

Gender Pay Gap Report 2020

Nucleus Global

LEGISLATION

Since 2018 UK employers with 250 or more staff have had to report the gap between what they paid their female and male employees on a snapshot date in April each year. Due to Covid-19 employers did not have to report their data for 2019 to 2020.

GENDER PAY GAP IS DIFFERENT FROM EQUAL PAY

The gender pay gap is often confused with equal pay, but they describe two different issues. Equal pay is about ensuring that men and women are paid the same for carrying out work of equal value. The gender pay gap is different in that respect, as it measures the difference between the average earnings of all men and all women across an organisation, irrespective of their role or seniority. When we talk about the gender pay gap we talk about the mean and the median difference in average earnings.

METHODOLOGY

We calculate and publish our annual gender pay gap as per the criteria provided by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and ACAS. Following HMRC guidance, our Gender Pay Gap Calculation considers all employees who, in April 2020, received full pay. We excluded from the calculation the employees who were on maternity or paternity leave or took some unpaid leave.

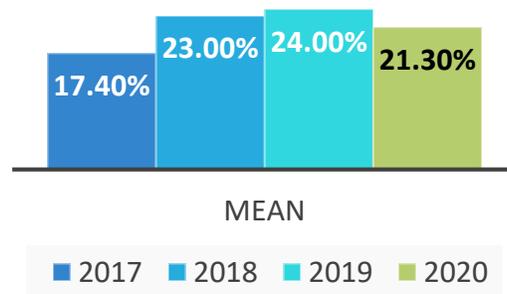
Gender Pay Gap results 2020

This report looks at data for the period of **April 2020**, which includes bonus received in that month. As per the HMRC guidance, the bonuses paid to employees in the pay period, but that relate to a period longer than the pay period, must be pro-rata. For example, if an employee joined in August 2019 their bonus has been divided by five and added to their ordinary pay.

Mean

The **mean** is calculated by adding up the hourly rate* of all the relevant employees and dividing the total by the number of employees. The mean gender pay gap is calculated on the difference between mean male and female pay.

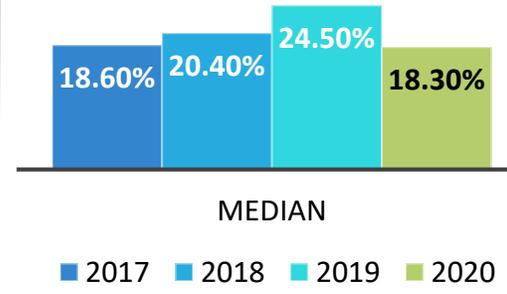
Our mean pay gap was 21.3%. On average men earned £28.03 per hour compared to the figure for women who earned an average of £22.07. Men earned on average £5.96 more than a woman per hour.



Median

To calculate the **median**, you line up everyone's hourly rate from the smallest to largest, for both men and women, and then pick the middle of the range for each gender. The median gap is the difference between the median hourly rates of male and female.

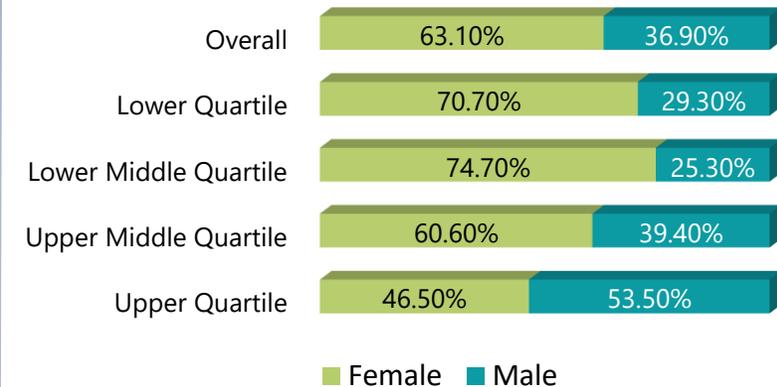
Our median gender pay gap was 18.3%. This means the middle of the range of men's pay was 18.3% greater than the middle of the range of women's pay. The middle of the range man's hourly rate was £23.79, and the middle-of-the-range woman's hourly rate was £19.43.



