

Digital



VERASTAR

GENDER PAY GAP REPORT

2023

MESSAGE FROM LEE HULL, CEO



I once again have pleasure in delivering our Gender Pay Gap report, reflecting our gender pay data at 5 April 2023.

At this time, we employed 778 colleagues nationwide to deliver 330,000 services to over 135,000 customers.

I'm delighted to report that we've made significant strides in reducing our gender pay gap once again, with our **median gender pay gap now at 3.3%, down from 4.2% last year and way below the national average.** We've also seen a dramatic reduction in our **mean bonus gap from 43.1% to 17.8%.**

I'm proud that our continued focus on gender equality and diversity is reflected in these figures. All our reward and bonus decisions are made with rigour, fairness and consistency, and we're continuously listening to feedback from our colleagues on how we can make our working environment more welcoming and inclusive for all.

Since we published this report last year, we've been able to offer our colleagues even more flexibility in terms of their working hours, introduced enhanced benefits such as extending our paid family leave and offering career breaks, facilitated discussions across the business on how we can support colleagues going through the menopause and acted quickly on the feedback received. These are just a few of the recent initiatives and this report outlines even more which we've introduced, to build on our solid foundations in the area of gender diversity and inclusivity.

We intend to keep listening to our colleagues on how we can do better, and I look forward to reporting on some more great initiatives and results in our next report.

Kind Regards,

A handwritten signature in black ink that reads 'L R Hull'.

Lee Hull, CEO



WHAT IS GENDER PAY GAP AND HOW IS IT CALCULATED?

MEDIAN CALCULATION

Imagine if all the employees formed a male line and female line in hourly wage order. The person in the middle of those two lines would have the median salary. 50% of employees earn more, and 50% earn less.

MEAN CALCULATION

Add up the salaries of a gender and divide by the number of individuals of that gender. This is what is generally accepted as 'the average'.

WHAT IS THE PAY GAP?

Men and women take on different roles within the company and because of the differing mix of salary for the roles and the number of males and females doing those roles, a gender pay gap can emerge.

HOW IS IT MEASURED?

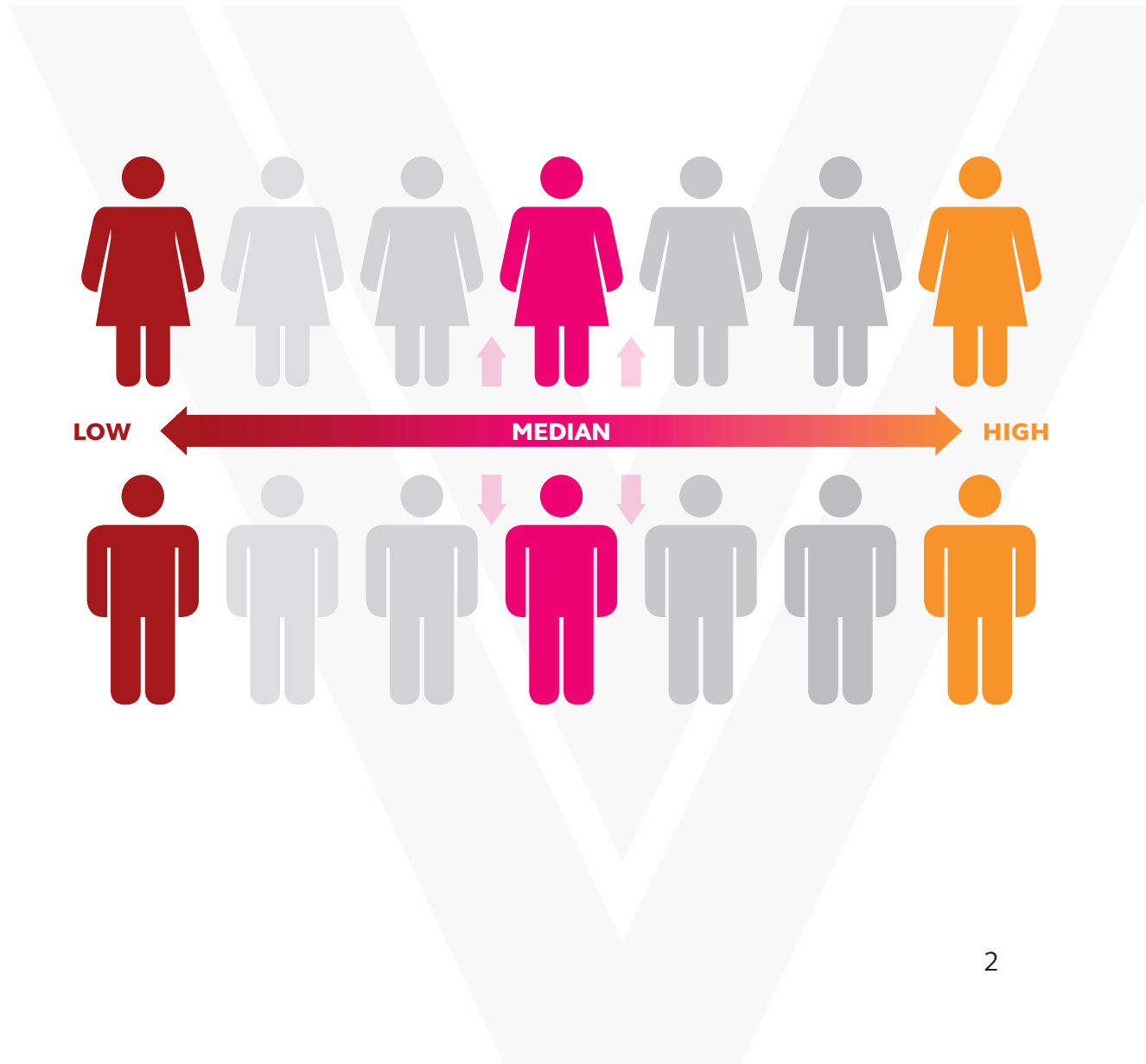
The gender pay gap is the difference in the average hourly rate of pay between males and females. This is done on a median and a mean basis.

