

2018 gender pay gap report

I confirm the accuracy of the data we have reported and that we are continuing to work to reduce our gender pay gap.

As we reported in last year's Gender Pay Report, the PCMS Group Ltd is committed to recruiting, developing, promoting and rewarding individuals based on their abilities. We recognise the importance of creating opportunities which are available to everyone and are still intent on making PCMS a great place to be for talented, dedicated individuals who are passionate about delighting our customers.

We are also committed to paying men and women equally for equivalent work; however, the greater proportion of men than women in senior roles creates a gender pay gap.

We are continuing to work to address any imbalance and are trying to attract and develop more females into what has traditionally been a male dominated industry. As we acknowledged last year, this will evidently take some time to achieve but our continued commitment to developing our employees, offering opportunities to apprentices, undergraduates and graduates, and changing our working practices are some of the things we are doing to help reduce our gender pay gap in the future and grow a talented, capable workforce.

Tony Houldsworth, Group Chief Executive Officer



What is the gender pay gap?

The gender pay gap is the difference between the average of all earnings paid to male and female employees in the organisation. This is different from equal pay which is paying the same salary for the same work.

The mean gender pay gap is the difference between the mean hourly rate of pay of male and female employees.

The median gender pay gap is the difference between the median hourly rate of pay of male employees and the median hourly rate of pay for female employees.



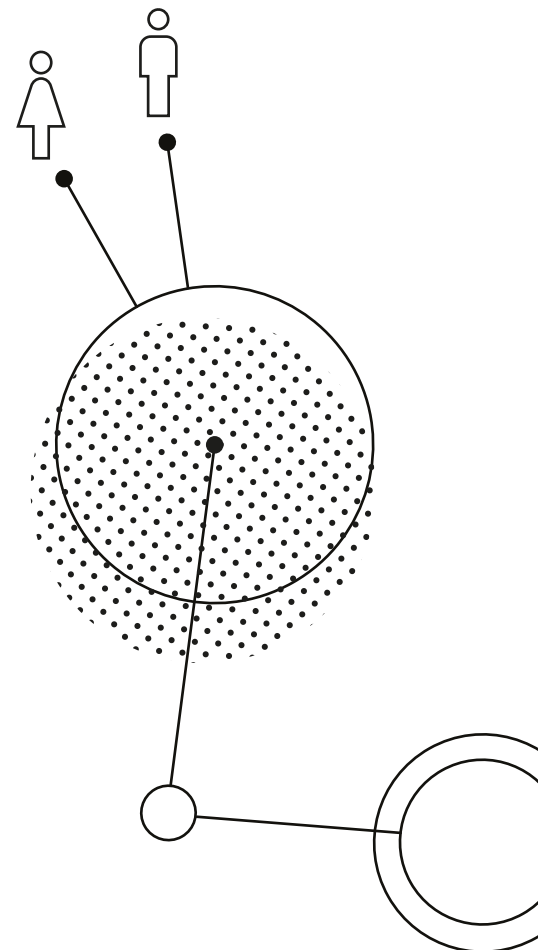
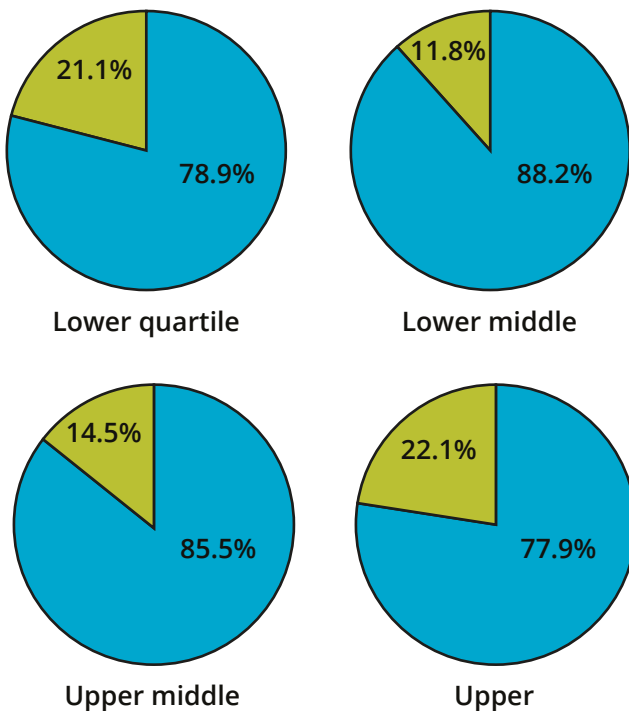
How does PCMS perform?

