

Advanced Gender Pay Gap 2017 Report

We are passionate about inclusion and equality. We are committed to reducing our gender pay gap.

Legislation requires Advanced to publish details annually of our gender pay gap. This report is based on data from 5 April 2017. Data has been calculated in accordance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

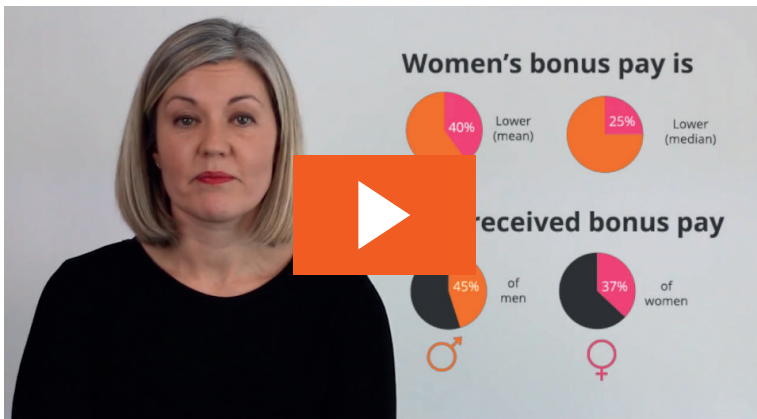
Committed to reducing our gender pay gap

We have set out both our gender pay data and some of our key initiatives for improving diversity and inclusion at Advanced. It is important to recognise that gender is just one element of identity and that we continue to strive to make Advanced a fair and equal environment for all.

What is the gender pay gap?

A gender pay gap is the difference between women’s and men’s earnings, expressed as a percentage of men’s earnings. It is important to note that gender pay gap is different from equal pay. Overall, women and men in similar job roles, who have similar experience and abilities, are compensated equally at Advanced.

Click below to watch a video of Alex Arundale (Group HR Director) explain more about our gender pay gap and what we are doing about it:



What are we doing about the gender pay gap?

At Advanced, we are proud of our Talent Management Strategy, we hire for potential, and develop at pace. Introduction of the Talent Intelligence function, encouraging internal mobility, ensuring a clean recruitment process and introducing a company-wide bonus scheme.

What is our gender pay gap at Advanced?

Hourly rate

| | |
|------------------------|----------------------|
| Women's hourly rate is | 22.8% lower (mean) |
| | 19.8% lower (median) |

Although our results are comparable to the current national median average of 18.4%, we are not satisfied with this and we are actively working on closing this gap.

To give some context to our figures, we have compared our figures to some averages:

| | Women's hourly rate is (mean) | Women's hourly rate is (median) |
|--|-------------------------------|---------------------------------|
| National average (source: BBC News) | 14.1% lower | 18.4% lower |
| Information and communication average | 16.8% lower | 16.1% lower |
| Advanced | 22.8% lower | 19.8% lower |
| UK current reported figures range from -107% to 106.4% lower (as of 19 March 2018) | | |

What are we doing?

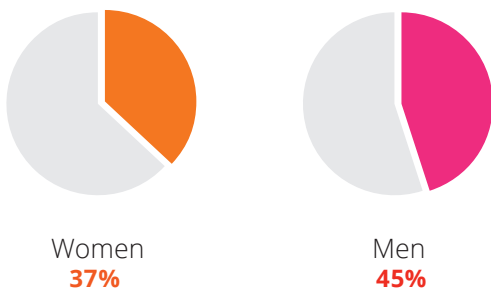
Advanced is an equal opportunity employer, committed to removing bias from the hiring process. We accept applications from all academic and professional backgrounds. We seek the best people. By hiring without CVs, we remove the unconscious bias that recruiters or managers may have – meaning they see the strongest candidates regardless of their background.

Bonus pay



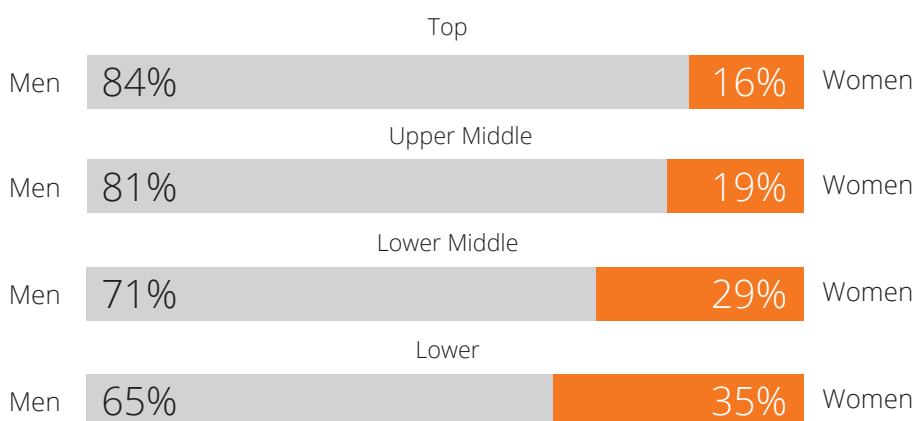
Bonus payments are not limited to just senior levels within Advanced, and historically we have departments who have never received bonuses.

Who received bonus pay



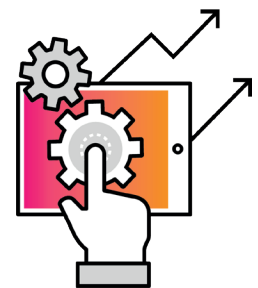
Pay quartiles

In the 2017 reporting period, The Advanced Group had 1,725 UK employees, with an overall gender split of 72% (male) and 28% (female). The following shows the proportion of males and females in each pay quartile:



What are we doing?

