Palladium
MAKE IT POSSIBLE

Palladium UK Gender Pay Gap Report

2023

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Introduction

01

Introduction

It is essential to the growth of our business and the impact of our work that we attract talent with distinctive and diverse perspectives. Nurturing the ideas and creativity of our people is the best way to help solve some of the world's most complex issues.

Investing in our culture creates more than just a great place to work. An environment of openness, where difference is recognised as a source of strength and advantage, supports everyone to thrive and contribute their most creative ideas and solutions. Harnessing the capability of our people in this way is key to us delivering on our vision of being the most impactful business on the planet.

It is from this perspective that we are pleased to publish our 2023 Gender Pay Gap Report. The results presented reflect the remuneration paid to Palladium International Limited UK-based employees only within the reporting period up to 5 April 2023.

An environment of openness where difference is recognised as a source of strength and advantage

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Foreword

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At Palladium, our EDI vision is to create an equitable, diverse, and inclusive culture where differences are valued, respected, and encouraged to drive innovation and deliver results; a culture where our people are engaged, their voices are heard, and they feel that they belong.

Paying our people fairly goes to the heart of the promise we make to our employees, and we ensure that men and women are paid equally where they perform equivalent roles with the same level of contribution. Despite encouraging progress, we acknowledge that our gender pay gap continues to remain too wide. We continue to support the legislation requiring businesses to publish their gender pay data, as it reinforces the need for addressing gender diversity issues and provides a framework to measure and reflect on our progress.

I can confirm that the information we have published both here and on the UK government website is accurate and calculated in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Sinéad Magill
co-CEO

Understanding Pay Gap Reporting

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Understanding Pay Gap Reporting

What it means

What is Equal Pay?

- The hourly pay gap and bonus pay gap metrics measure the difference in the average earnings of men and women across all roles. It is not an equal pay comparison which would compare the earnings of men and women doing the same or similar value work.
- Equal Pay is paying men and women equally for like work, work of equal value, and work rated as equivalent.
- At Palladium we measure “equal pay” using the compa-ratio method, which directly compares men and women in the same salary band by calculating the difference in salary relative to the band’s midpoint.
- This approach enables us to better identify trends and anomalies within each band and take action swiftly. Our approach also enables global comparisons that wouldn't be possible if we simply converted averages to a given currency.

What is a Gender Pay Gap?

- A gender pay gap looks at the differences in pay between men and women across the workforce regardless of the work they perform.
- The UK government's calculation guidelines are based on a simple method that takes an average of all staff regardless of level.

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Understanding Pay Gap Reporting

Limitations of the gender pay gap approach

Approaching gender parity in this way risks:

- Missing the root causes at play, inequalities, and progress.
- Hiding when we are increasing numbers of women in leadership roles, and higher-paid occupations, or why women in lower-paid positions can't move up.
- Overlooking an organisation's efforts to build more diverse talent pipelines by actively attracting and recruiting women into more junior roles to build a gender-diverse internal talent pipeline.
- Disregarding market factors that lead to some roles attracting higher or lower compensation than others.
- Gender pay parity is too complex to measure with just the UK government's formula, and using this approach exclusively may mean missing crucial insights needed to rectify gender inequity in the workplace.
- As an organisation, we focus on equal pay and use the compa-ratio method.

Our approach measures two things:

- First, we regularly look at the numbers of men and women occupying each grade with a view to understanding any anomalies and taking appropriate action to address any issues around representation.
- Second, within each grade, we regularly look at where men and women are in relation to the mid-point of the salary band to address any equal pay issues.
- For Palladium, separating those two issues is critical – and is not possible in the less nuanced "gender pay gap average calculation".

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Our Actions

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Our Actions

We are committing to tackling the gender pay gap. Our activity falls into three main areas:

Recruitment → Retention → Progression

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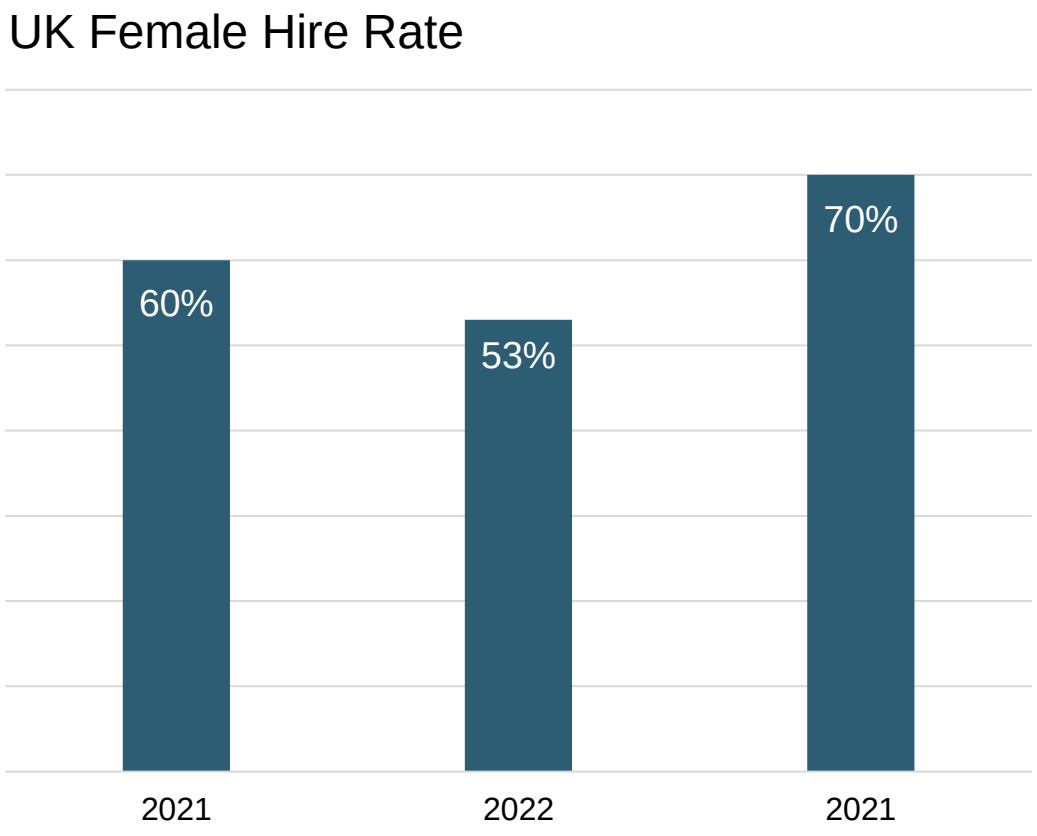
Recruitment

We continue to increase the proportion of diverse hires into senior roles.

- All roles are advertised internally to widen the pool of candidates (any exceptions are approved by VP, HR EMEA).
- Gender balanced shortlists for all senior internal and external hiring.
- We advertise UK roles on specialist job boards for a wider reach of attraction.
- Inclusive recruitment training for leaders, reducing bias in our recruitment and interview processes.
- We are Level 3 accredited for Disability Confidence and will continue to build on improvements in this space.
- Our Agile Analyst programme has been running for several years which focuses on supporting early careers entering the industry with a view to broadening our diversity pool.



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Retention

It’s just as important to retain diverse talent at all levels across our business as it is to recruit.

- We’re supporting our employees be aware of, understand, and develop inclusive behaviours. All employees complete Diversity and Inclusion training and we regularly run EDI focused lunch and learn sessions.

- We promote and support a ‘speak up’ culture and regularly run touchpoint engagement surveys with our employees. Our Executive Officers regularly meet with employees to check in and seek their feedback.

- In acknowledgement of the importance of family friendly policies to a gender balanced workforce, we have recently increased the value of benefits payable under maternity, adoption and shared parental leave, as well as increasing paternity leave. Alongside this we have recently introduced parental leave coaching for those on leave for six months plus.

- We have made improvements to dependents leave and introduced carers leave for all employees, regardless of length of service.

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Progression

To increase the number of females in senior leadership we are focused on the following actions:

- We have recently launched coaching for parents returning from 6+ months of leave (primarily women), building confidence and support networks to help reduce the progression gap.
- Through our annual promotions process we carefully review the diversity of employees put forward to ensure we have a diverse talent pool of employees.
- Recently launched our global flagship next generation leadership programme with a strong focus on developing inclusive leaders and ensuring gender balance.
- Launched a menopause and peri-menopause policy to help provide guidance to managers and employees on what support is available and to improve retention by supporting women experiencing symptoms, who are often at the peak of their careers, through this stage of life.

