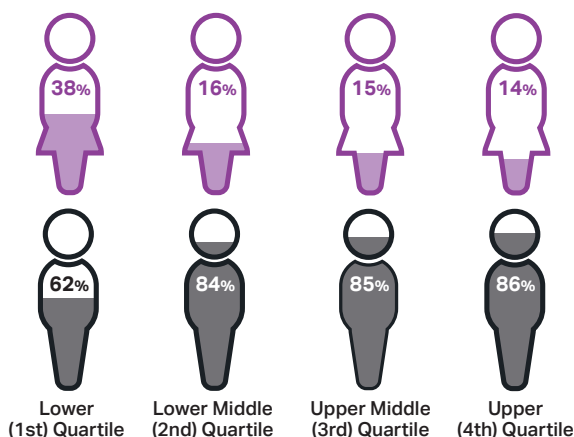
Men are paid on average 18.61 per cent more than women.

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 slightly higher. The median was higher for men than for women.

Quartiles



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). This is also primarily a result of the jobs people do.

Our results in focus

This year, the mean bonus gap is nearly equal with a slight difference in favour of women.

The Covid years data may not be completely representative, so we look at long term trends in the data.

	2019	2022	Improvement
Mean Pay Gap	16.38%	15.47%	0.91%
Median Pay Gap	21.47%	18.81%	2.86%

The trend is clearly showing that both the mean and median pay gaps reduced between 2019 and 2022. Closing the gender pay gap is not a quick and easy fix and there are important actions we are taking to drive this much needed change – particularly in the areas of ED&I, recruitment, supporting colleagues, and reward.

The demographic of our employee 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 2022 was:

	2022 numbers	2022 %
Women	570	22%
Men	2,062	78%
Total	2,632	

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, retaining, and promoting women within Telent.

The main reason for the gender pay gap at Telent is due to the overall workforce distribution and the types of roles typically taken. Telent has many more men than women in technical roles, with more women in business support and administrative roles.

Making ED&I a priority

We launched Telent's ED&I action plan in December 2022 following significant input from the ED&I Steering Group and colleagues around the business. This plan sets out a clear framework for how we will continue to make ED&I central to Telent's culture over the coming years, ensuring that everyone is clear on what we want to achieve and how we're going to get there. (A one-page summary of this plan is included on the next page).

We've introduced a number of initiatives over the last 12 months and these initiatives are beginning to reap positive rewards. Colleagues around the business are more engaged than ever before in ED&I and the feedback has been very encouraging.

Our efforts to roll out tailored ED&I training courses and to support the establishment of community groups are also supporting colleagues in feeling more confident about diversity and inclusion at Telent. We've seen more people complete their diversity monitoring information, providing the business with live data and a benchmark for further growth. It also helps us to plan future initiatives to ensure our work continues to support colleagues around Telent.

We've signed up to a number of partnerships that support our ED&I focus. We've joined over 140 organisations in signing up for the joint 'Equality, Diversity and Inclusion Charter' launched by Women in Rail (WR) and The Railway Industry Association (RIA). Being part of this charter is important to us to promote positive change and champion diversity and inclusion within the rail industry.

We're focused on understanding the drivers behind the gender pay gap at Telent and believe that our initiatives will support our target to reduce this over time as we drive ED&I further forward in collaboration with teams around Telent.

Our recent achievements include:

- Progress against our internal equality, diversity, and inclusion action plan
- We published our ED&I aspirations – these aspirations keep us focused and make sure we're on the right track with our action plan
- We're focused on encouraging employee driven Community Groups. Three groups are already established
 - Pride at Telent, Black Professionals, and Neurodiversity Celebration with others coming soon such as Menopause Support and Armed Forces. The Groups aim to give colleagues more of a voice within Telent as well as provide support and understanding for one another.

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

Brilliance brought together

1. Amazing people

Grow a diverse and inclusive workforce that embraces people from all walks of life and is lead by engaging and inspiring leaders.

2. Having a voice

Ensure that everyone is listened to, connected to the Values, able to be themselves, and trusts in the organisation to do the right thing.

3. Making it easy

Remove the barriers that impede advancement of colleagues, support them with simple procedures and policies, and give them clarity on how to succeed at Telent.

4. A chance to grow

Develop an educated and inclusive high-performance culture that provides equal opportunities for individuals to build their career.

5. Valuing contributions

Attract, retain, and reward great people for delivering the Vision and Values.

6. Supply chain

Promote equality, diversity, and inclusion in all the work Telent does with partners and suppliers.

Summary

Telent's Equality, Diversity, and Inclusion (ED&I) Action Plan outlines the aims and focuses for the business over the next three years in growing an inclusive culture. It ensures that everyone is clear on what we want to achieve and how we're going to get there.