HOW ARE THE PAY QUANTILES CALCULATED?

Pay quartiles are calculated by ranking rates of pay from lowest to highest and dividing those rankings into four equal-sized groups, calculating the percentage of how many males and females are in each.

HOW ARE THE BONUS FIGURES CALCULATED?

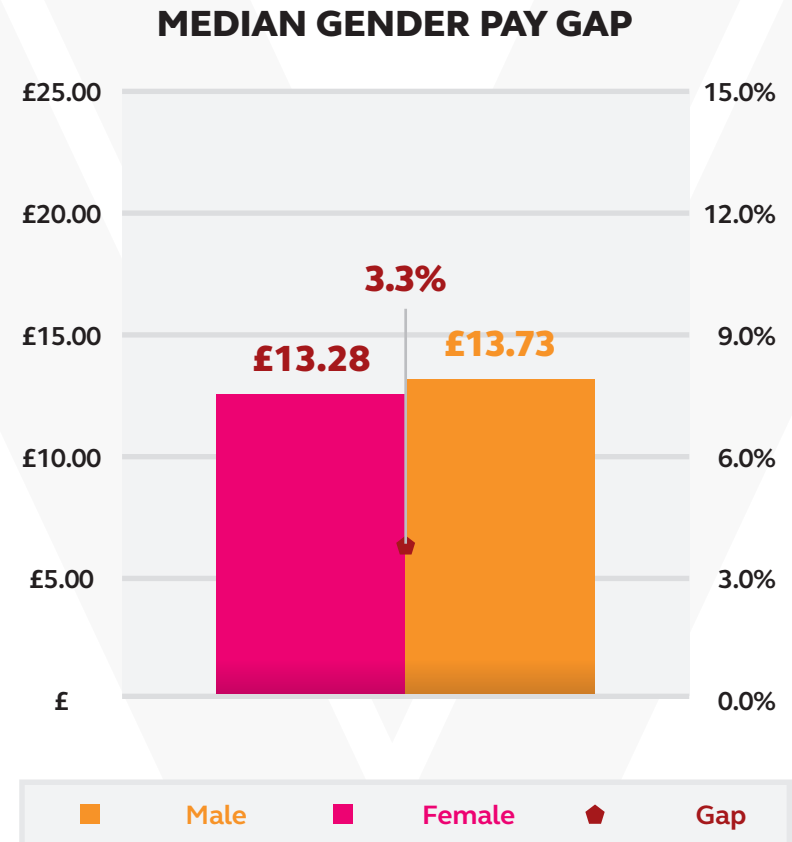
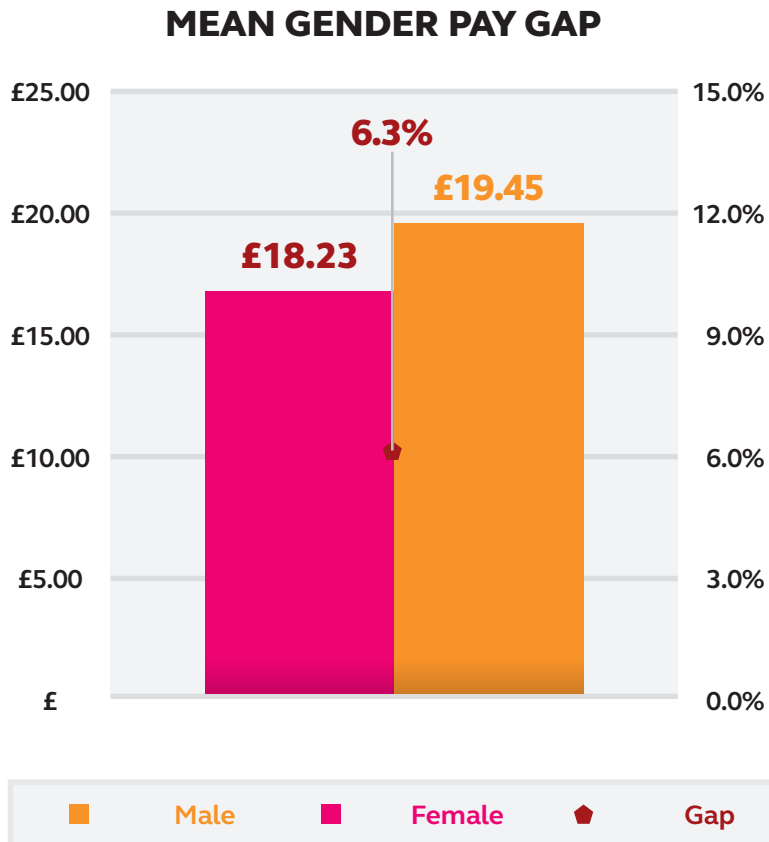
Bonus pay is calculated using the proportion of males receiving a bonus payment and the proportion of females receiving a bonus payment in the snap shot period.