Pay Quartiles

Pay Quartiles represent the pay rates from the lowest to the highest for our UK employees split into four equal-sized groups, with the percentage of men and women in each quartile.

Analysis of pay quartile distribution indicates that the gender gap can be attributed to two key factors. The first is that there are more men in senior roles, including at the board level. At the same time, there are more women than men in lower-paid roles. Out of 43 Academy recruits from April 2019 to March 2020, only 10 were male.

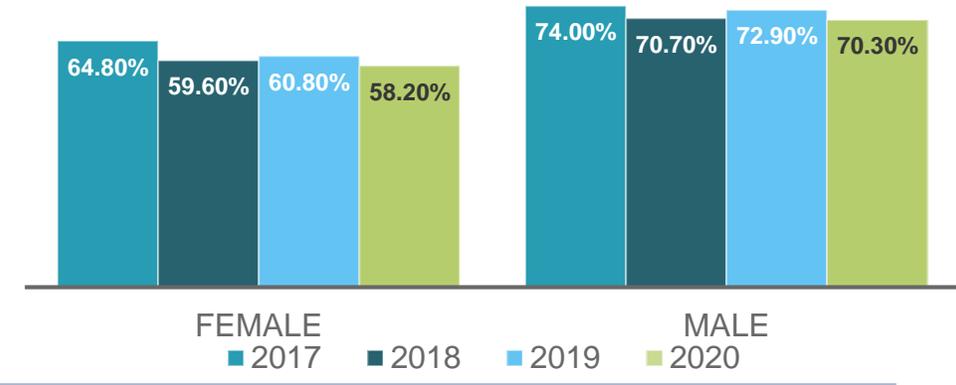


Gender Bonus Pay Gap 2020

This report is based on the bonus employees received in the 12 months leading up to the snapshot date of 5 April 2020. The data had to include all bonus, referral bonus, sign-on bonus and incentive payments.

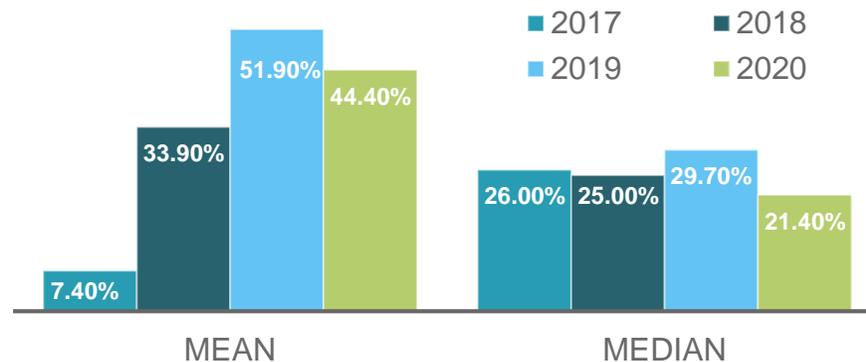
Proportion of males and females receiving a bonus payment

All employees are eligible for bonuses if they started before the cut-off date and are not serving their notice period. **All eligible employees received a bonus in tax year 2019/20.** Proportionally more women than men have been recent hires (and therefore bonus ineligible). As a result, the proportion of men who got the bonus is higher than that of women.



Mean and Median Gender Bonus Pay Gap

As per the regulations, the calculation of the mean and median gender bonus gap excludes anyone who did not receive any bonus pay in the 12 months leading up to the snapshot date of 5 April 2020. Employees who were on maternity leave were not included in the gender pay gap calculation. However, employees who came back from maternity leave and were paid their full salary in April 2020 were included.



