

UK

Sword IT Solutions Ltd Gender Pay Gap Report 2023

Data has been calculated according to the Equality Act 2010
(Gender Pay Gap Information) Regulations 2017.

We confirm that the data published in this report is accurate.



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Introduction

Welcome to our latest Gender Pay Gap report for Sword IT Solutions, using a snapshot date of 5th April 2023. Following the results from our baseline report of last year, we continue to be **committed to our purpose of driving an inclusive future for all**. Our actions around Diversity, Equality and Inclusion (DE&I) are firmly embedded in our culture and amplifies our growth strategy. We believe in **transparency on this important topic to ensure we remain accountable to our gender balance goals**.

We are committed to creating **a genuinely inclusive working environment where women can positively progress their career**. For Sword to be successful, we need to attract and retain great people who support each other within diverse teams. We therefore want to continue to **increase the representation of women across our business and remove any potential barriers** to entry or their progression.

Our established (DE&I) programmes are allowing us to improve how we attract, develop and retain the **best digital talent of the future**, including supporting women at all stages of their career. One of our most active communities at Sword is our **Women in Tech** network which actively champions and supports achievements of all within Sword, guiding and mentoring others, raising sensitive topics and acting as agents of positive change. We also have relevant policies and benefits that reflect the **changing needs of our people** throughout their careers including family friendly flexible working, development programmes and support for positive mental and physical wellbeing. We are also partnering with external organisations and networks to help us **learn from best practices and progress our thinking**. We are proud of what we have achieved to date and are determined to build on this foundation.

It is recognised that our gender pay gap is largely due to the historic imbalance of women in the technology sector and it will take time for this to change. The pay gap will only close when we **improve representation of women** working in Senior roles, however this takes a **combined effort** by many parties. We have made progress but there is more work to be done to accelerate this change.



We are committed to promote a culture of inclusion and equity. We want every member of our Sword team to feel respected and valued for their work, that they are encouraged to contribute, celebrate success and feel empowered to bring positive change.



We strongly believe in promotion from within, based on demonstrated performance and potential, irrespective of gender. We continue to **champion great work**, flexibility and fair pay, in addition to ensuring our benchmarked compensation models align to our core values.

Our People strategy and targeted initiatives, supported by our Senior Management Team, provides us with a strong platform for success in achieving gender balance. It is a long-term commitment that is embedded in our business strategy. Widening our talent pool is both positive for our people but also for Sword. As we continue to **nurture a diverse and inclusive culture that aligns with our Core Values**, we will continue to strive to reduce our gender pay gap and champion opportunity for all.

Catherine Froud-Williams
Chief People Officer

Sword 2023 Pay Gap Data

Our data informs our Diversity, Equity and Inclusion strategy

Reporting our gender pay gap helps us understand the issues relevant to gender pay and identify potential areas of improvement. Our latest 2023 report provides us the opportunity to review our current position and analyse any differences in average pay between men and women (irrespective of role). It is important to note that a gender pay gap is distinctly different from equal pay as it calculates the difference in average pay for all roles in the company and does not differentiate between the work being conducted. It is therefore possible to have a gender pay gap and still pay people fairly as it does not mean that women are paid less for the same role. Consequently, a company may have a gender pay gap even if it pays those who identify as men and women fairly.

At Sword, we are committed to fostering an inclusive and fair culture, using benchmarking data and regular analysis to ensure we provide fair and competitive pay which does not discriminate. This analysis allows us to understand how our culture and actions help us close any gaps and whether more targeted action is required. Whilst our gender pay gap highlights differences in pay, our ongoing benchmarking reviews show that our people are paid fairly for the specific roles they do. We have taken this opportunity to track our progress and cross-match with our previous report to ensure we remain accountable to our actions.

Fully understanding the many factors influencing differences in pay, and the fairness and inclusivity of compensation systems is complex. At Sword we therefore conduct these regular reviews to evaluate key factors that could influence an equitable environment to ensure we deliver fair and equitable pay based on skills and experience throughout our people's career, irrespective of gender.



