



UK GENDER PAY GAP REPORT

October 2021



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Foreword

We have been a on a mission to create a more inclusive global organisation here at NCC Group. We recognise that the programmes and initiatives we have in place today (and want to create in the future) will take time to embed and have an impact on the demographics of our organisation.

Our approach to gender pay falls under this drive for fairness, equity, and transparency. While there is still much work to do, we can see year on year improvements.

We have created some initial pay bands in our UK Assurance business to bring greater clarity within job families and across jobs and roles of a similar size to ensure we can manage promotions, career growth and of course pay. Naturally, this helps us better understand any gender pay gaps, and is a first step in building regional and global consistency on pay policy.

In FY21 (1 June 2020 to 31 May 2021), 29 per cent of all hires globally (where gender was disclosed) were female, with an increase of 43.5 per cent of actual female hires compared to FY20.

Our sector is particularly challenging, and we have commenced several programmes to ensure the broadest candidate reach possible where we operate. We are seeking to partner with other organisations too - this is a societal and generational challenge and it's one that we must work together with a range of stakeholders to address.

It's important that we continue to engage in the conversation, to ensure that future candidates see how they can have a successful career at NCC Group. We place great value on conversation – using our Inclusion and Diversity engagement programme – NCC Conversations – to do this, which leads to further improvements on how we make NCC Group a great place to work for all. It enables us to attract diverse talent outside of our traditional catchment areas, and our junior careers programme is welcoming new colleagues from a range of non-traditional tech backgrounds in the UK, Europe, and North America.

We want to break open opportunities for all, and an important part of this is to ensure we are mindful of and committed to improving any gender pay gaps in our business.

While UK businesses are required to disclose Gender Pay Gap, we will in future be reporting our global position, to ensure we continue to drive improvements across our whole business.

We are confident that our commitment and investment to date has realised progress, albeit small, and is an important foundation for future progress.

Colin Watt
Chief People Officer

October 2021

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Summary

We are developing our diversity and inclusion programmes to ensure we draw on the widest possible talent pool to support our mission to make the world safer and more secure. We can do this by examining our own internal processes and approaches, but also by trying to influence wider society.

As part of this and in line with government regulations, we have again reviewed how we pay female and male colleagues to show our gender pay gap.

UK legislation requires companies with more than 250 employees to publish details of their gender pay gap on an annual basis. Currently our obligation is to report under NCC Group Security Services Limited, and NCC Services Limited as these are the only UK companies, which employed over 250 employees at the relevant snapshot date (5 April 2020).

Six key metrics

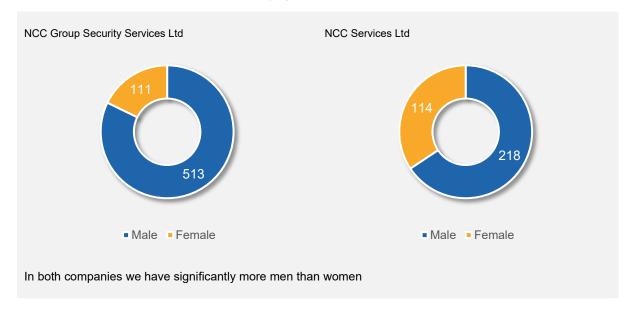
There are six key metrics that are necessary under the rules on gender pay gap reports. These are:

- The difference in the mean pay of full-pay men and women, expressed as a percentage
- The difference in the median pay of full-pay men and women, expressed as a percentage
- The difference in mean bonus pay of men and women, expressed as a percentage
- The difference in median bonus pay of men and women, expressed as a percentage
- · The proportion of men and women who received bonus pay; and
- The proportion of full-pay men and women in each of four quartile pay bands.

We confirm that the figures in the report have been reached using the mechanisms that are set out in the gender pay gap reporting legislation.

Our findings

Proportion of men and women in the two employing companies on 5 April 2021:



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Hourly rate pay gap

In our UK business, women earn [X]p for every £1 that men earn when comparing median hourly pay. Their median hourly pay is [Y]% lower than men's. When comparing mean (average) hourly pay, women's mean hourly pay is [Z]% lower than men's...

