

GENDER PAY GAP ANALYSIS – APRIL 2024

Employee Funnel

On 5th April 2024 (our “snapshot date”), we had 285 employees; these relevant employees were used to measure the gender bonus gap using bonus data from the previous 12 months. In accordance with the legislation, only employees who received their full pay during the pay period that includes the 5th April 2024 were used to measure the gender pay gap and pay quarter data. This meant that one man and three women were excluded because they were on some form of reduced-pay leave.

Of the remaining 281 full-pay relevant employees, 157 were men and 124 women giving a gender balance of ~56:44. This is a year-on-year increase in our workforce of over 12%, with the overall balance shifting more towards men in 2024 by 1.5%.

Since our gender pay gap report in 2023, we have continued to use and implement initiatives to address the current imbalance that occurs in our pay quarters. For example, over the past two years, we have used the gender de-coder software to analyse the language in the job advertising we do, we ensure gender balanced and diverse interview panels, and we have carefully selected some job boards to diversify the candidates applying for our vacancies. During the same period, we can report that 76 people were promoted, with 38 promotions going to women and 38 to men. Proportionate with our current gender balance, slightly more women than men were promoted during this period demonstrating our commitment to seeing women in the organisation progress in levels of seniority as well as men. We continue to carefully and externally benchmark the salaries of our roles at the point of promotion and when hiring for new positions.

It should be recognised that specialist skillsets command very different salaries in the market, so the potential for significant differences in salary across teams in a knowledge-based organisation like ours is high and is particularly apparent within our technology team, which is currently made up of c. 75% men.

High Level View

Compared to 2023, this year, we are pleased to report that our mean pay gap narrowed by 5.8%, while our median pay gap has narrowed by 0.1%.

We have a relatively small employee population and so small changes in our headcount and amongst individuals within it will always have big effects on our aggregated results. This will be explained further within this report.

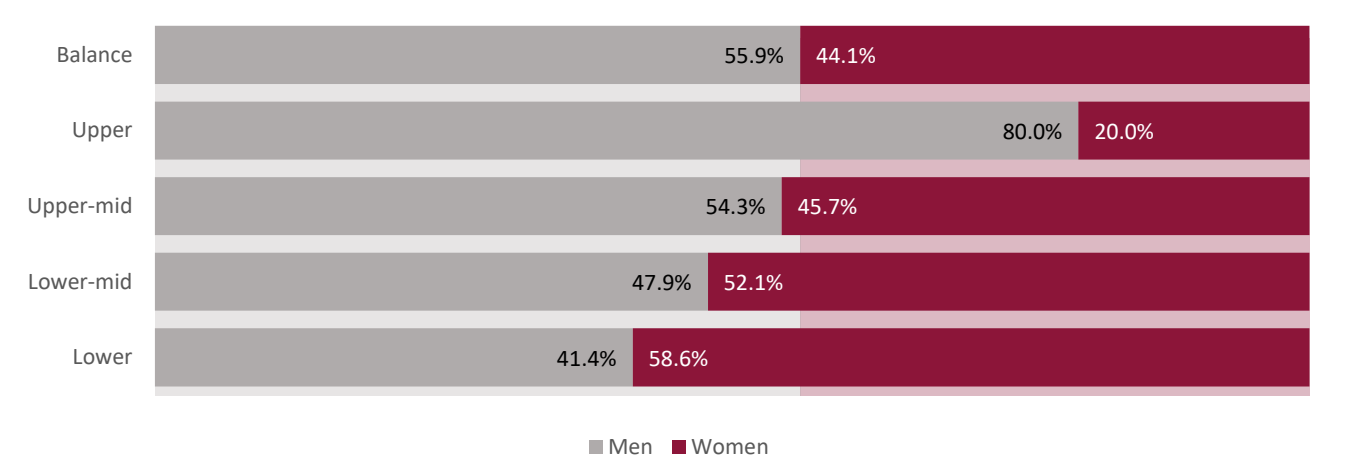
Distribution of employees across our pay range

The chart below shows our gender balance followed by the gender distribution across the four quarters of the pay range (from highest to lowest pay).

The background shading shows our current overall gender balance and allows us to see where we deviate from this balance in each pay quarter. We believe that any analysis should ultimately return to a discussion about the actual men and women that populate our pay ranges. This analysis shows us that we still have two main areas where the gender representation is misaligned: in the lowest paid 25%, although this has improved versus last year, and in the highest paid 25%.

Change in the shape of our data

Having observed an imbalance in our lower quarter in 2023, where we had significantly more women joining the organisation at the professional entry level, we have this year made efforts to bring about greater balance in our more junior, entry level roles. Similarly, the lower middle quarter has seen a slight re-balancing versus last year. This has reduced the number of overrepresented women in these pay quarters. However, given further leavers/joiners above the mid-pay point, the difference between 2024’s middle man and woman has barely changed. That’s why the median pay gap has only decreased by 0.1%.