OUR RESULTS - GENDER PAY GAP



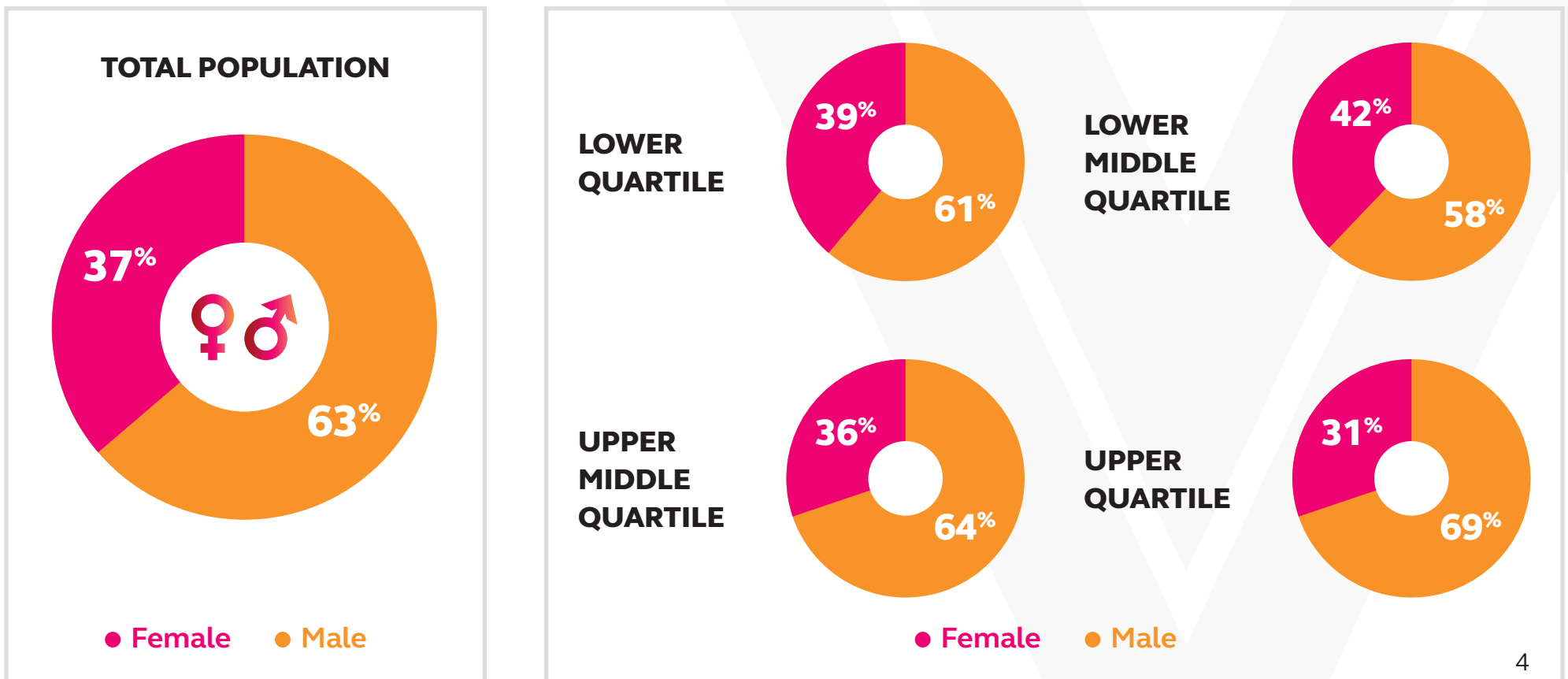
The Verastar Group has a median gender pay gap of 3.3%. This positive downward trend has continued from 4.2% and 7.2% in the previous 2 reporting years. Our mean gender pay gap has remained relatively stable at 6.3% (6% and 11.1% in the previous 2 reporting years). We're proud that both of these measures are below the national average of 14.3% (ons.gov.uk: Gender Pay Gap in the UK 2023). However, we're committed to driving this gap down even further through our ongoing focus on gender equality and diversity.



