

NCC Group

# Gender Pay Gap Report

April 2023



# Foreword



**Michelle Porteus**  
Chief People Officer

Building a fair, inclusive workplace takes sustained commitment and action. We see the requirement to publish gender pay gap figures as a positive indicator of our progress towards fully inclusive workplace.

With this in mind, we have started to track gender pay across the global business and for the first time this year, colleagues will see a comparator metric for our business in North America and the Netherlands. The additional reporting we will share is a positive move towards transparency around a key issue within our business and our industry.

Since we started publishing our gender pay gap we have seen steady progress in all but one area (NCC Security Services). That progress has been much slower than we would have liked.

Pay gaps exist not because we are not paying equally, but because genders are not represented equally at different levels in the company. NCC Group still has too few women at senior levels of the organisation and while female representation has significantly improved in the last year, and we see women moving from lower pay quartiles to upper pay quartiles, we know there's still much more to do.

Improving gender representation really matters to us. Overcoming the barriers of inclusion to achieve a gender-balanced workplace will take time and sustained effort, underpinned by a plan to drive change. We remain committed to progress on inclusion for the longer term, both for our current colleagues and for future talent coming into our industry.

A handwritten signature in white ink that reads "M Porteus".

# What is the gender pay gap?

Gender Pay Gap reporting is not the same as Equal Pay.

## Equal Pay

The Equality Act 2010 gives both women and men the right to equal pay for equal work, with women and men being legally entitled to be paid at the same rate for like work, work rated as equivalent, and for work of equal value.

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## Gender Pay Gap

'Gender pay gap' refers to the difference between the average earnings of men and women across an organisation.

The gender pay gap is calculated as the difference between average hourly earnings of men and women as a proportion of men's average hourly earnings. It is a measure across all jobs in the company, not of the difference in pay between men and women for doing the same job.

# How is it calculated?

## Median Hourly Pay Gap

The median represents the middle point of a population. For example, if we have a population of 661, the median point will be 331.

The hourly rates for all men and women in our company are ordered from the lowest to the highest, and the median pay gap is the difference between the hourly rate for the woman at the middle point compared to that of the man at the middle point.

## Mean Hourly Pay Gap

The mean pay gap is the difference in the average hourly pay for men and women.

If we were to add together all hourly rates of men and calculate the average and then do the same for women, the average pay gap expressed as a percentage is the difference between the average hourly rate for men and the average hourly rate for women.

# Reporting

## Reporting Requirements

Under UK regulations, organisations with 250 or more employees must report on their gender pay gap on a given 'snapshot' date. In this case, the snapshot date was 5 April 2022.

UK regulations require reporting on:

- the difference in the mean and median pay of full-pay men and women
- the difference in the mean and median bonus pay of men and women
- the proportion of men and women who received bonus pay
- the proportion of full-pay men and women in each of the four quartile pay bands

## Our Reporting

Previously we have reported data for two entities, NCC Group Security Services Ltd and NCC Services Limited.

We are no longer required to report NCC Services Limited figures due to the creation of NCC Group Corporate Limited in June 2021. Following the creation of the new entity and the consequent separation of the headcount, neither entity reach the minimum headcount required for statutory reporting.

We will continue statutory reporting for NCC Group Security Services, which comprises pages 4 and 5 of this report.

We also wished to expand the scope beyond statutory reporting, and have chosen to share statistics from our whole employee population of the UK.

## How is it calculated?

### Bonus Pay Gap

The mean and median bonus pay gaps are calculated in the same way as hourly pay gaps. The actual bonus paid to men and women in the 12 months leading up to the snapshot date is used for the calculations.