Our median gender pay gap

To calculate our median gender pay gap, we first rank all our people by their hourly pay, we then split them into two lines – men and women. Then we compare the hourly pay of the woman in the middle of her line ‘vs’ the man in the middle of his line. The difference is expressed as a percentage gap between the man and the woman. We could also say, for every £1 the middle man receives, the middle woman earns 78p.

	Men	Women	Pay gap
Median Hourly Pay	£34.05	£26.45	22.3%

Our mean gender pay gap

To calculate the mean pay gap, we add together all the hourly pay rates that women were paid, divided by the number of those women. We then repeat this calculation for men. The difference between these figures shows our mean gender pay gap. Our mean gender pay gaps means that for every £1 a man received, a woman received 83p.

	Men	Women	Pay gap
Mean Hourly Pay	£35.65	£29.51	17.2%

Why has our mean pay gap changed?

Although the shape of our data has barely changed above the mid-pay point, there has been a slight upward shift of women through the pay range. This is due not only to people joining and leaving (churn), but also the changes in the pay for the men and women who have worked with us in both 2023 and 2024. However, it's the 2023 leavers and even more so, the 2024 joiners who have led to a much greater increase in average female pay in the upper pay quarter. Overall, the average earned by women in this quarter has risen 12% compared to a slight reduction for men. This in turn has led to a c. 6% drop in our mean pay gap.

Our Commitment to Improvement and addressing our gender pay differences

We are committed to continuing to track our pay gap data and this provides us with the opportunity to develop action plans for the years ahead and to evaluate their impact. We have already seen positive results just in the two years since we have been conducting our gender pay gap reporting, although we recognise that there is still more work to be done. While our headcount remains at its current level, we also know that small fluctuations in our demographics will have a material impact on our reported figures.

Pay & Reward

We pay above the Real Living Wage for our salaries and use external benchmarking to ensure our pay is fair, competitive and is also appropriate to the sector we operate in. We ensure our apprentices are paid above the Real Living Wage rates and they receive incremental increases for each year they complete of their apprenticeship working with us.

This year, we conducted a market review of our family friendly policies and took an active decision to enhance our maternity, paternity and shared parental leave even further. We recognise that in taking this action this will enable new parents to take equal responsibility for childcare commitments.

Professional Development

Recognising that we have a significant imbalance of men and women in our upper pay quarter and that the tech market we operate in is highly competitive, and in some roles very male-dominated, we took an active decision to create a "Future Leaders" development programme in 2024, with the first cohort of 12 people being made up of only women. If we get this right, we anticipate that this will lead to an upward trajectory of some of our senior women, a rebalancing of our upper quarter and a further closing of our pay gap in future years. Going forward, this programme will be open to all genders, but we felt it was important to consider actions we could reasonably

take to actively work towards closing our gender pay gap. We look forward to reporting on the impact of this initiative next year.

Culture Development

We are committed to creating a culture which is inspiring and inclusive of people from all kinds of backgrounds, and we know that diverse teams will always be more successful, harnessing the insights of differing viewpoints, ideas and experiences. Over the course of the year ahead, we are making a significant investment in the further development of our culture, refreshing our purpose statement, reviewing our organisational values and setting out expectations for how we will work together as a team of innovators in deep tech. We will carry out this work collaboratively ensuring that co-creation is at the heart of this project so that all voices have the opportunity to feed in and are heard.

The recent formation of our GEDI (Gender, Equity, Diversity and Inclusion) Committee compliments our cultural work by ensuring that our current and future GED&I initiatives support all employees by providing equal opportunities for growth and development. By embedding these GED&I principles into our policies, and everything we do, we strive to create an environment where everyone feels valued, respected and empowered to reach their full potential.

Gender pay gap

This table shows the mean and median percentage differences between the adjusted hourly rates paid to each gender.

It is an aggregated, blunt tool and while the mean may tell us about the dominant gender of the highest paid employees, the median is no substitute for the full representational picture.

Pay Gap	2024
Mean	17.2%
Median	22.3%

Gender bonus gap

This table shows the mean and median percentage differences between the bonuses paid to each gender in the preceding 12 months to 5th April 2024.

Bonus Gap	2024
Mean	47.7%
Median	50.0%

Bonuses paid	2024
Men	33.5%
Women	37.8%

Compliant Information

Category	Relevant Employees	Full-pay Relevant Employees
Male	158	157
Female	127	124
Total	285	281

Pay Quarter	% Male	% Female
Overall	55.9%	44.1%
Upper	80.0%	20.0%
Upper Middle	54.3%	45.7%
Lower Middle	47.9%	52.1%
Lower	41.4%	58.6%

Pay Gap	Mean	Median
Male	17.2%	22.3%

Bonus Gap	Mean	Median
Male	47.7%	50.0%

Bonuses paid	% Male	% Female
Male	33.5%	37.8%

Confirmation statement

I confirm that the information contained in this report is accurate.

David Bletso

David Bletso
Chief Financial Officer

Analysis by