OUR RESULTS - PAY QUARTILES

Our total female population has remained relatively stable at 37% (38% in the previous reporting year). This is consistent with our organisation structures, with significant numbers of our colleagues being employed across our Sales, Technology and Data teams.

Whilst the percentage of females in the upper middle and upper quartiles has decreased slightly at 36% and 31%, respectively (down from 38% and 33% in the previous reporting year), the percentage of women in the lower quartile has also reduced to 39% (down from 44%).



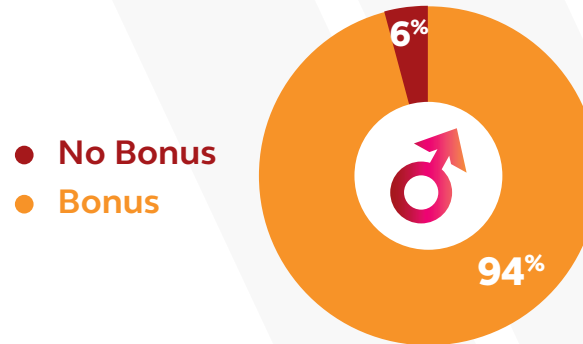
OUR RESULTS - BONUS

Our mean bonus gap has improved dramatically at 17.8% (43.1% in the previous reporting year) and our median bonus gap is also improving; now at 9.3% (compared with 10% previously).

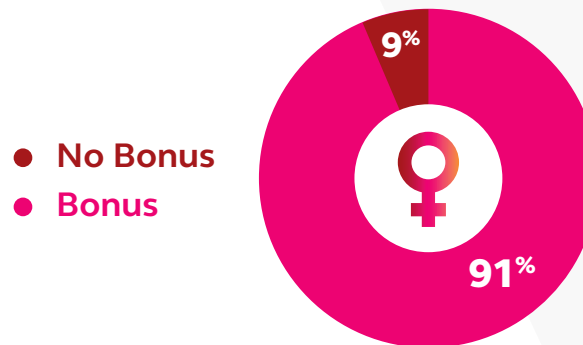
These results reflect our ongoing commitment to fairness and objectivity in reward decisions.

The proportion of males and females receiving a bonus is identical to last year. All roles within the business are eligible for bonus payments (or commission) and the small percentage of colleagues not receiving a bonus is due to the application of agreed, objective criteria, including start date.