### Pay Quartiles

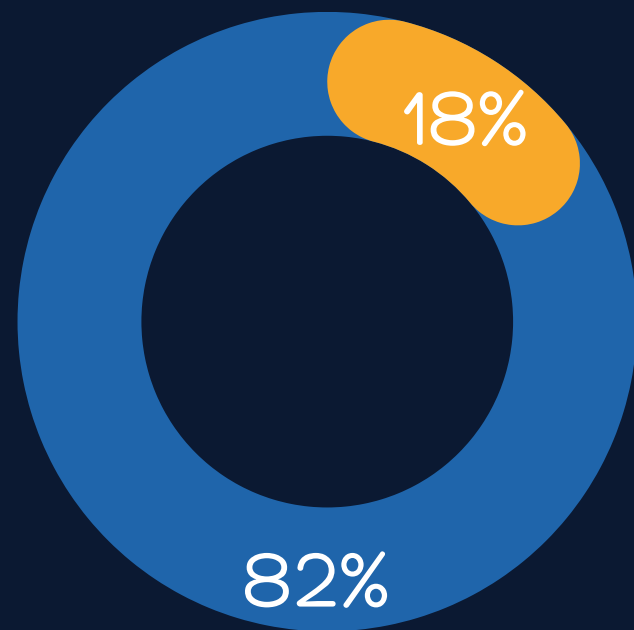
Pay quartiles are calculated by dividing all hourly rates paid across the business, from lowest to highest, into four equal sized groups and calculating the percentage of men and women in each.

# Our 2022 results

For the 12 months ending 5 April 2022

NCC Security Services Ltd.

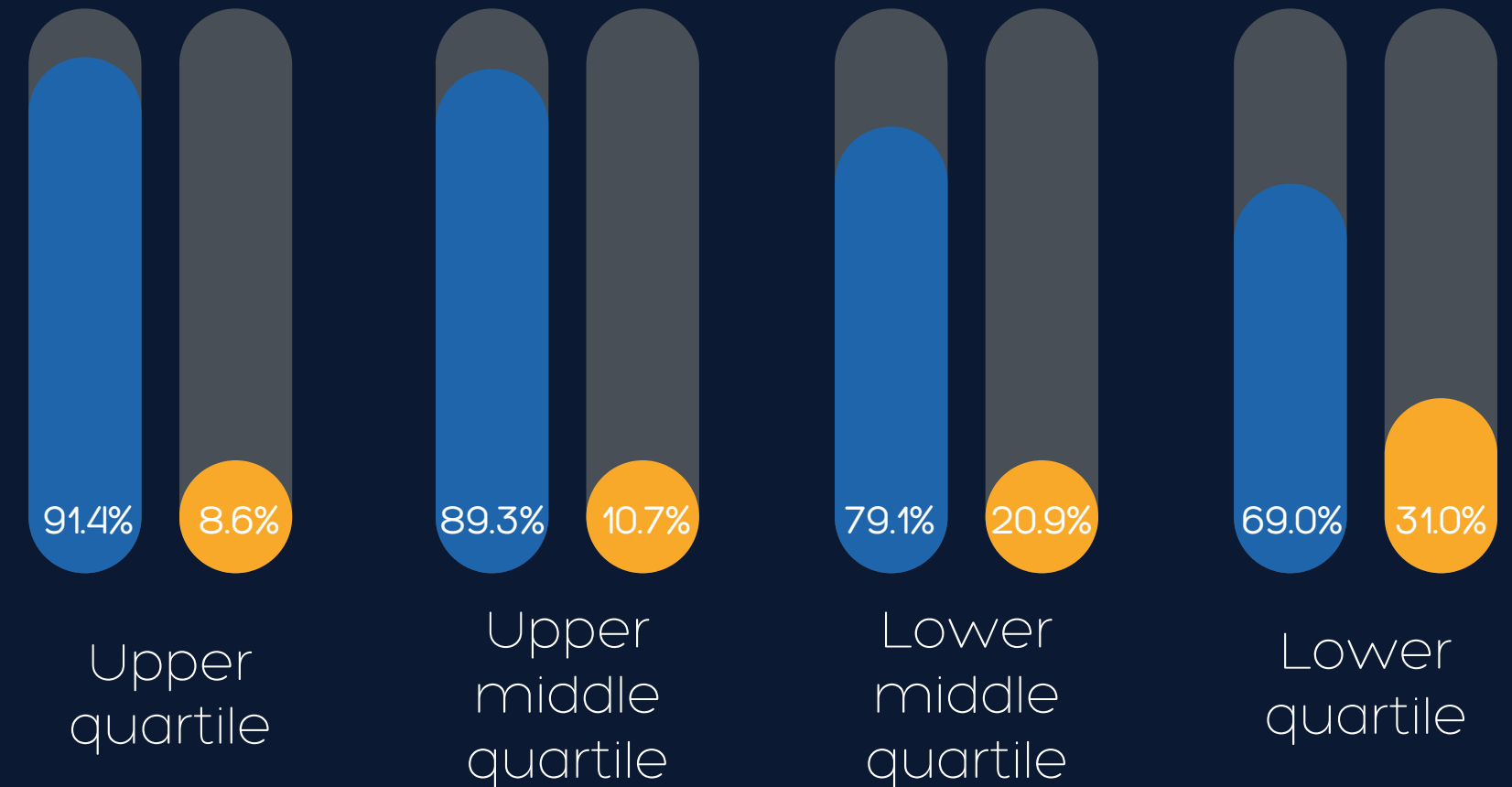
## Proportion of men to women



In NCC Security Services Ltd, there are significantly more men than women.

