

Understanding the gender pay gap data

Snapshot Date: 6th April 2020



Creating a workplace environment that promotes diversity and inclusion.

At Annodata we are committed to building a company and culture that reflects the societies in which we operate and, aligned with the Kyocera Philosophy, “provide opportunities for the material and intellectual growth of all our employees, and through our joint efforts, contribute to the advancement of society and humankind”.

Diversity is a driver of making more conscious and sometimes courageous decisions. It boosts innovation and addresses opportunities from different perspectives.

Monitoring our gender pay data, and more importantly, understanding the factors that contribute to differences is an important aspect which helps us achieve that. We understand that our People represent a major source of our competitive advantage and alongside our products, services and innovative solutions, we are continually looking at ways to improve what we do, how we do it and how we work with our employees and customers.

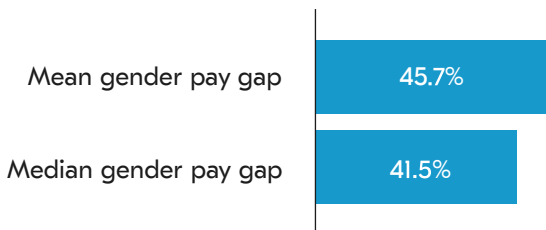
In the Sales and Technology sector, we recognise that the pool of female talent is smaller than in some other sectors. As a relatively new company, competing for all talent (both male or female) against “global and household name” brands are not easy, but we have a great foundation of female talent, a strong ethos of innovation and growth strategy, so we don't shy away from taking action. We pride ourselves on being an ethical employer with a diverse, talented and motivated workforce and will work on improving in these areas throughout 2021 and beyond.

Our Philosophy, underpins what we do, so not only do we believe this is the right thing to do, but there are clear benefits to our employees and customers in achieving an even balance in pay across genders.

Our results for Fiscal Year 20.

Snapshot date: 107 employees

Mean vs Median Gender Pay Gap.



Mean Gender Pay Gap:

FY20: 45.7% FY19: 22.1%

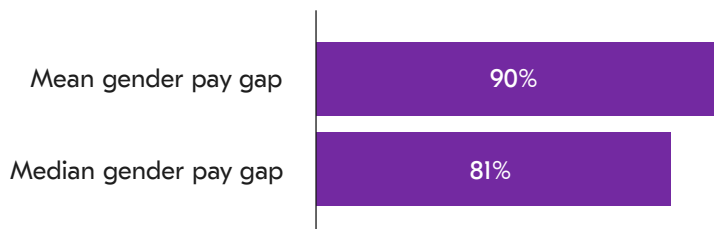
Median Gender Pay Gap:

FY20: 41.5% FY19: 4.7%

Increase from previous year in terms of both mean and median pay gaps.

There are several high paid males in Annodata which are distorting the mean average. Our data shows that males were on average paid 45.7% more per hour than females. Median is significantly increased meaning that there was a 41.5% difference between female and Male hourly pay rates. This is due to a significant decrease in the number of employees at Annodata. There are now a much lower number of females represented in the snapshot data due to a high number of female leavers.

Mean vs Median Gender Pay Gap in Bonus.

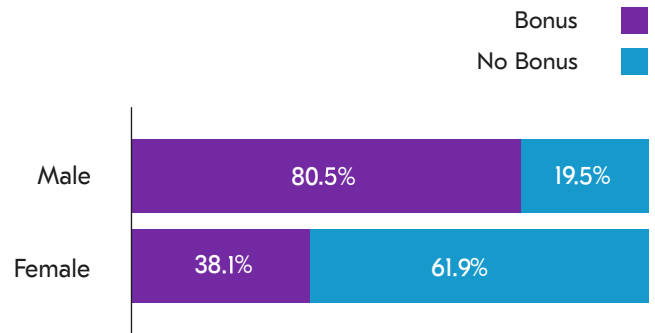


The bonus pay gap has increased from last year meaning that there is an even bigger difference in the amounts that females are being paid in bonuses in comparison with males. due to a high number of female leavers.

Proportion by Gender who got paid Bonus/Commission.

The number of females receiving a bonus in FY20 in comparison to the previous year has decreased by 2.1% and the amount of females not receiving a bonus increased by approximately 2.1%.