Our Mean pay gap is 5% - this means that the average of all earnings paid to our female employees is 5% lower than the average of all earnings paid to our male employees.

Our Median pay gap is -10% - this means the median hourly rate paid to our female employees is 10% higher than the median hourly rate paid to our male employees.

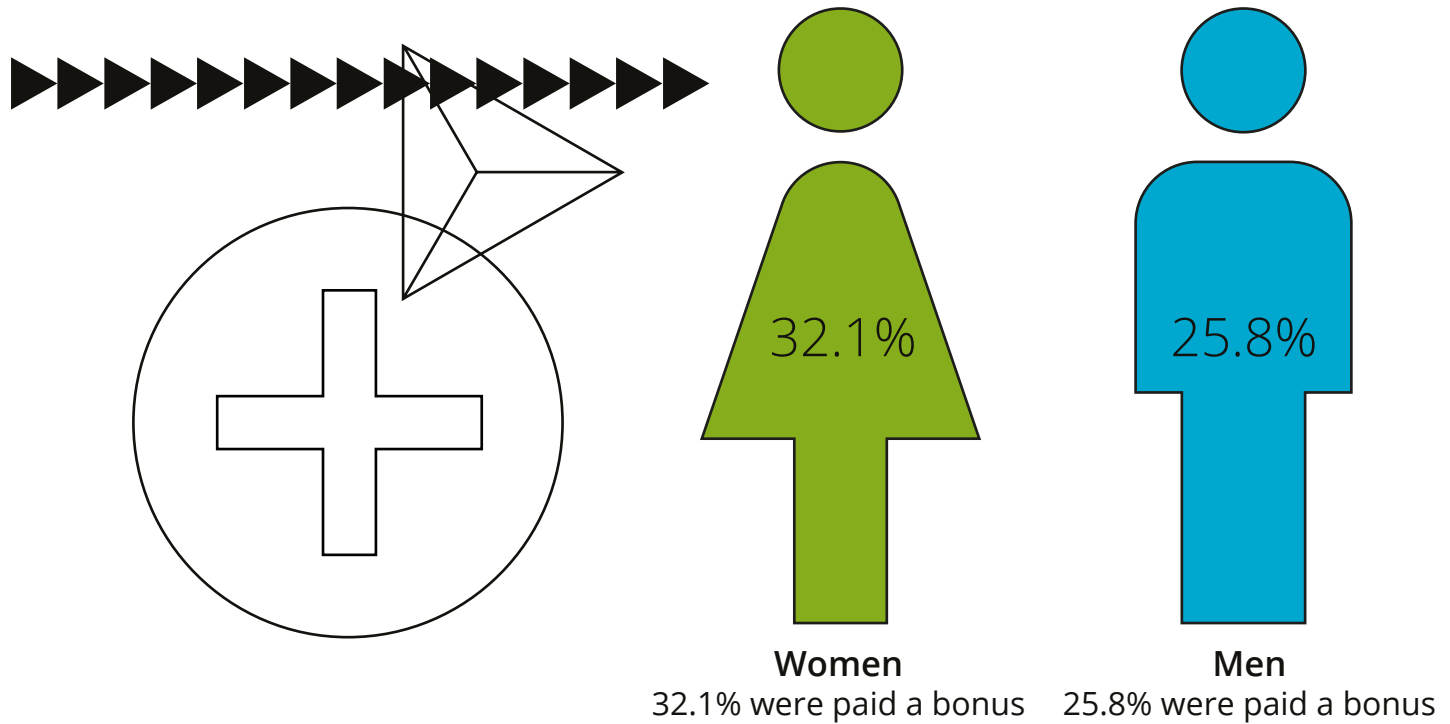
Pay quartiles

Proportion of men and women in each pay quartile (%) Male ■ Female ■



Bonus pay

In 2018, approximately 27% of all employees received a 'bonus' as defined by the gender pay bonus guidelines. Bonuses are paid based on individual performance, as commission for sales and as an incentive for recommending new employees to the business.



A higher proportion of females (32.1%) than males (25.8%) received a bonus in 2018. More than 50% (52.8%) of female employees in scope for gender pay reporting are in the Upper Middle and Upper quartiles and it tends to be the employees in the higher quartiles who receive bonuses.

The mean bonus pay gap is 18%. This shows the average of all bonuses paid to female employees is 18% lower than the average of all the bonuses paid to male employees.

The median bonus pay gap is 0%. This shows there is no difference between the midpoint bonus amounts paid to males and females.

The bonus figure for male employees is distorted by commission payments paid to the all-male sales team.