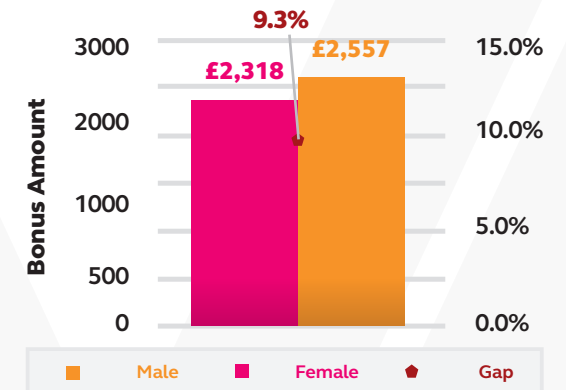
PERCENTAGE OF MALE EMPLOYEES RECEIVING A BONUS



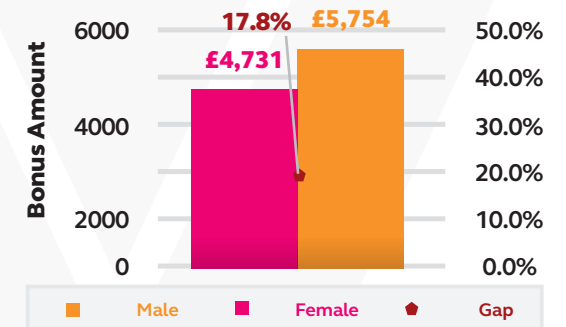
PERCENTAGE OF FEMALE EMPLOYEES RECEIVING A BONUS



MEDIAN BONUS GAP



MEAN BONUS GAP



OUR ONGOING COMMITMENT TO GENDER EQUALITY AND DIVERSITY



Over the last 12 months, we've continued to work hard on our gender equality and diversity strategy, to build on the great foundations we already have in place. Here are some of our key achievements since we published the report last year:

Flexible Working Review	<p>We held a thorough review of our flexible working practices across each of our teams and explored what more we can do to support colleagues who want more flexibility. Following this we introduced a suite of changes, including:</p> <ul style="list-style-type: none">• More flexibility in working hours and lunch breaks.• Career breaks.
Listening and Acting	<p>Following a successful International Women's Day event last year, we listened to what our colleagues told us they'd like to see and introduced the following directly as a result:</p> <ul style="list-style-type: none">• Facilitated a menopause support network across the business and used their input to develop a Menopause Support policy.• Ensured that supporting colleagues through the menopause is a feature of our management development programme.• Introduced free sanitary products at each of our sites.• Enhanced paternity pay (following enhancements to maternity and adoption pay the previous year).

OUR ONGOING COMMITMENT TO GENDER EQUALITY AND DIVERSITY



Policies and Essential Learning	<p>We have an annual essential learning cycle which all colleagues receive a refresher on each year, and a suite of policies to guide our colleagues. Linked to these:</p> <ul style="list-style-type: none">• We've reviewed and updated our Equality, Diversity and Inclusion Policy and rolled this out across the business.• We've reviewed and updated the content of our Equality, Diversity and Inclusion essential learning module, to ensure it's clear and engaging.• We've built an Anti-Bullying and Harassment module to be part of the essential learning cycle, with a particular focus on sexual harassment.
Data	<p>We now track gender split for leavers, internal moves and engagement, and share the details with our leaders. So far, we've not identified any trends which are a cause for concern but will continue to monitor to enable early corrective action if necessary.</p>
Talent Acquisition	<ul style="list-style-type: none">• We hold regular internal roadshows to showcase different teams and roles available across the business (including Data and Technology), during which colleagues can speak to others performing those roles and find out what's involved.• We've held workshops and 121 development sessions on CV writing and interview preparation, to support internal mobility.• We've added and rolled out a 'Recruitment that Matters' module to our Management Development programme, to support our people managers to make objective hiring choices and avoid unconscious bias.• We've added a statement to our recruitment adverts to ask applicants to get in touch if they wish to discuss flexible working options for any of our roles.

OUR COMMITMENTS FOR THE FUTURE



Gender diversity remains a key part of our overall business strategy.

Our continued focus on this over the last few years has led to a host of initiatives already in place to support our colleagues, including hybrid and flexible working arrangements, enhanced maternity, adoption and paternity leave, career breaks, objective reward and performance management frameworks, clear salary advertising, menopause support and free sanitary products to name but a few.

However, we know we need to continuously improve and be an attractive employer for everyone, regardless of their gender.

We therefore have plans to keep adding to this list. Amongst our plans are new recruitment channels for technical talent to ensure we're reaching a diverse candidate pool, asking our preferred recruitment partners to ensure women are appropriately represented in the talent they introduce us to, and providing more information on sexual harassment prevention to all colleagues as part of our annual essential learning programme.

We also now have more data to measure our progress against so will continue to do this and share our results.

WHAT ARE OUR COLLEAGUES SAYING?



We asked some of our colleagues about their thoughts on development opportunities for women at Verastar...