The proportion of women has increased by 3% in 2022.

## Pay quartiles



In 2021, women occupied 6.6% of the highest paid jobs. In 2022 this figure has increased by 2 pts, with 8.6% of the highest paid jobs now occupied by women.

In 2021, women occupied 29.6% of the lowest paid jobs. In 2022 this figure increased to 31%, representing the increase in number of women at this level.

# Our 2022 results

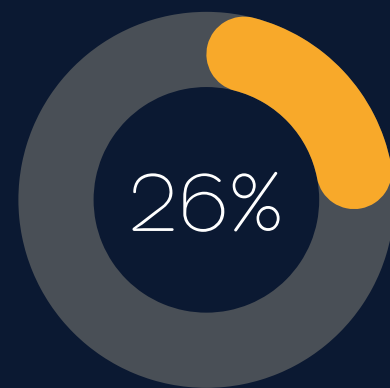
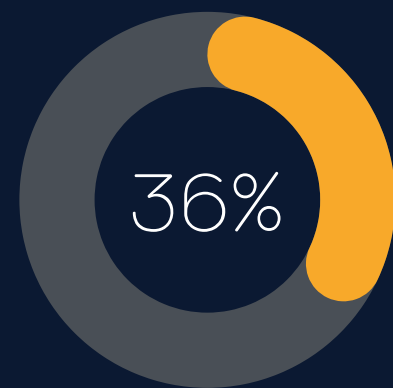
For the 12 months ending 5 April 2022

NCC Security Services Ltd.

## Gender pay gap

Median pay gap

Mean pay gap



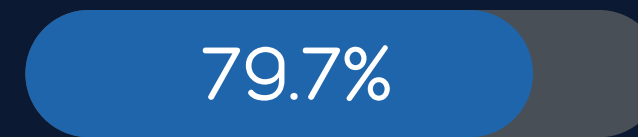
In NCC Security Services, in 2022, women's median hourly pay was 36% lower than men's.

Their mean hourly pay was lower than men's by 26%, an improvement of 3 ppts on 2021.

Women earned 64p for every £1 that men earned when comparing median hourly pay in 2022.

## Bonus pay gap

Received a bonus

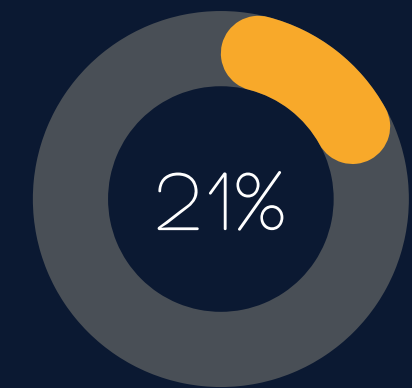
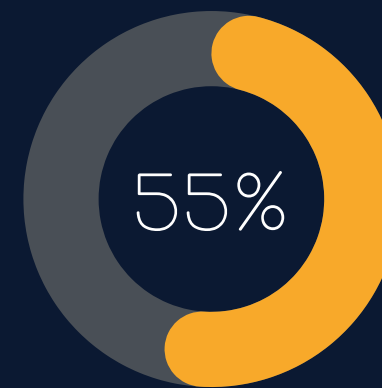


Men

Women

Median bonus pay gap

Mean bonus pay gap



Women's median bonus pay was 55% lower than men's in 2022, changing from 45% in 2021.

When comparing mean bonus pay, women's mean bonus pay was lower than men's by 21% in 2022, an improvement of 5ppt since 2021.

