



Paragon Group UK Ltd

Gender Pay Gap Report 2020

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Introduction

Paragon Group UK Ltd are committed to developing a diverse and gender balanced workforce, not simply because it's the right thing to do, but because we believe creating a welcoming and inclusive environment will make us a better business and support our mission to provide an exceptional service to our customers.

Gender pay gap report

This report details the gender pay gap reporting requirements which form part of the Equality Act 2010 (Gender Pay Gap information) regulations 2017. The regulations came into effect in April 2017, with the requirement that entities with over 250 employees publish information on their gender pay metrics.

Since the last report in 2018, Paragon Group UK Ltd has acquired a new business, and divested in others within the wider Paragon Group. It is important to note our Headcount on the snapshot date was 559 employees, however 337 employees were excluded due to temporary leave.

Paragon Group UK Ltd fully supports the regulations in increasing transparency regarding gender pay across our business and wider industry.

The measure of gender pay reflects the difference between the average earnings of men and women across a business, irrespective of the roles they perform and remuneration they subsequently receive. It is key to note that gender pay and equal pay are two separate metrics, as equal pay is reflective of paying male and females differently for performing the same role within a business.

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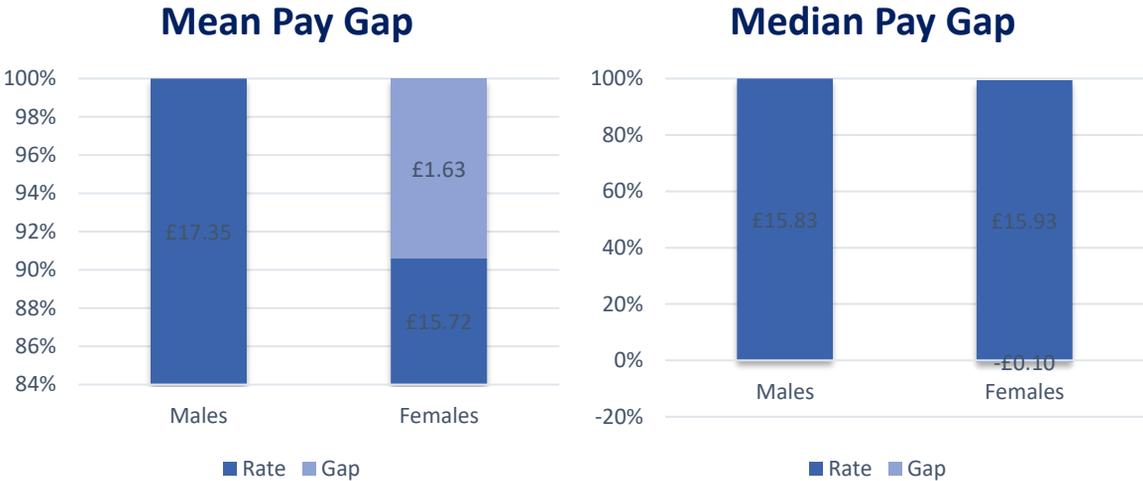
Our data

The following results have been taken from the snapshot date of 5 April 2020.

Hourly pay gap

Our data shows the difference between male and female earnings is:

- Median -0.6%** The difference in the midpoints of the ranges of hourly rates of pay for male and female employees, by ordering the rates of pay from the lowest to highest and comparing the middle value.
- Mean 9.4%** The difference in average hourly rates of pay that male and female employees receive by taking all hourly rates of pay and dividing by the total number of employees in scope.



The midpoint ranges of hourly rates within PGUK are very close however there is an imbalance in the average hourly rate between male and female employees. As is common in the sector, this gap is due to the imbalance of male and females within the company. The imbalance is particularly prominent within senior positions, with higher remuneration packages which broadens the gap.

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Bonus pay gap

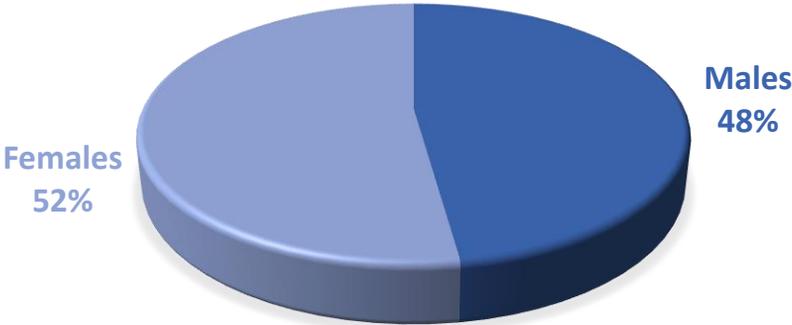
Our data shows the difference between male and female earnings is:

- Median 17.3%** The difference in the midpoints of the ranges of bonus pay for male and female employees.
- Mean 41.7%** The difference in average bonus pay that male and female employees receive.