We have introduced the **Advanced Annual Company Performance Bonus Scheme** – a scheme that is not limited to just senior colleagues and sales staff, but rewards everyone for the part they play in driving the company forward.



What are we doing?

We put our people first by being committed to a **clean internal hiring process**. As a business, we have set a target to see 80% of roles fulfilled by Advanced's existing workforce - driving talent up through the business.

We are committed to enabling all employees to have the opportunity to reach their full potential.

Our dedicated Talent Development team are focussed on developing our people to allow them to excel in their chosen career. Doing this will only strengthen our ability to continue to deliver an excellent service to our customers.



What are we doing?

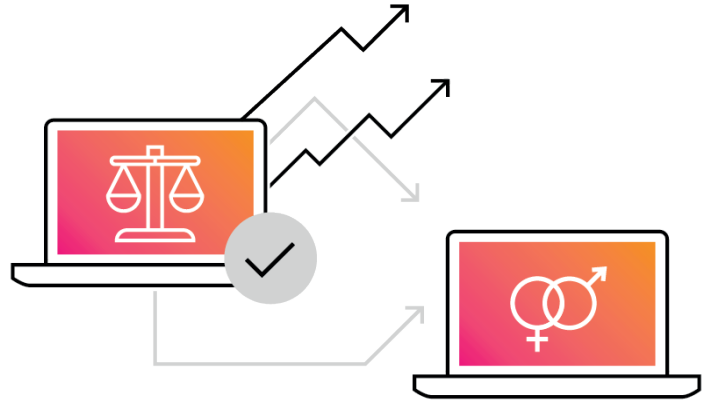
Humans will always use subjectivity; this can result in the wrong hiring decision. Using insight and data, our Talent Intelligence function enables managers to **truly understand what a successful candidate** looks like and match these personas with candidates.

What causes the gender pay gap at Advanced?

Advanced is a business that has **grown not only organically**, but also through mergers and acquisitions. This amalgamation of many businesses means we have **inherited a lot of historic challenges** and differences around hiring, policy and pay. It's our new programmes (implemented in 2016), which we expect to **make a real difference**.

Lack of diversity in the technology sector is well documented; this could be due to a number of reasons. Whilst there is no occupational reason for male dominance, traditionally STEM (science, technology, engineering and mathematics) is a male-dominated industry, and therefore **attracts a higher proportion of men to roles in this sector**. We recognise that we have a challenge, like many tech companies, in attracting women to come and work for us.

Although Advanced are a business sitting within the STEM space, from a recruitment point-of-view, **we do not see ourselves as a STEM company**. We pride ourselves on **considering anyone suitable for a role**, regardless of industry experience and background. We are career accelerators, **committed to spotting and developing talent** early. You do not need to have a technology background for us to consider you for a role at Advanced.



Statement

We have already started the process looking at gender and diversity at Advanced; I am confident that we will see a reduction in our gender pay gap going forward as we make progress to address the imbalance within the business.

We declare that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Gordon Wilson > CEO > Advanced

Alex Arundale > Group HR Director > Advanced

Appendices

The Advanced Group has three separate legal entities which employ more than 250 employees and that we are required to provide figures for. The numbers relating to these are as follows:

Hourly Rate

| | | |
|------------------------|---|-----------------------|
| Women's hourly rate is | <i>Advanced Health & Care Limited</i> | 1.94% lower (mean) |
| | | 5.76% lower (median) |
| | <i>Advanced 365 Limited</i> | 12.82% lower (mean) |
| | | 15.10% lower (median) |
| | <i>Advanced Business Software and Solutions Limited</i> | 40.05% lower (mean) |
| | | 30.63% lower (median) |

Bonus Pay

| | | |
|----------------------|---|----------------------|
| Women's bonus pay is | <i>Advanced Health & Care Limited</i> | 77% higher (mean) |
| | | 202% higher (median) |
| | <i>Advanced 365 Limited</i> | 57% lower (mean) |
| | | 50% lower (median) |
| | <i>Advanced Business Software and Solutions Limited</i> | 65% lower (mean) |
| | | 17% lower (median) |

| | | |
|-------------------------|---|----------------|
| Who received bonus pay? | <i>Advanced Health & Care Limited</i> | 49% of males |
| | | 40% of females |
| | <i>Advanced 365 Limited</i> | 45% of males |
| | | 37% of females |
| | <i>Advanced Business Software and Solutions Limited</i> | 66% of males |
| | | 63% of females |

Pay Quartiles

How many men and women are in each quarter of our payroll?

| Business Unit | Lower Quartile | | Lower Middle Quartile | | Upper Middle Quartile | | Top Quartile | |
|---|----------------|--------|-----------------------|--------|-----------------------|--------|--------------|--------|
| | Male | Female | Male | Female | Male | Female | Male | Female |
| <i>Advanced Health & Care Limited</i> | 78% | 22% | 77% | 23% | 83% | 17% | 83% | 17% |
| <i>Advanced 365 Limited</i> | 76% | 24% | 88% | 12% | 87% | 13% | 90% | 10% |
| <i>Advanced Business Software and Solutions Limited</i> | 56% | 44% | 62% | 38% | 76% | 24% | 85% | 15% |

More information

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Advanced Computer Software Group Limited is a company registered in England and Wales under company number 05965280, whose registered office is Ditton Park, Riding Court Road, Datchet, SL3 9LL. A full list of its trading subsidiaries is available at www.oneadvanced.com/legal-privacy