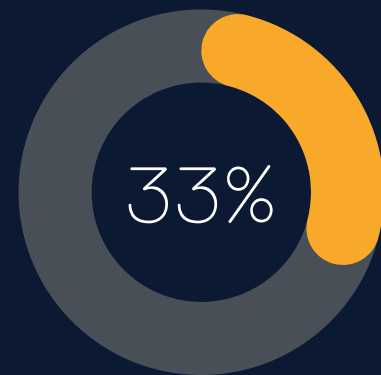
# Our 2022 results

For the 12 months ending 5 April 2022

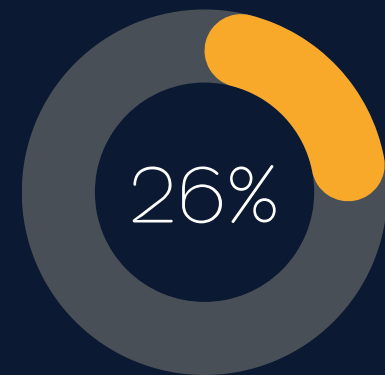
## All UK

Median pay gap

Mean pay gap



Decreased by 2%  
since 2021



Decreased by 3%  
since 2021

## All UK - Gender Pay Gap

There has been improvement in all but one performance indicator across all entities in both median and mean hourly pay.

NCC UK Corporate sees the smallest gap of 16% between the median hourly pay of men and women.

In the UK, the women's median hourly pay is lower by 33% in 2022, which is an improvement of 2 ppts compared to the previous year.

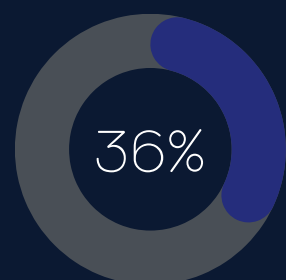
The average pay gap in the UK is 26% with the number being consistent across all entities and ranging between 22% and 26%.

The biggest improvement in narrowing the hourly pay gap is seen in Software Resilience UK with the median pay gap decreasing by 14%.

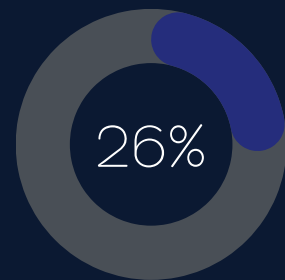
## NCC Security Services Ltd

Median pay gap

Mean pay gap



Increased by 1%  
since 2021

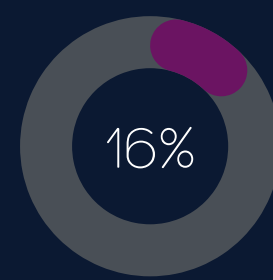


Decreased by 3%  
since 2021

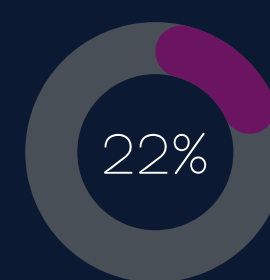
## UK Corporate

Median pay gap

Mean pay gap



Decreased by 5%  
since 2021

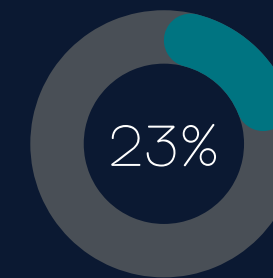


Decreased by 3%  
since 2021

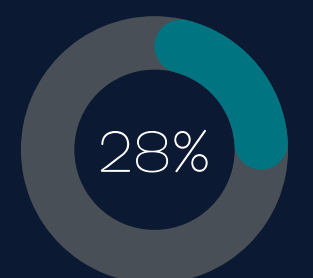
## UK Software Resilience

Median pay gap

Mean pay gap



Decreased by 14%  
since 2021



Decreased by 4%  
since 2021

# Our 2022 results

For the 12 months ending 5 April 2022

## All UK - Bonus Pay Gap

Bonus pay is an area where we see mixed results, with some improvements in certain entities but also a widening gap between bonus payments for men and women in other parts.

In the UK, the bonus gap has increased to 50% in 2022. This means that women at NCC in the UK earn 50p for every £1 bonus that men earn when comparing median bonus pay.

In both NCC Security Services Ltd and UK Software Resilience the median bonus pay gap has increased, bringing the median bonus pay gap to 55% and 72% respectively.

There is progress within NCC UK Corporate, where the median bonus pay gap is negative, meaning that women earn 6p more for each £1 earned by men when comparing median bonus pay gap. However, the average bonus pay gap is 52%.

The gap is attributed to the top bonus earners being men.