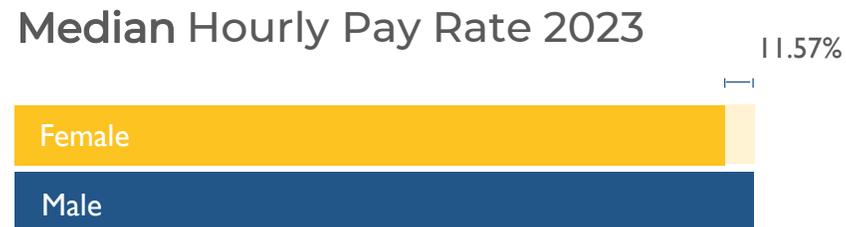
Note: To ensure we align with the statutory UK Gender Pay Gap Reporting (GPGR) legislation, the data in this report refers to the traditional sex categories of male and female as directed by the UK Government requirements. At Sword, we respect that gender is on a non-binary spectrum, based on self-identification, and our reporting in this manner should not be interpreted as our Company position.

Sword 2023 Pay Gap Data

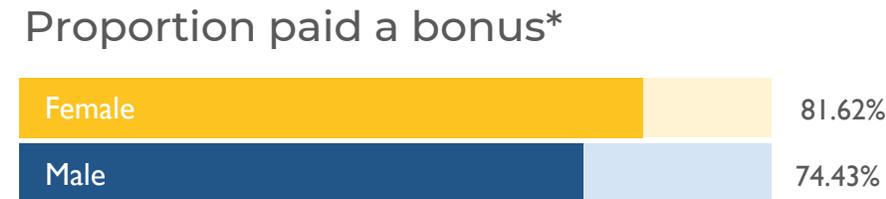
The average pay for women was **6.08%** less than average pay for men.

The median hourly pay rate difference highlights that women Earned **11.57%** less than their male counterparts.

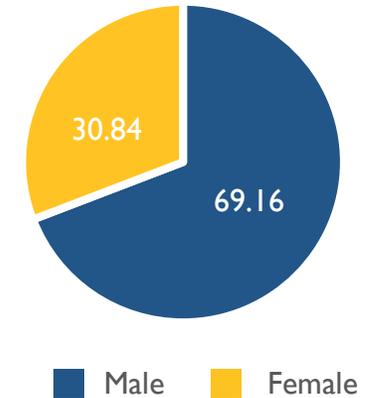
*This year, we reported a significantly higher proportion of employees receiving a bonus due to providing an exceptional bonus payment to support the cost-of-living crisis. This was provided to all employees in scope, irrespective of gender.



A higher proportion of women were paid a bonus with a median bonus gap of **0%**. There was a mean gap of **12.62%** due to small number of males in our Senior leadership roles that attracted a higher level of bonus due to the nature of their role which inflated the gap.