There are a few factors that affect our gender bonus mean and median:

- Our bonus pay reflects a percentage of eligible salaries that employees earned throughout 2019 and was factored for part-time hours or long-term absences, including maternity leave. Bonus for around 60 employees, who are part-timers or were on maternity leave in 2019 was lower compared to employees in full-time employment. In 2019, 23 women were on maternity leave and out of 47 part-timers, 41 were women.
- Furthermore, the Gender Bonus Pay discrepancy is driven by a higher number of men in senior roles. Bonus payments are made as a proportion of base salary, so having more men within the upper pay quartile and with additional variable pay salary components drives the bonus gap.

CREATING SALARY TRANSPARENCY

In Progress:

- Establish a progressive skills matrix & career pathing
- Create a clear pay structure for all roles across the business

Achievements:

- ✓ A multi-stage review process of promotions, pay reviews and bonuses
- ✓ Pay band adjustments for Junior roles

IMPLEMENT A GLOBAL DIVERSITY AND INCLUSION STRATEGY

In Progress:

- Perform an HR audit ensuring process, policies, culture and data to eliminate discrimination and actively promote equal opportunities
- Initiate an internal education campaign to achieve behaviour change

Achievements:

- ✓ Setting up a DIBs (Diversity, inclusion and belonging) committee as part of the global Corporate Social Responsibility (CSR) group
- ✓ Diversity & Inclusion Training for Board Members

ENHANCING OUR RECRUITMENT

In Progress:

- Gather data to better understand diversity in the market and potential pipeline
- Review our recruitment strategies

Achievements:

- ✓ Gender information removed from CVs
- ✓ Interview training including unconscious bias training

IMPROVING WORKPLACE FLEXIBILITY

In Progress:

- Create opportunities for more senior positions on a part-time or flexible basis, including job shares

Achievements:

- ✓ A range of support for our working parents (work from home, phased return to work, etc.)
- ✓ Flexible working framework
- ✓ *Happy to talk flexible working* on job adverts

SUPPORTING OUR EMPLOYEES IN CAREER PROGRESSION

In Progress:

- Implement training programmes and resources to support employee development aligned to the career development framework
- Create networking opportunities

Achievements:

- ✓ Mentoring scheme "Mentorloop" in place (69% of all participants are female)
- ✓ L2 (51% of participants were women)

IMPROVING TRAINING AND DEVELOPMENT

In Progress:

- Career mapping for all the roles
- Review our internal succession planning

Achievements:

- ✓ LinkedIn learning available to all our employees
- ✓ Management training (Introduction to Management Training and Intermediate Management Skills)
- ✓ International development opportunities
- ✓ Management Round Table



Our distribution remains skewed with a higher proportion of males in the upper quartile than the company average



The distribution is further skewed by the fact of the proportion of females entering our market leading Academy training programme being significantly higher than the company average



The proportion of females receiving promotions was higher than the proportion of males in the 12 months since our last report



In addition to the distribution, the bonus gap is impacted by the higher proportion of part-time females in the business

We are pleased to publish our gender pay gap figures for 2020. Although there is still some way to go in improving the gender pay gap for both Nucleus Global and the wider medical communications industry, we remain committed to doing so and firmly believe that transparency, reporting and monitoring are crucial for tackling any inequality revealed through examining pay gaps

Although there is no differential in pay between genders for individuals doing the same job, we do still have a challenge that higher-paid staff are still disproportionately male and lower paid staff are still disproportionately female. Although there are some improvements in our 2020 report vs 2019, the headway is not as significant as we would have liked, despite the implementation of a number of initiatives to address the gender pay gap. However, we are confident that these initiatives will continue to have the full focus of the Nucleus Global leadership and will allow us to make further inroads to our pay gap in the coming years.

Following the calculations seen in the prior slides, we have investigated the drivers for the gender pay gap to better inform our strategy to close the gap, and have summarized the main drivers as detailed on the left-hand side of this slide.

We remain committed to working to decrease the gender pay gap at Nucleus Global and look forward to updating you on our progress over the coming months and years.

Dan Bridges
Chief Executive Officer - Nucleus Global