Explaining our gender pay gap

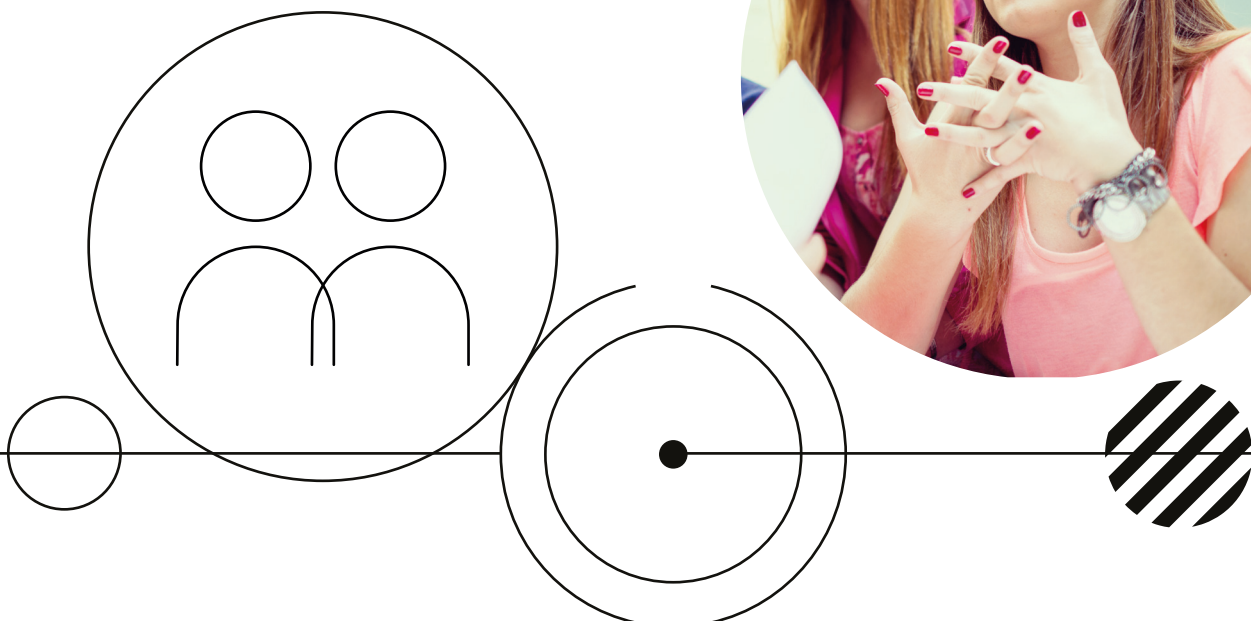
As in 2017, our pay gap is lower than the UK average, however we would still like it to be better and at PCMS we are serious about addressing our gender pay gap.

The main reasons for our gender pay gap continue to be:

We have more men in senior positions with the highest salaries. This is a legacy issue and something we know will take some time to change. As with many other technology companies, we have significantly more men than women employees and we continue to have more men than women in the managerial, technical and specialist roles which attract a higher rate of pay. During 2017 and 2018, we have continued to recruit at all levels within the business and have been successful in attracting a number of senior level females which gives further encouragement for future succession and a reduction in our gender pay gap in future years.

As with many other technology companies, we can only recruit from the talent that is available to us. In the UK there continues to be fewer females than males graduating in core STEM subjects (science, technology, engineering and mathematics)¹ which means there are fewer females available for these roles. We will therefore continue to have a larger proportion of males than females in the business as a whole and particularly in our technical roles.

¹ Wise Campaign



We recognise we will need to introduce and continue to work on a number of initiatives to address our pay gap.

- We are continuing to work with schools, colleges, training providers and universities to develop apprenticeships and undergraduate and graduate schemes. Our aim is to encourage more young people, and particularly females, into technology related careers by identifying and building closer working relationships with a wider pool of universities to ensure we are recruiting from as wide a talent pool as possible
- We continue to work closely with educational establishments to promote STEM subjects to all individuals.
- We have updated many of our recruitment materials to ensure all roles are accessible to everyone.
- We have launched a Leadership Programme, 'Leading Tomorrow', and have identified high performing individuals and those with potential to participate. Whilst the programme is open to both male and female employees, attention has been paid to ensure female employees are well represented on the programme.
- We are extending flexible ways of working across the business.
- We have a number of positive female role models within the business who are involved in supporting and mentoring employees with potential. We have continued to develop all employees and offer growth, career development and progression based on the abilities of individuals.
- We have launched an engagement survey to obtain feedback from our employees on how we can continue to make PCMS a better place to work.

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