



Gender Pay Gap Report

for Tes Global

2021



Gender Pay Gap Report for Tes Global 2021

Tes is committed to maintaining and continuing to build a diverse and inclusive environment.

The following report sets out our annual gender pay gap report for the snapshot date of 5 April 2021. The figures have been calculated using the standard methodologies required by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

We're confident that our gender pay gap doesn't stem from paying men and women differently for the same or equivalent work. Rather it's the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

Our results Narrowing the gender pay gap

We're pleased to see that again we've made good progress in narrowing our gender pay gap in 2021 which means that the gap between the hourly rate of pay for men and women is getting smaller.

The mean difference in men and women's hourly pay has reduced by nearly 3%, this is a continuous year on year improvement.

	5 April 2019	5 April 2020	5 April 2021
Mean difference in hourly pay	22.51%	15.66%	12.77%
Median difference in hourly pay	17.24%	12.14%	13.40%
Mean difference in bonus pay	78.37%	85.5%	9.03%
Median difference in bonus pay	52.27%	61.7%	48.45%
Proportion of males receiving a bonus	33.9%	25.37%	27.67%
Proportion of females receiving a bonus	43.2%	23.1%	29.29%

Table one: gender pay gap statistics

The **gender pay gap** is the difference in average (mean or median) pay between the men and women in our workforce.

The **mean hourly rate of pay** is calculated by adding the hourly pay rate for all employees then dividing by the number of employees. The mean gender pay gap is the difference between the mean male hourly rate of pay and mean female hourly rate of pay.

The **median hourly rate of pay** is calculated by taking the middle employee hourly rate of pay when all employees are ranked in order from highest to lowest paid. The median gender pay gap is the difference between the middle paid man and the middle paid woman.



The mean difference in hourly pay has gone down from 15.66% to 12.77%.

Flexible working has always been a big part of Tes as an employer, even before the pandemic. I've worked a 4-day week since the arrival of my daughter and that was 10 years ago! We also adopted a hybrid way of working before it was the norm, and this has continued to be one of the great attractions to the company. It is not exclusively a 'female' benefit either, we have many men that work reduced hours and flexibly too.

Natalie Sangster
Business development manager

The impact of bonus and commission payments on the gender pay gap

The difference in bonus pay between men and women has decreased between April 2020 and April 2021.

Commission payments between men and women are very evenly split. 39 men are included in the commission scheme and 41 women. 6 out of the 10 top commission payments received were by women.

The proportion of both men and women receiving an annual discretionary bonus payment decreased considerably due to the impact of Covid-19. Some of the bonuses that were paid were one-off payments made in association with the change of business ownership to a small group rather than across the business.

Bonus and commission payments are often paid as a percentage of salaries which means that employees in lower quartiles receive less actual bonus payment, even if the bonus percentage is the same. As we still have more women in the lower quartiles than men (see table two) this means women receive less bonus pay.

The bonus gap between male and female has improved but this is due to some bonuses paid as part of an acquisition.



Tes is a company that is full of opportunity. I worked closely with HR and my manager on a clear plan for my promotion, so that when I hit my objectives and could demonstrate my capabilities, the promotion was there for me.

Kayleigh Wright
Group financial controller



Balancing the distribution of employees across the quartiles

The overall composition of our workforce on 5 April 2021 was 47.8% male and 52.2% female which is very similar to the previous year.

More progress had been made in attracting more men into lower quartile roles. 46.8% of the workforce in the lowest quartile are now male – up from 45.3%. Equally, we're pleased to see that the percentage of women in the highest quartile has increased from 45.3% to 47.2% of the workforce.

In three out of the four quartiles the gap between the number of males and females in the quartile improved.

Quartile band	5 April 2019		5 April 2020		5 April 2021	
	Male	Female	Male	Female	Male	Female
Lowest	37.76%	62.24%	45.3%	54.7%	46.8%	53.2%
Lower middle	39.18%	60.82%	47.3%	52.7%	41.7%	58.3%
Upper middle	45.36%	54.64%	51.4%	48.6%	48.1%	51.9%
Highest	59.18%	40.82%	54.7%	45.3%	52.8%	47.2%

Table two: proportion of males and females per quartile based on hourly rates of pay



Improvement has been made in 3 out of the 4 quartiles. The percentage of women in the top two quartiles has increased since 2020 and the percentage of females in the lowest quarter has decreased over the last two years.

The quartile bands are calculated by dividing the workforce into four equally sized groups according to hourly rate of pay. The lowest quartile are the lowest paid 25% of employees and the highest quartile are the highest paid 25% of employees.