NCC Group Security Services Ltd:

	2019	2020	2021
X	55p	60p	67p
Υ	44.9%	40%	33%
Z	41.1%	36.7%	27%

	2019	2020	2021
X	65р	64p	67p
Υ	35.1%	35.7%	33%
Z	40.5%	38%	33%

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The percentage of women in each pay quarter

The data in the tables below show the proportion of men and women in each pay quartile. While we still have some way to go, we are encouraged by an increase in the proportion of women in the upper quartile of both NCC Group Security Services Ltd and NCC Services pay.

In our UK business, women occupy [X]% of the highest paid and jobs and [Y]% of the lowest paid jobs...

NCC Group Security Services Ltd:

	2019 Female	2019 Male	2020 Female	2020 Male	2021 Female	2021 Male
Upper [X]	4.8%	95.2%	5.6%	94.4%	7.89%	92.11%
Upper middle	13.8%	86.2%	7%	93%	9.2%	90.8%
Lower middle	26.4%	72.6%	22.4%	77.6%	23.1%	76.9%
Lower [Y]	35.7%	64.3%	29.4%	70.6%	29.6%	70.4%

	2019 Female	2019 Male	2020 Female	2020 Male	2021 Female	2021 Male
Upper [X]	16.3%	83.7%	15.3%	84.7%	22.5%	77.5%
Upper middle	19%	81%	27.4%	72.6%	24%	76%
Lower middle	32.9%	67.1%	34.7%	65.3%	35%	65%
Lower [Y]	47.8%	52.2%	49.3%	50.7%	54.88%	45.12%

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Bonus pay gap

In our UK business, women earn [X]p for every £1 that men earn when comparing median bonus pay. Their median bonus pay is [Y]% lower than men's. When comparing mean (average) bonus pay, women's mean bonus pay is [Z]% lower than men's...

NCC Group Security Services Ltd:

	2019	2020	2021
X	40p	51p	46p
Y	60.2%	49.2%	53.9%
Z	65.5%	31.8%	35.8%

	2019	2020	2021
х	51p	32p	50p
Υ	49.4%	67.8%	49.8%
Z	71.3%	68.9%	65%

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Bonus pay gap... who received a bonus

In our UK business every permanent colleague is eligible to participate in a bonus scheme relevant to their role...

NCC Group Security Services Ltd:

	2019	2020	2021
Men	88.7%	90.8%	87%
Women	80.7%	83.7%	82%

	2019	2020	2021
Men	81.4%	87.4%	90.4%
Women	75%	88%	85.1%

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Our future focus

We already have some encouraging initiatives in place across the business such as:

- Improving our flexible working approach to support working parents through our policies and benefits
- Creation of a Women's International Network (WIN) with local chapters led by senior women in the Group
- Gender colleague resource group, sponsored by the CEO, which actively supports all gender related dialogue and action, including taking part in events like <u>International Women's Day</u>
- Partnership with UK organisations <u>CAPSLOCK</u> and <u>Uptree</u> to support diverse talent entering the industry
- Sponsorship of Empowering Women in Cyber Leadership programme in Scotland
- Continuing to support the NCSC organised <u>Cyberfirst Girls Competition</u> with some of our colleagues giving
 up their time to coach local school teams
- Supporting InnovateHer via Million Mentors.

We also have some longer term aims as part of our **Sustainability** framework:

- · Creating diverse talent and succession plans across the company
- Implementing a new HR system, which (among other things) will allow us to track applications and progression globally with a gender lens
- Reviewing the language in our job adverts and descriptions to ensure the use of language, which
 appeals to everyone
- Continuing to train and coach our hiring managers to ensure they understand unconscious bias
- For management and leadership roles we will seek to ensure that there is a balanced shortlist of suitably qualified and experienced candidates.

Conclusion

We take our role as a responsible employer seriously and see the requirement to publish gender pay gap figures as a positive move towards transparency around a key issue within our industry.

We continue to have an imbalance of male and female colleagues across the organisation, along with the sector in general. There are significantly less women within our Security Services area of the business and fewer women in senior roles than men. In addition, there is a higher proportion of women relative to men in lower job scales.

We recognise that steps need to be taken to improve our gender mix at all levels as part of our future growth strategy.

This report was approved by:

Colin Watt NCC Group plc Chief People Officer

5 October 2021