### All UK

Received a bonus

82.8%

80.3%

Men Women

Median bonus pay gap

50%

Mean bonus pay gap

43%

### NCC Security Services Ltd

Received a bonus

79.7%

81.3%

Men Women

Median bonus pay gap

55%

Mean bonus pay gap

21%

### UK Corporate

Received a bonus

88.5%

72.9%

Men Women

Median bonus pay gap

-6%

Mean bonus pay gap

52%

### UK Software Resilience

Received a bonus

94.7%

87.7%

Men Women

Median bonus pay gap

72%

Mean bonus pay gap

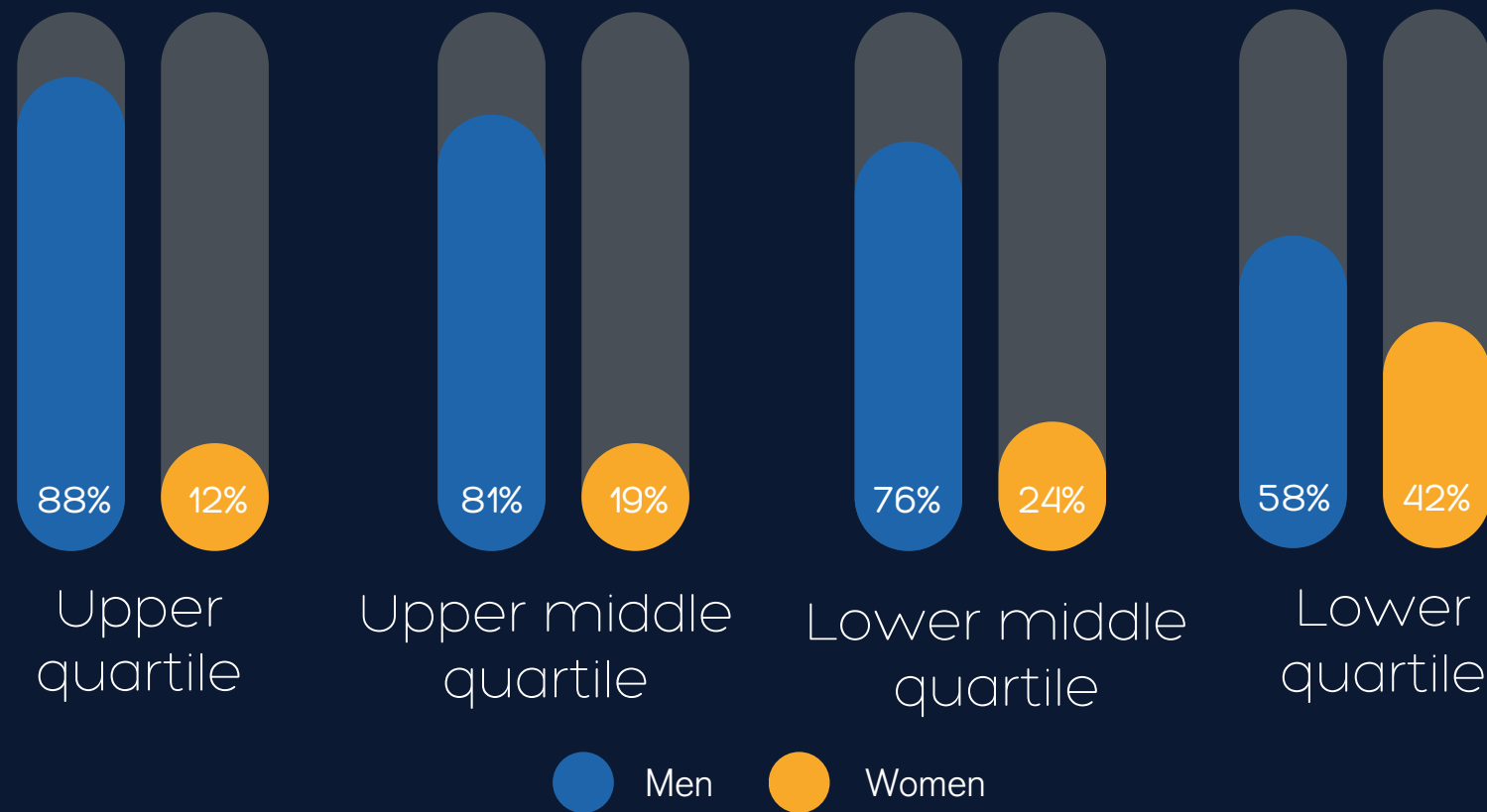
73%



# Our 2022 results

For the 12 months ending 5 April 2022

## All UK



## All UK - Pay Quartiles

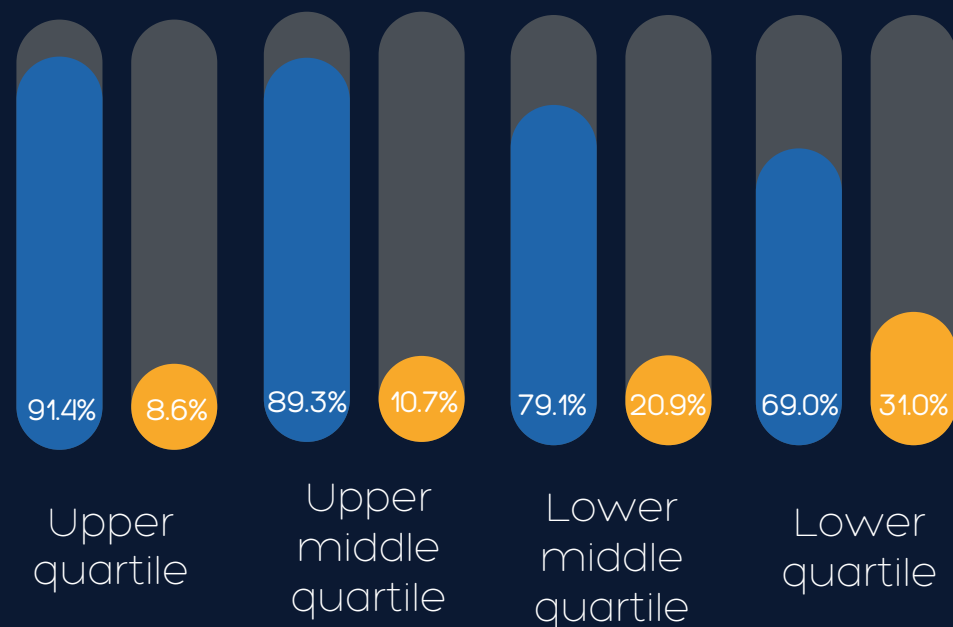