Our aim

To create an organisation where people feel involved, respected, and connected, and where the richness of perspectives and skills are harnessed to build a truly inclusive culture.

Our Values

Be Inclusive is one of Telent's core Values. The Values are shared by all colleagues and are an integral part of how everyone works and operates and how they support the culture within the organisation.

Our progress and achievements

We're proud of the flexible working cultures we support, our focus on inclusion and fairness with Be Inclusive now one of our core Values, and the work we're doing to improve opportunities for people across our organisation.

Recruitment

Telent's recruitment team, Talent Acquisition use UInclude on all job adverts. This is a tool which helps to identify instances of gender, racial, disability, and age-biased language that subconsciously deters qualified candidates from applying to our vacancies. It helps Telent to ensure that the recruitment material we present to potential candidates has no underlying biases. This continues into assessments, as we always aim to get a diverse mix of candidates when we undertake assessments for roles.

Early careers is also an important focus and we have put in place a number of initiatives to encourage women to work for Telent. We believe that hiring women early on in their careers and progressing them through the business (taking into consideration the fact that women are greatly underrepresented in our industry), is the most sustainable way to reduce the gender pay gap in the long term.

Alongside Telent's STEM Ambassadors, the Talent Acquisition team visit local schools to encourage young people to think about careers in engineering and STEM disciplines.

We're also trialling two new Job Boards for Graduate and Apprentice recruitment this year. These sites were chosen because they can tailor emails and communications specifically for the individual and individual requirements.

We're a member of the Institute of Student Employers (ISE) and have regular round table discussions to encourage diversity in recruitment with other like-minded employers.

Supporting our colleagues

The pandemic has given us the opportunity to role-model flexible and hybrid ways of working wherever possible. By introducing Agile Working, we're working hard to ensure our practices encourage colleagues to have the option to work flexibly, in a way that suits them, so they can deliver their best work. Our approach is helping us to attract and retain talented people who are committed to our purpose.

We continue to develop our management population and encourage women to be part of this journey. For example in 2022, in our Managing for Success Programme, 25 per

cent of the participants are women whilst in our Stepping into Management Programme, women make up 40 per cent of the participants. These percentages are higher than our company gender profile percentages and reflects aspirations and feedback from our employees in having more diversity in management positions over the next few years.

We encourage everyone to use our Employee Engagement Survey each year so we can hear the views of all our people. This generates real-time data on key people issues, reporting monthly metrics, and quarterly scores. It also provides us with clear information on what our employees want to see from us and highlights areas we can grow further.

Our Reward strategy

As part of our Reward strategy, we're introducing a Job Framework across Telent which will detail the competencies and experience needed for each job level. Making this information open and transparent lets everyone know and understand what is required to achieve those levels and supports colleagues in taking more control of their own career development.

It will also provide more detailed analysis for ED&I through data around gender representation in grades, job families, and salary bands, as well as in recruitment and promotion outcomes by different levels. This data will be used to inform our metrics and plans so that we can achieve better outcomes.



Growing an inclusive environment

We're passionate about creating an inclusive environment at Telent – one in which everyone feels able to be themselves and empowered to reach their full potential. We want our colleagues to feel able to share their unique identities, cultures, experiences, skills, expertise, and insights. It's why we're committed to creating a welcoming environment that ensures everyone feels respected and valued.

One of our focuses is to attract, retain and promote more gender diversity at Telent. But why is this good for any organisation?

- **Improves recruitment and reputation** – Having an inclusive workplace is a powerful recruiting tool. We know that young people look for employers with a strong record on diversity. A reputation as an inclusive employer demonstrates our positive company values and enhances our reputation in the recruitment marketplace
- **Widens the talent pool** – Women make up 50 per cent of the population and so we want to widen our talent pool to include and be representative of the world we live in
- **Offers different perspectives** – Having people of all gender identities in teams means we benefit from different points of view and approaches that come from different life experiences. A variety of perspectives can spark creativity and innovation and help us spot and seize new opportunities. It can also encourage organisations to challenge gender stereotypes
- **Improves staff retention** – Having an inclusive culture in the workplace boosts morale and opportunity. Inclusive workplaces tend to have lower employee turnover rates, which in turn represents big savings in terms of time and money spent on recruitment
- **Enhances collaboration** – Having more diversity on teams can help improve team processes and boost group collaboration
- **Reflects the communities we support** – The work we do at Telent connects and impacts on the daily lives of everyone in the UK, so it makes sense that we're representative of those wider communities.

Our gender pay gap is showing some improvement from 2019 which is encouraging but we recognise that we still have a long way to go. We will continue to focus on our initiatives and aim to bring the pay gap down further over the next few years.

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

Jemimah Parnell

Jemimah Parnell, Group HR Director, Telent