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Our Results

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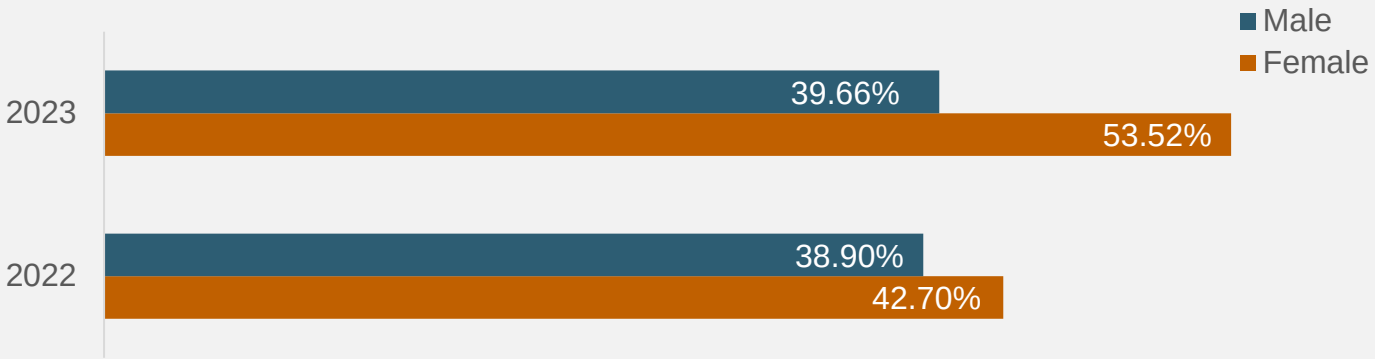
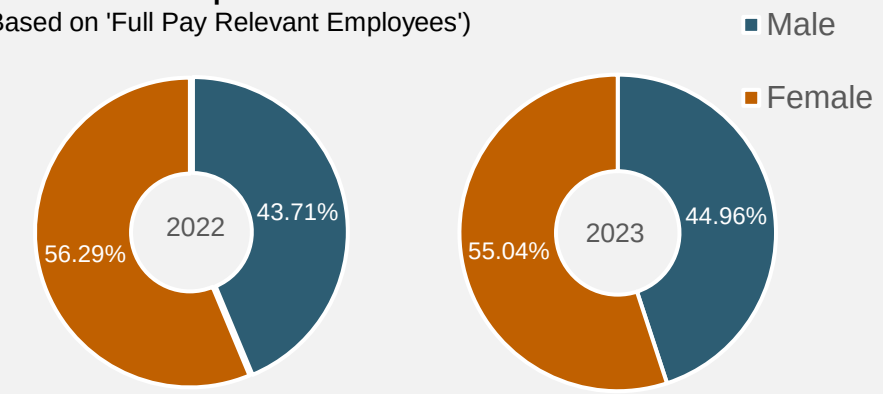
Palladium International Limited UK