On all occasions both upper and upper middle hourly pay quartiles have significantly improved. This means that we have increased the number of senior women in the business.

We see strengthening of the upper middle quartile, showing progression and improved female representation in the Senior Leadership team at Excom-1 and Excom-2.

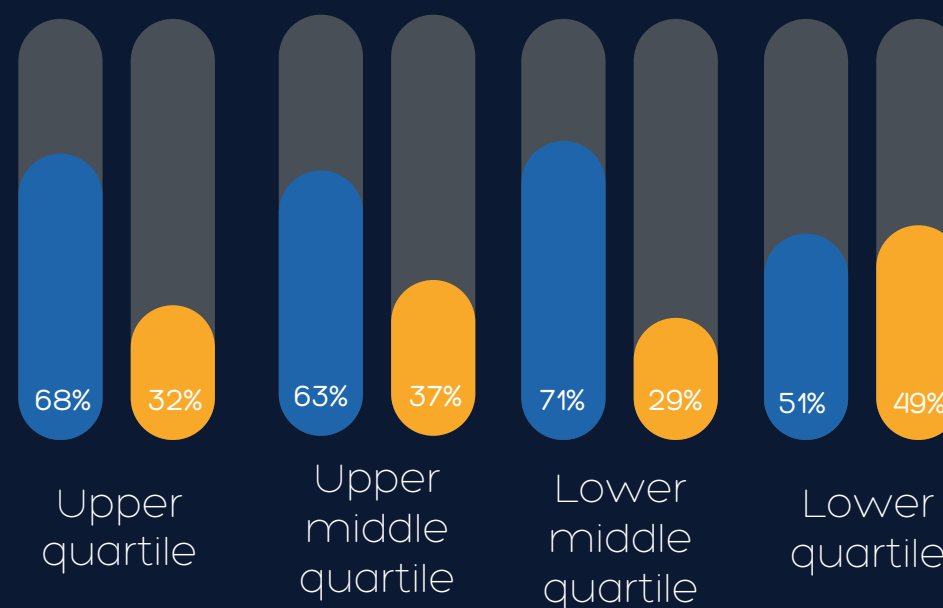
The strongest improvement is seen in the NCC UK Corporate entity, with female representation in the upper middle quartile increasing by 22%. Strong progress is also seen in the UK Software Resilience entity, with female representation in the upper middle quartile increasing by 13%.