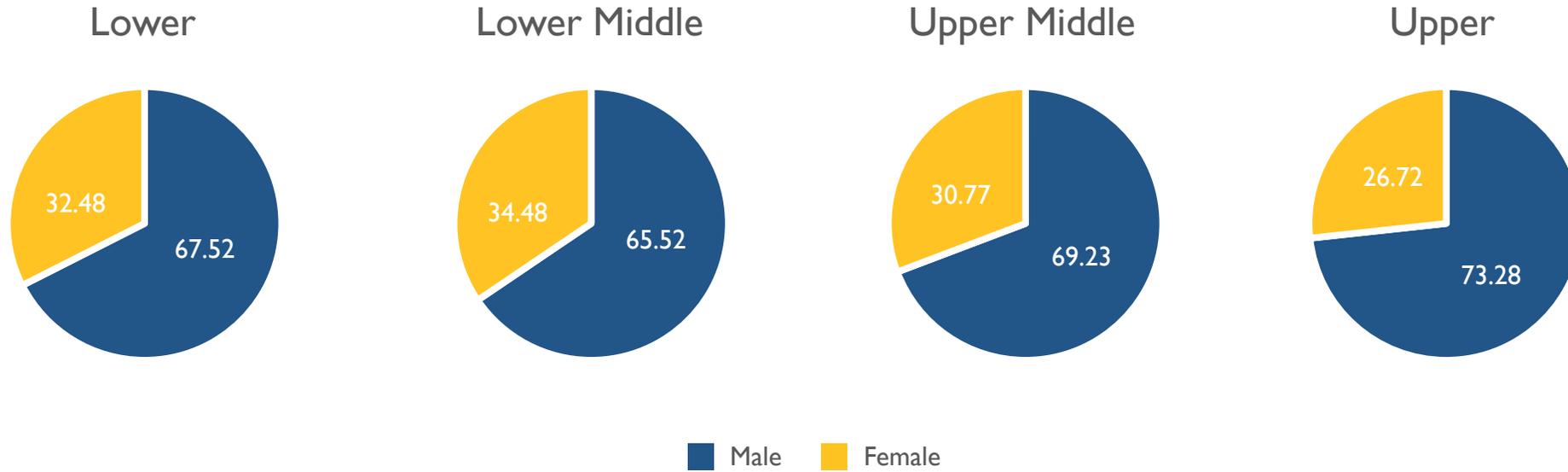


% Composition of female vs male



Pay Quartiles

% Proportions of male and female employees who were in the lower, lower middle, upper middle and upper quartile pay bands as at 5th April 2023:



Analysing our Gap

Why is there a gap?

It is well recognised that the technology sector continues to face challenges in growing gender diversity. Historically its a male dominated sector which continues to attract more men than women despite ongoing effort to balance the divide. Closing this gap will take a concerted effort by organisations like Sword, as well as policy makers and the education sector.

This historic male dominance in our industry has led to a disproportionate number of males in higher-paid Senior roles and Sword are no exception. Ultimately, we still have fewer women at our most Senior levels although we have clear aspirations to accelerate gender diversity and minimise the pay gap. We recognise that the availability of female talent still remains an ongoing challenge. We remain proud of our achievements in minimising the gap and driving positive change in the industry through upskilling our workforce. Actively promoting from within, Sword recognise individuals who have achieved high levels of success.

Through these efforts we have more women in Senior leadership positions today than we ever have had and remain committed to providing opportunities to promote wherever possible.

While we are pleased more females than males achieved a bonus during the reporting period, we recognise that the identified gap in mean bonus is due to a small number of males in Senior leadership roles that attracted a higher level of bonus due to the nature of their role which inflated our gap.

Inclusive hiring and recruiting women ensures that top female talent enters Sword. Change really begins however at an early stage with our relationships across schools and higher education bodies to encourage more Women to pursue tech careers through targeted outreach and mentorship programmes.

Starting the conversation early

We continue to see a lack of females studying STEM subjects at school which remains a concern of the future pipeline of women. We have therefore taken proactive measures to train and develop the digital workforce of the future from within and are passionate about breaking down barriers to encourage diverse talent to join Sword through our flexible working, employee networks and fostering inclusive practices.

We will continue to listen to the needs of all our employees, build trust, understand personal purpose and lead with empathy and flexibility to provide support for our people.

Commitment to Closing the Gap

Our key actions are articulated around the below proactive strategic areas to accelerate change:



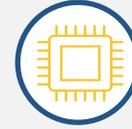
Addressing gender gaps as top priorities at **Board Level**, with focus on **Senior roles and Technical upskilling**.



Encourage more Women to pursue tech careers through **targeted outreach** and mentorship programmes with **education sectors**.



Systematically address any potential bias through our **talent management processes, promotion and leadership pathways**.



Development of our **"Women in Tech" Employee Resource Group** to provide peer support, promote inclusion, innovative thinking, guidance with technical career path and be agents for change.



Do all we can to **remove both physical and cultural barriers** to access for women, including regular review of family friendly benefits and flexible working policies.



Increase the diversity pool of exceptional female talent joining the company **through inclusive recruitment methods and benchmarking of pay to ensure equity**.



Provide both **visible and inspirational role models, celebrate success** and encourage a network of mentors and advocates across Sword.

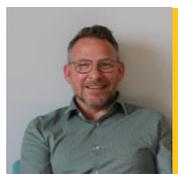


Ensuring we encourage everyone to have the option to **work flexibly where possible**, so we can promote innovation, allow people to embrace opportunity and our people can deliver their best work.



Catherine Froud-Williams
Chief People Officer

C Froud-Williams



Kevin Moreton
Chief Executive Officer

K Moreton