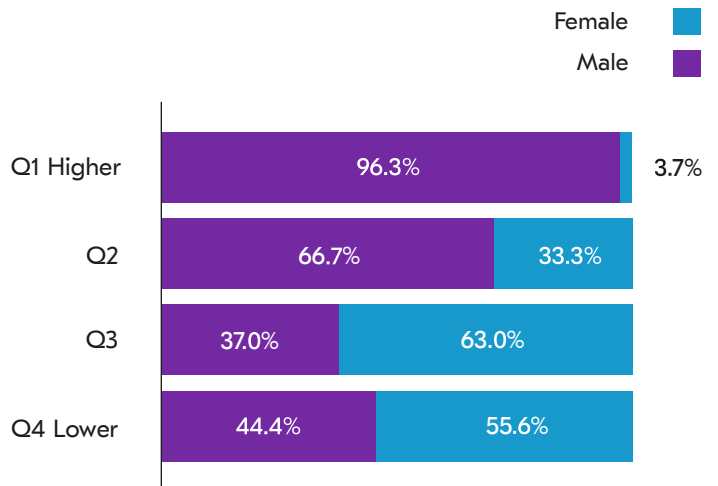
The number of males receiving a bonus increased in FY20 by approximately 17.2% and the amount of males not receiving a bonus decreased by approximately 8%.



Proportion by Gender in each Pay Quartile.

There is a 23.1% decrease in females being paid at the rate within the upper quartile in comparison to the previous year which is a considerable shift.

The upper quartile remains consistent with males dominating the pay band here, however in comparison to previous year there is an increase of 39.9% of females in Q3. Within the lower and second quartile we are now seeing much more gender pay parity compared to the previous years.



Concluding Comments.

Reporting these figures, continues to highlight that there is a need to focus on our gender pay differences. We believe that addressing the differences and gaps is a matter of taking a number of key steps and continuing to do the RIGHT things. We also know that closing this gender pay gap will take time and is a challenge faced not only by us, but by many other organisations in the sales and technology sectors as well as across different sectors national and social boundaries. We are committed to taking action to improve our gender representation within the Company and will continue to drive this forward over the coming years.

Annodata has a greater proportion of male employees in general and with higher salaries, this position will require a long-term focus as the level of female applicants into the industry continues to remain low in the UK. We have recognised the need and have focused our efforts on reviewing and adjusting our job descriptions. **Our figures show this year we have made a small level of progress in the lower pay quartiles but still have some way to progress.**

Our data highlights that we need to do more to attract, support and encourage more women to fulfil their career potential with a focus on supporting family friendly policies.

Whilst we recognise that there is a Gender Pay Gap to be addressed in Annodata, for the record we would also like to clarify that where we have two or more people doing the same roles, their remuneration remains aligned.

We intend to start with the following actions to assist us in closing our Gender Pay Gaps:

- + **To continue working on building a more diverse and inclusive leadership population across all areas of the organisation**, by delivering leadership development program 'Acclimatise', our 'Defining Success' performance process and unconscious bias training available to all employees. The impact on our gender pay gap of not having equal gender representation in sales and leadership roles can be seen in the bonus pay gap figures.
- + **We are improving the way we recruit and promote employees through;** encouraging a more diverse candidate pool to apply for roles, introducing unconscious bias training for all of our line managers to assist in the reduction of bias in our decision making.
- + **Continuing to work with our recruitment partners to look at what we can do as part of our recruitment processes to attract more women.** This includes looking at where we place job adverts, the language we use in adverts and job descriptions as well as reviewing the minimum requirements we specify for roles to ensure they are inclusive.
- + **Continuing to make our working conditions and policies more family friendly and reviewing and implementing working practices that encourage an inclusive culture.** This includes starting 'Challenging conversations' workshops with our employees to gather feedback.
- + **Continuing to review the experiences of our employees who go on maternity, adoption or shared parental leave.** Looking at how we can help managers to understand the importance of the support they provide to employees during the lead up to their leave, whilst they are off and when they return to work.
- + **Continuing to work with other organisations and industry associations to establish how the sales and technology industries can attract a higher proportion of women.** This includes committing to our status as a national living wage employer.
- + **Working towards alignment of employee benefits across the entire group to ensure that that all employees are equal.**
- + **Mental Health focus –** we have an inhouse mental health trainer and a wellbeing team within the group. There has been a focus on topics that affect women for example the work on a new menopause policy.
- + **Reporting tools being introduced –** Ability to report on Internal promotion opportunities: identifying the number of males and females applying for and being successful in these internal promotions.

Our gender pay gap position is not where we want to be. The snapshot date in April 2020 was at the very start of the pandemic and this has meant that we were unable to implement some of the measures outlines in the previous report.

We understand that to close the gap we need to make long-term and sustainable change. It is the RIGHT thing to do for the future success of our employees, customers and ultimately our business. We are confident that by understanding what's driving the pay gap and responding with clear, positive and inclusive actions guided by our values, we will continue to develop a culture of inclusion and respect.

We want the diversity of skills, backgrounds and experiences as well as our working practices to drive a culture that supports all our people to fulfil their career potential and be paid fairly.

I can confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

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