In the UK, female representation in the upper quartile is at 12% whilst in the upper middle quarter it is at 19%.

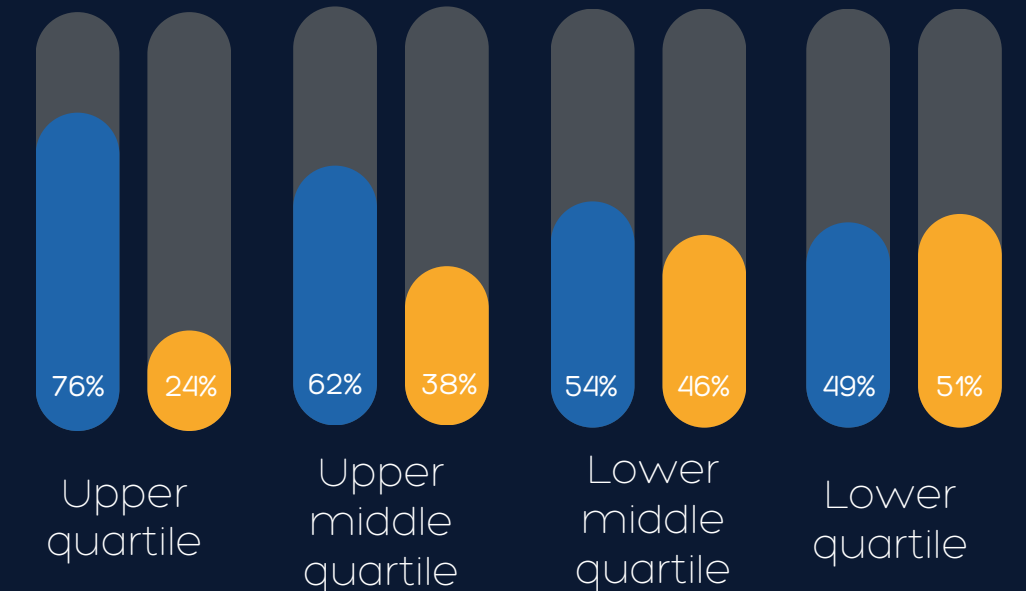
## NCC Security Services Ltd



## UK Corporate



## UK Software Resilience



# Our current and future focus

## Highlights of the last 12 months

- We have seen increased gender diversity when attracting talent from initial searches through to assessment. By broadening our search terms we have been able to create more opportunities for the inclusion of women and underrepresented groups.
- Ensuring every senior candidate meets a diverse team as part of their interview process both formally and informally – including diverse perspectives/backgrounds, as well as gender diversity.
- Focus on gender balanced shortlists for recruitment of senior roles across the organisation.
- Continued hybrid working and flexibility in terms of a female-focused employment proposition.
- Continuing to monitor and analyse annual and bi-annual processes such as pay review and promotions from a gender-equality perspective.
- The inclusion of gender data at the business review meetings, tracking the progress of each business area, job family and senior leadership team, ensuring that we make progress at every opportunity.

# Our current and future focus

## Longer term initiatives

We have also commenced a number of longer-term initiatives aimed at bringing more women into the industry:

- A partnership with Women in Cyber Security (WiCys), a non-profit organisation, to encourage women into the industry and increase awareness of NCC Group.
- A focus on employer branding with content such as 'My Switch 2 Cyber' which showcases women joining us from other industries and encourages women to explore cyber career paths.
- The blog series 'My Path to Progression', which focuses on internal mobility and career progression stories in NCC Group, highlighting internal moves and promotional opportunities, allowing women and other underrepresented groups in our business to see our success stories.
- We partnered with and promoted the charity 'Black Girls Hack', which allowed us to mentor and support Black women looking to get into cyber and foster future talent in the industry.

In the future, our job level framework will enable us to analyse the proportions of women and men at each level of the Group in a much more transparent and robust manner, to help us understand pay differentials by grade and job level to take appropriate action.

Over the coming year we will focus on development interventions to help leaders and their teams understand more about the lived experience of women in our organisation and the importance of allyship to bring about real change.

