











## **Introducing Paxton's report**

We are committed to promoting equality at Paxton, and we recognise the immense value that comes from a diverse workforce. Continuous improvement is central to our company culture and as such, we are always looking for areas in which we can become a better employer.

Decisions regarding new appointments are always, and I hope always will be, made on a merit basis. With the gender-mix of those seeking a career in technology and engineering still male-biased, we have checks and balances to ensure we are not inadvertently perpetuating this.

In this, the fifth year of reporting, I am pleased that we have achieved a continuous reduction in the gender pay gap in each year. This is largely due to the many initiatives we have put in place to make Paxton a flexible and

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understanding employer for all. We pride ourselves on our longer-term initiatives to promote interest in technology and engineering careers within schools. In true Paxton style, we will continue to be relentless in our pursuit of progress.

Adam Stroud CEO



# Calculating the gender pay gap



#### The difference = median hourly pay gap

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle salary.



#### The difference = mean hourly pay gap

The mean gender pay gap is the difference between the average earnings of all men and all women at Paxton.

### **Results - Quartile**

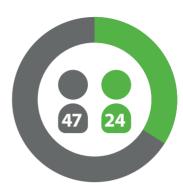
#### **Overall headcount**

Total headcount 285. 209 males (73%), 76 females (27%).



**Lower Quartile** 

**75**% 25%



**Lower-Middle Quartile** 

66% 34%



Middle-Upper Quartile

**72**% **28**%



**Upper Quartile** 

80% 20%

#### **Gender pay / Equal pay**

The gender pay gap is different to equal pay. Equal pay (Equality Act 2010) sets out that men and women doing the same job, undertaking the same work must receive equal pay. The gender pay gap is a measure of the difference in the average earnings of women and men across an organisation. It is expressed as a percentage of men's earnings.

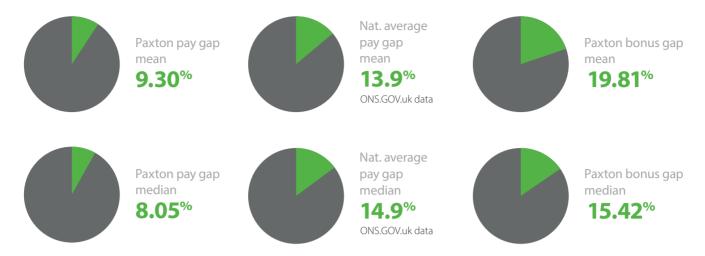
#### **Understanding the data**

The main reason for these gaps is that we have more men than women at Paxton, this includes our senior roles.

#### **Gender pay / Equal pay**

The above data has been arranged into quartiles. Quartiles represent a salary pay band with the lower quartile showing new or entry level positions, and the upper quartile showing the split of men and women in senior positions and therefore the highest pay bands.

# **Pay Gap**



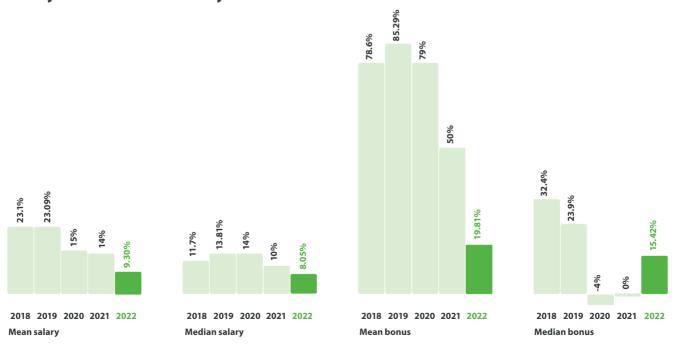
Source: Annual Survey of Hours & Earnings, Office for National Statistics.