I joined the Leadership Team at Tes as I felt it was a dynamic and forward-thinking company. The business is in a transformatory phase, and it is a very exciting place to be. My senior colleagues have created an open and transparent leadership space where everyone can be heard.

Amanda Hickey
Business improvement director

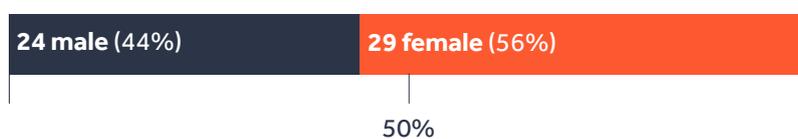
The impact of recruitment and promotion on the gender pay gap

I'm pleased to report that our approach to recruitment and promotion is continuing to have a positive impact on the gender pay gap.

Recruitment levels were lower during this period and for several months there was a recruitment freeze due to Covid-19. From 4 April 2020 to 5 April 2021 we hired 52 new employees. Of these 29 were female and 24 were male. In the same period there were 33 promotions, of which 17 were male and 16 female.

4 April 2020 to 5 April 2021

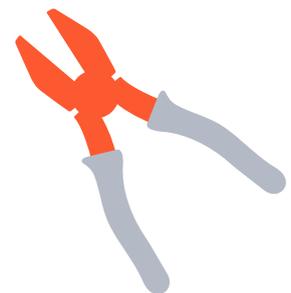
Recruitment: 52



Promotions: 33



From 4 April 2020 to 5 April 2021, 56% of people recruited were women. Several key senior roles were filled by women.



Trend data

The UK gender pay gap has narrowed slightly to 13.3%, according to Cendex analysis of the latest gender pay gap reporting data. We're currently tracking below this at 12.77%. The typical (or median) difference between mean male and mean female hourly pay for 2020/2021 (at 13.3%) compares with a gender pay gap of 13.6% recorded one year previously (for 2019/2020). A breakdown by industry sector reveals wide variation in gender pay gap levels. Please use the following link to look at the gender pay gap for other organisations that you may be interested in gender-pay-gap.service.gov.uk

XpertHR has some data on average mean pay gaps in the following sectors: financial services 27.%, information and communication 19.2%, public education 15.9% and professional services 15.6%. Tes' mean gap is 12.7% which compares favourably, although there is still work to do.

Actions to continue to narrow our gender pay gap

Narrowing the gender pay gap is a long-term commitment and we know that it will take time for the work we're undertaking to narrow the gap further. But we're committed to continuing this and to adding further initiatives to not only reduce the gender pay gap but to create a diverse and inclusive environment for all our employees. We'll continue to report annually on the gender pay gap and to review the work we're doing to keep making improvements. Actions we're already taking include:

- Implemented 'One Tes way of hiring' training for all managers to continue to ensure fair recruitment practices and to address unconscious bias
- Offer a 5% premium to recruitment agencies who help us hire a candidate who is currently under-represented in that team
- Use an augmented AI app designed to write job adverts in ways that are gender neutral
- Made a suite of diversity training including unconscious bias within recruitment available to all employees
- Provided the Ezra leadership coaching programme
- Provided more Career Pathways training for current and emerging leaders to ensure that all managers, both male and female, have the right skills to progress into more senior management vacancies
- Increased the focus on diversity and inclusion in management training
- Provided training on anti-racist allies
- Continue to provide an ongoing mentoring programme at all levels
- Continue to work with the Diversity Forum to identify and change any policies which inadvertently disadvantage any groups
- Continue to collect and review diversity data
- Review attrition statistics every quarter to identify any trends connected to diversity

Myself and many of my colleagues in finance have been fully supported to do their CIMA/ACCA qualifications whilst working at Tes. Juggling a full-time role and studying is never easy, but I have been given the time and support that I needed, and I really appreciate that.

Menaka Thilagaratnam
Finance analyst

Having come from a smaller company that was acquired by Tes, I was impressed with the amount of learning and development opportunities that are on offer here. I recently completed the 'Management Excellence' programme and found it really valuable. Tes offering this programme ensures that we coach and promote from within our wealth of talent, so that we can strive to lead by example as a truly inclusive organisation.

Laura Brian

Management excellence – Develop (EduCare)

We appreciate that the gender pay gap is a complex area and we have tried to be transparent about our challenges and the positive steps we are taking to narrow the gap over the coming years. Thank you for supporting these actions and for making Tes a diverse and inclusive workplace.

I, Sally Stevenson, HR business partner, confirm that the information in this statement is accurate.



Sally Stevenson, March 2022





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