The % bonus gap of those who received a bonus is -2.1%. The bonus gap represents lower female representation across the senior management and sales roles across the business where higher levels of bonus' make up a proportion of remuneration.

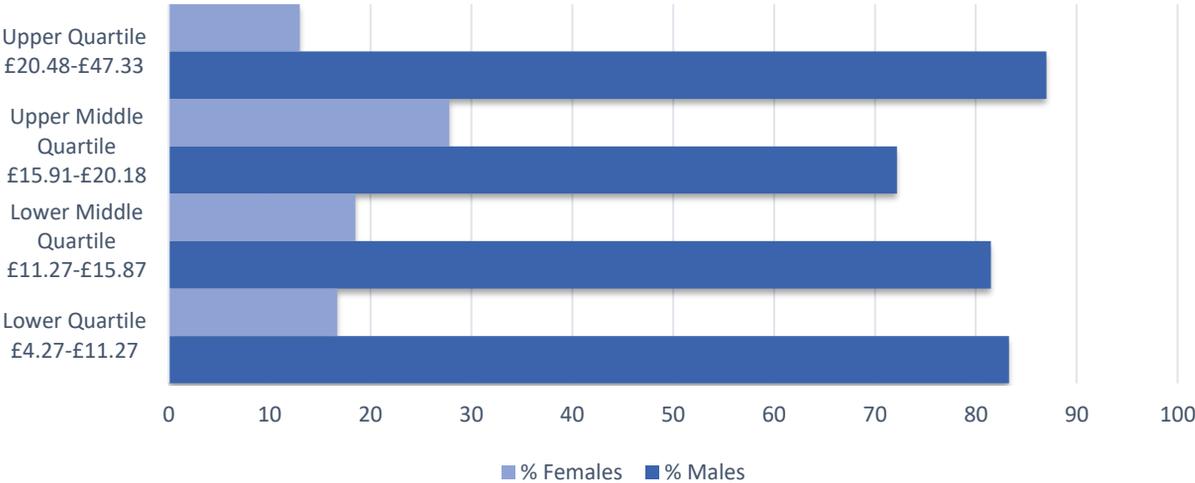
Staff who received a bonus

Our data shows the ratio of who received a bonus by males and females.



Pay quartiles

The following chart shows the proportion of males and females in each pay quartile.



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Underlying causes of Gender Pay Gap

According to the ONS Report on Gender Pay Gap in the UK: 2020, the overall national gender pay gap is 14.9%. Our overall Gender Pay Gap is 19%, which is above the national average.

Paragon Group UK Ltd is diverse and operates across various sectors and industries. Employee roles include operational print and production and office functions. A large proportion of our employees work in operational roles in print and production.

Traditionally, the industry has been predominately male dominated due to the manual nature of some roles. Overall, our gender breakdown within the business is 81% male and 19% female. Moreover, there are significantly more males in senior roles, which naturally carry higher salaries.

The nature of how our business has changed also has an impact on our pay gap. We have acquired two companies since the last report, resulting in a mixed economy of employment terms and conditions under TUPE legislation. This is particularly prevalent where some business units have contractual bonuses paid on an annual basis, which are reflected in the reporting.

What are PGUK doing to address the Gender Pay Gap?

Paragon is committed to the principle of equal opportunities and equal treatment for all employees, regardless of gender or any other characteristic. Our employment strategy is gender neutral, as such we hire and promote based on merit. Paragon evaluates job roles and pay grades as necessary to ensure a fair structure.

Paragon is committed to addressing the underlying causes of the Gender Pay Gap. Often, senior leaders hire and promote employees they can relate to, coach, mentor and envision as future leaders through succession planning. If there is an imbalance at a senior level, this can result in an inherent tendency towards an imbalance the hiring and promotion processes.

Declaration

The data contained in this report is accurate and has been calculated in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

