

GENDER PAY GAP

5 APRIL 2020

Background

- The Gender Pay Gap legislation came into effect starting from 5 April 2017 and therefore 2020 is the fourth year of reporting. However, due to the COVID-19 virus, the Government cancelled the need to formally report the 2019 pay gap. Hays' last published report was therefore in relation to 5 April 2018.
- For 2020, Hays has to publish data for:
 - Hays Specialist Recruitment Ltd: a combination of Hays own employees ((there were 2,981 relevant employees of whom 2,275 were full-pay relevant employees at the time of the calculations) and PAYE temporary workers (for 2020 this was c.7,000) covering multiple specialisms and for whom Hays runs the payroll on behalf of its clients but has no influence at all over levels of pay which are set exclusively by the client.
 - Hays Social Care Ltd: PAYE temporary workers only.
- For Hays Specialist Recruitment Ltd, we feel that the required amalgamated figures are not a true representation of Hays' own Gender Pay Gap for its own employees and therefore, in the spirit of openness and transparency and in support of what the legislation is trying to achieve, we have again clearly and voluntarily split out our own employees and explained our own Gender Pay Gap.
- This summary covers the findings for Hays' own employees at the snapshot date of 5 April 2020 as this is the group over which Hays has direct control on pay and progression policies. However, as the 2020 results have been significantly impacted by both furlough and other voluntary senior salary reductions, they are not directly comparable to previous published figures. Therefore, we have decided to publish a short form report for FY20 and will look to publishing a more detailed report following the review of the 2021 figures.
- We have also disclosed at the end of this report the amalgamated figures as published on the Government website.

Results for Hays Specialist Recruitment Ltd – own employees

The Pay Gap

- The Median Pay Gap for 2020 is 10.5%.
- The national Median Gender Pay Gap as reported by the Office for National Statistics ("ONS") was 15.5% for 2020.
- The Hays' results for 2020 have been impacted by the number of employees who were on furlough at the time of the payroll incorporating the snapshot date of 5th April 2020. Employees on furlough were not working and received only 80% of their normal pay and therefore, per the Regulations, are excluded as "full pay relevant" employees for the Pay Gap calculations.
- There were 364 female employees and 165 male employees who were furloughed over the pay period spanning 5 April 2020. This represents 21.8% and 12.6% of relevant female and male employees respectively. During this time, Hays was supportive of specific requests by employees to be furloughed because of their caring responsibilities. Employees who voluntarily asked for furlough were also predominantly female. In addition, the furloughed positions were predominantly at the lower grade levels and therefore included lower paid roles. As a result, by excluding them, this increases the average of the remaining female pay figures and this has significantly and arbitrarily impacted the results.

- Furthermore, members of the Management Board agreed to a voluntarily reduction in pay over the pay period spanning 5 April 2020. However, under the Regulations, these employees are still considered “full pay relevant” employees for the calculations as they agreed the reduction in pay and were not on leave. Management Board members continue to be included in the calculations therefore, but their salary reductions have also affected the overall outcome of the calculations albeit to a minimal extent.
- The table below shows the results for 2020 versus previous published results for 2018 and 2017.

Hays own employees	2020	2018	2017
Mean (average) hourly difference between males and females	17.5%	22.2%	21.4%
Median hourly difference between males and females	10.5%	10.7%	9.7%

The Median national level for 2020 was 15.5% (ONS)

The Bonus Gap

- The Bonus Pay Gap includes all employees employed on 5 April and looks back at Commission, Bonus and shares under the Performance Share Plan (“PSP”) earned over the previous 12-month period. It does not pro-rate for employees who work part time. It can therefore be influenced by the number of part time workers and the fact that there are more female workers who work part time.
- There were 392 employees working part time included in the bonus pay gap calculations. 354 of these were female employees and 38 were male employees. This arbitrarily increases the gap as explained in our last published report.
- Hays recognises the benefit of flexible working arrangements to retain talent and is supportive of part time working to allow employees to balance their work/life requirements.

Bonus Pay Gap	Males	Females
% of Relevant Employees receiving a bonus	90.6%	88.5%
Mean bonus gap	49.5%	
Median bonus gap	43.5%	

- The table below shows the distribution of male and female employees by pay quartile excluding furloughed employees. This table is again influenced by the numbers of furloughed employees who were predominantly female as explained earlier in the report

Proportion of females in pay quartiles	Male	Female
Upper Quartile	56.0%	44.0%
Upper Middle Quartile	46.9%	53.1%
Lower Middle Quartile	46.7%	53.3%
Lower Quartile	42.4%	57.6%

The Gender Pay Gap as published on the Government Portal

The table below shows the amalgamated figures for the Gender Pay Gap for **Hays Specialist Recruitment Ltd** that include both our employees ((there were 2,981 relevant employees of whom 2,275 were full-pay relevant employees at the time of the calculations) and the temporary workers for whom we run the payroll on behalf of our clients (c.7,000).

The pay for these temporary workers is set by our clients. As they have contracts for services with Hays Specialist Recruitment Limited, we are obliged to amalgamate the figures for our own employees with those of these temporary workers. These are the numbers that we are legally obliged to report under the regulations and which appear on the Government portal.

Required Data	Results as at 5 April 2020
Mean (average) hourly pay difference be males and females	10.6%
Median hourly pay difference be males and females	0.0%
Mean difference between male and female bonus payments	41.4%
Median difference between male and female bonus payments	20.1%
Males receiving bonus payments	33.4%
Females receiving bonus payments	35.2%

The distribution of males and females between pay band quartiles calculated using the range of hourly pay rates	Males	Females
Upper quartile pay band	53.4%	46.6%
Upper middle quartile pay band	48.8%	51.2%
Lower middle quartile pay band	49.9%	50.1%
Lower quartile pay band	52.3%	47.7%

The table below shows the figures for the Gender Pay Gap for **Hays Social Care Ltd** that has contracts for services with temporary workers whom we place with our clients and for whom we run the payroll on behalf of our clients. The pay for these temporary workers is set by our clients. These are the numbers that we are legally obliged to report under the regulations and which appear on the Government portal. Hays Social Care Ltd data included 394 relevant individuals.

Required Data	Results as at 5 April 2020
Mean hourly pay difference be males and females	-0.4%
Median hourly pay difference be males and females	0.0%
Mean difference between male and female bonus payments	-131.3%
Median difference between male and female bonus payments	-104.6%
Males receiving bonus payments	0.7%
Females receiving bonus payments	3.5%

The distribution of males and females between pay band quartiles calculated using the range of hourly pay rates	Males	Females
Upper quartile pay band	30.6%	69.4%
Upper middle quartile pay band	37.4%	62.6%
Lower middle quartile pay band	37.4%	62.6%
Lower quartile pay band	33.7%	66.3%

For information the median pay gap between males and females as reported by the Office for National Statistics ("ONS") is 15.5% for 2020

Our Gender Pay Gap results and actions have been reviewed and discussed with our Remuneration Committee, Group CEO Alistair Cox, Group CFO Paul Venables and our UK Management Board.

This report has been analysed and reviewed by:



Rosemary Lemon, Group Head of Reward

This report has been reviewed and approved by:



Paul Venables, Director