Madlena Dinga (Billing Investigations)

I joined Verastar in 2017 in Customer Care and currently work in the Billing Investigations team. I am really passionate about Data and in April 2022 I was able to start an apprenticeship in Data Analysis. I went along to the Data & Insights lunch & learn in September and this has resulted in getting some mentoring from Ben, an MI Analyst, which is helping me in my studies but also helping to create dashboards within my current role. I hope to get more involved in business projects in the future. Also, bringing my business knowledge, and further develop in Data Analysis.



Rebecca Butterworth (Reporting and Insight Analyst)

I joined Data & Insights following my secondment in December 2022 and it was a bit different for me at first working with a team that was predominately males. Everyone made me feel so welcome and we're constantly learning from each other in different ways. This is the best job I've ever had! I feel so positively challenged and supported and learning new things every day. Since I have joined, we have also welcomed a couple more women into our team.

WHAT ARE OUR COLLEAGUES SAYING?



Nick Hill (Data & Insights Director)

I joined the business in 2022 as Data & Insights Director and quickly identified internal talent in Data & Reporting amongst other departments in the business. A few of these colleagues secured secondments in our team that resulted in permanent jobs, creating further efficiencies for the team and the business. One of the colleagues Rebecca Butterworth joined us from Quality Assurance and hit the ground running.

Following this we held a lunch and learn for two reasons, to help colleagues who had an interest in Data & Insights further develop their skills in their current roles, for example skills to help them analyse a data set. Secondly, to nurture internal talent in anticipation of future growth. On the back of this we were able to support another colleague from Billing Investigations with some mentoring to assist with her studies.



Georgina Lord (Chief Customer Officer)

What's changed within the women's leadership space in the last few years?

We all deserve success in our role irrelevant of seniority/position and it shouldn't be dependent on gender / equality / age. I think that we should all be treated as equals, and we prove ourselves within the role or opportunity we are given. We should accept that others may be better than us and therefore sometimes we may learn from them despite experience.

CELEBRATING WOMEN IN VERASTAR



Verastar invited employees to discuss gender norms during its second **Celebrating Women in the Workplace** event following International Women’s Day (#IWD) on Friday 8th March.

Over 100 colleagues attended the virtual event in March 2024 to mark International Women’s Day 2024 by challenging, sharing, and discussing issues affecting women in the workplace. This was the second ‘Celebrating Women in the Workplace’ event and colleagues of all genders took part in the online forum discussing key topics including ‘the mental load’, imposter syndrome and fertility issues such as endometriosis and specifically, how they can impact workplace performance.



Stacey Clarke (Customer Care Director)

Stacey Clarke, Customer Care Director at Verastar spearheaded the event:

“Absolutely thrilled that we had yet another fantastic turnout for this event. By sharing our stories we’re encouraging open discussions that are helping to shape the workplace experience for all colleagues here at Clear Business. “Although the event was originally intended to shine a light on women in our workplace, it delivered much more than that. It gave a unique insight to how we can all make small changes to create a happier, healthier and more inclusive environment.”

Last year’s event resulted in the introduction of a Menopause at Work policy, an enhanced paternity pay (following previous enhancements to maternity and adoption pay) and also the introduction of a Career Break policy by the firm for its 800 plus colleagues.

People Project & Culture Manager Melissa Hickman noted: “It’s not just paying lip service to IWD, it’s events like these that have driven some real changes in Clear Business when it comes to inclusivity. We’ve achieved a lot which is great to reflect on, but also a reminder to take action. There’s always more that can be done. We want colleagues to be at the forefront of initiating change for inclusivity, gender equality and beyond.”

CELEBRATING WOMEN IN VERASTAR



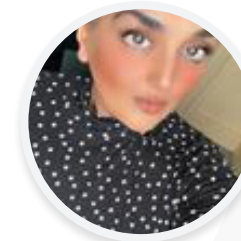
Patrick Herdman
(Learning Delivery Specialist)

“An amazing day! Thank you for your honesty, openness and vulnerability to all who spoke! The whole day was inspiring and I have once again learned so much about the challenges faced by my wonderful female colleagues!”



Rabia Zeeshan
(QA and Complaints Advisor)

“It was lovely and I love the goody bag gesture! Small things matter thank you again!”



Khazima Iqbal
(Senior Corporate Collections Expert)

“Really enjoyed meeting other colleagues from different departments and hearing such inspiring stories. Thank you for the cute goody bag!”

Over 100 colleagues from across all Verastar sites took part in the 2024 Celebrating Women in Clear Business event.