### Proportions of employees receiving a bonus

Males = 135 **65**%

Females = 40 **53**%

### Salary and bonus - last four years



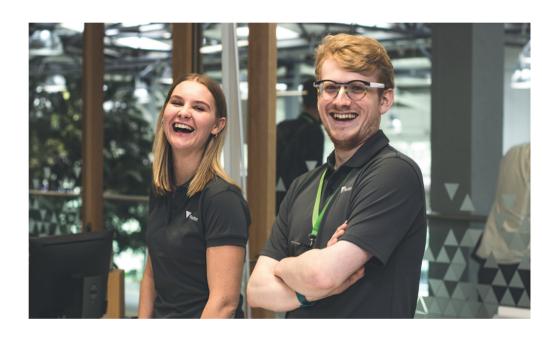
## Closing the gap

We are pleased to be able to report that for the fifth year we have seen further progress in closing the gender pay gap at Paxton. However, we are committed to further improvement, and it will remain a focus for us in years to come.

This year, our Gender Pay Gap is calculated from a data snapshot on 5th April 2022. This was our first normal year after two years affected by the COVID-19 Pandemic.

As a company striving for continuous improvement, we are committed to listening to what's important to our colleagues and taking action.

# "... for the fifth year we have seen further progress in closing the gender pay gap at Paxton"



#### Continuous areas of focus and improvement

- Maternity and Parental leave. We provide 6 months full pay on Maternity and
  1 month full pay on Paternity leave. We are flexible about how this is used.
  For example Maternity pay can be split over 12 months half pay and Paternity
  leave doesn't need to be taken in one go, individuals can take the additional
  2 weeks within the first year of their child being born. We continue to educate
  our employees on how they can take advantage of shared parental, adoption,
  surrogacy & flexible working options.
- Hiring new talent. We work with our hiring managers on unconscious bias in hiring of candidates ensuring a genuine level of consistency across the organisation
- Personal Development. We are proud to offer amazing training & personal
  development opportunities to all Paxton employees and continue to receive
  positive feedback on this 79% of our people agree their job is good for their
  own personal growth. We remain committed to proactively and regularly seeking
  feedback from our employees as to what's working for them and how we can
  improve in this area. Together we'll keep working towards closing the gender pay

- gap and ensure genuine equality and balance at Paxton.
- Automatic Maternity and extended parental leave cost of living increase. We have implemented an automatic cost of living percentage salary increase for anyone on maternity or extended parental leave.
- Menopause awareness. Our goal is to prevent women at Paxton from considering leaving their employment due to suffering from adverse symptoms caused by the menopause. Studies show that 25% consider leaving their employment because of the adverse symptoms caused by the menopause and the lack of understanding and support provided. We are pleased to be working in partnership with Myla Health to provide support to our colleagues. We work to educate our colleagues on how they can support their teams and female colleagues.

# "...our actions and continuous improvement philosophy are having an impact on our gender pay gap."

#### What have we done in the last 12 months?

- Salary conversations. Women are statistically less likely to ask for a pay increase and lack in confidence to even start the conversation. To combat this, we've asked all managers to have open discussions with their reports, specifically about being paid fairly for the role they do at Paxton. This has sparked some great discussions which we anticipate will support us in further closing the gap in 2023.
- Recruitment. We have invested in new software that supports us to create job adverts that use gender-neutral language as well as promoting our benefits and flexible working options making us a more attractive employer to women. Last year we recruited 16 more women than in 2021.
- Flexible working. We have seen improvements in the % of women in the middle and upper quartiles as we continue to support flexible working requests, this has allowed us to retain as well as attract talent into the roles reflected in these quartiles. We currently have 44 women taking advantage of our hybrid working arrangements to support their work/life and childcare needs.
- Equality, diversity and Inclusion group. We newly formed our EDI group at Paxton, this will further help us to inform our continuous improvements during 2023 and into the future

In this 5th year of reporting I am pleased to see our actions and continuous improvement philosophy are having an impact on our gender pay gap. We are committed to be creative in our thinking and actions to enable us to be an inclusive and equitable employer for all or our employees

Nicola O'Donnell HR Director