Percentage of employees receiving a bonus

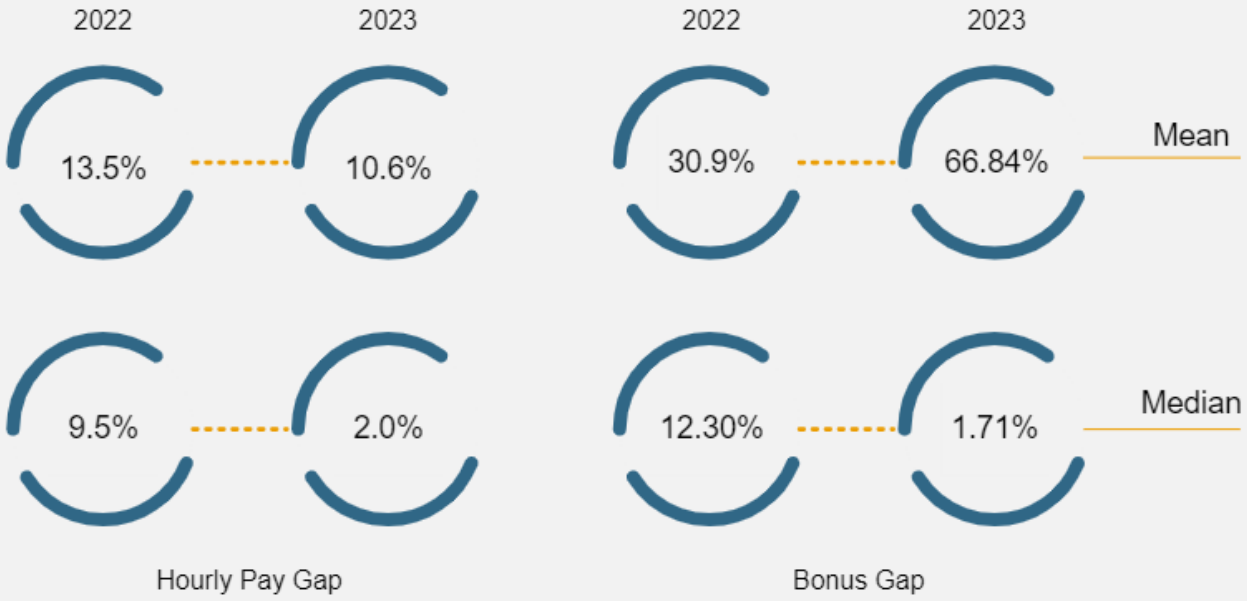


Workforce Split

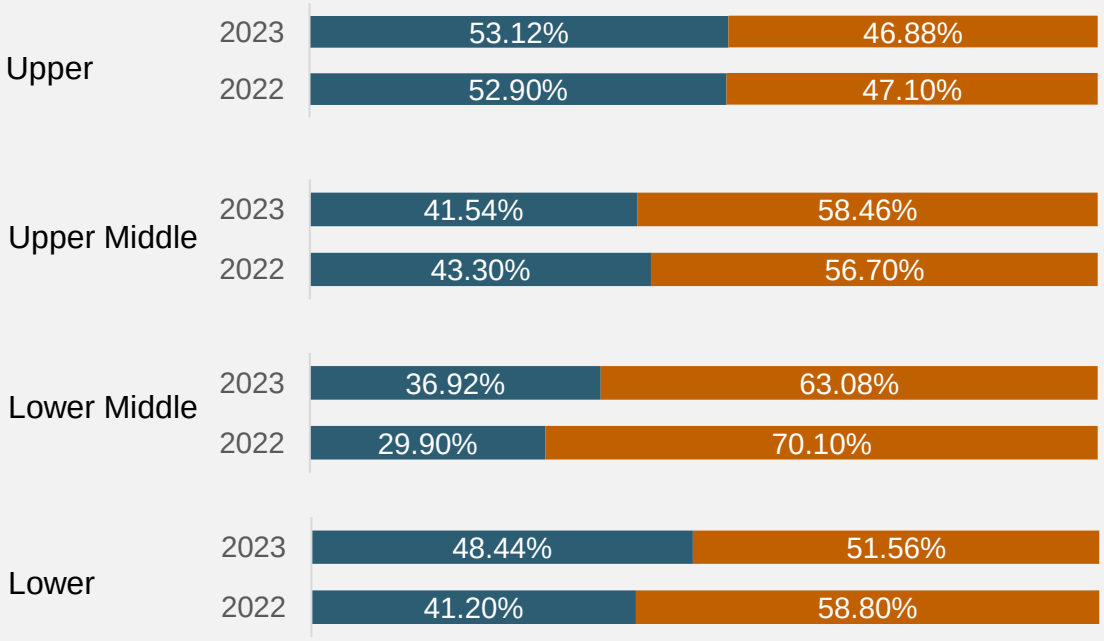
(Based on 'Full Pay Relevant Employees')



Gender Pay Gap



Gender split of income quartiles



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Our Results

- **Our pay gap has reduced.**

We have retained more women into leadership roles, however a more balanced gender distribution is needed overall to narrow and eliminate the gap.

- **We still have a gender pay gap, and we know why.**

It is due to the lower representation of women in leadership and fewer men in junior roles.

- **Our gender bonus gap is still high.**

We have a higher proportion of men in senior roles and variable pay opportunity (bonus) is higher at senior/executive levels. Additionally, the bonus gap does not account for pro-rated bonuses for part time-workers – the large majority of whom are women. Although part-time working exacerbates the bonus gap figures, we are determined to continue to support flexible working as part of our strategy to improve retention and progression.

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Progress Across our Global Business

- Women make up 33% of our Board compared to 0% in 2014.
- 56% of our corporate senior managers and above are women.
- Prior to 2016, there were no women in our ‘C-Suite’ positions, today 50% of these positions are occupied by women.
- Today, 20% of our executives are Black colleagues compared to 0% prior to 2016
- In FY16, the global equal pay gap for corporate employees in some parts of our business was as wide as 21%. Over the last 3 years we have reduced this to ~2%.
- Palladium is led by four co-CEOs, representing a 50/50 gender split.

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THANK YOU

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