



KCOM

**Gender pay gap report
2018**



Our 2018 Gender Pay Gap Report

KCOM is an equal opportunities employer and our drive is to create and encourage an environment where individuals of all genders, ethnicities, orientations and backgrounds can flourish. We recognise that our current Gender Pay Gap leaves work to be done, but we are committed to closing it.

KCOM Pay and bonus

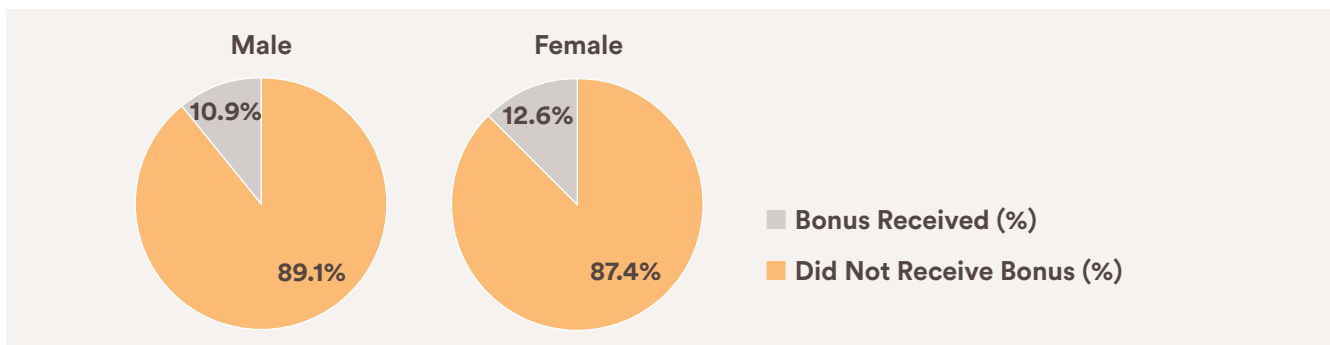
Difference between men and women

	Mean	Median
Pay gap	30.6%	35.2%
Bonus gap	53.9%	80.2%

The table above shows our overall mean and median gender pay gap based on hourly rates of pay as at the snapshot date (i.e. 4 April 2018). It also captures the mean and median difference between bonuses paid to men and women at KCOM in the year up to 4 April 2018, i.e. for the 2017/18 performance year.

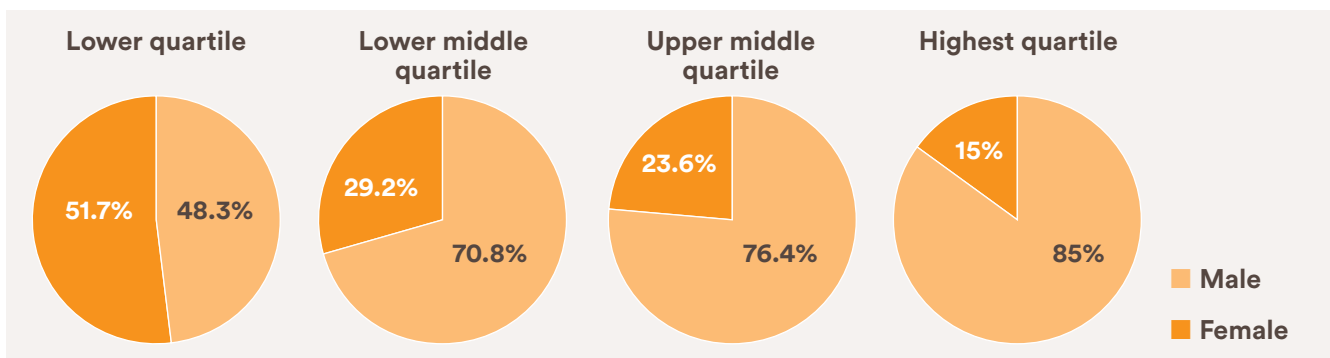
Proportion of employees receiving bonus

For the purposes of measurement, 'bonus' includes any annual bonus, Long Term Incentive Plan (LTIP) payments, commission and small, ad-hoc rewards. During the period, no annual bonuses were paid and no LTIP schemes vested.



Gender distribution by quartile

The image below illustrates the gender distribution at KCOM across four equally sized quartiles, each contains 373 colleagues.



The figures: their meaning and our commitment

On a like-for-like basis, we have seen little movement in our gender pay figures with the exception of our median bonus gap which has increased. The bonus gap reported reflects a lack of bonus and Long Term Incentive Scheme payments and therefore principally reflects sales-related commission payments. Overall, the sales community tends to be male-dominated (37 per cent female, 63 per cent male) with senior sales roles in our Enterprise business being predominantly filled by male employees.

The figures highlight that there remains work to be done to bring greater balance to our organisation. We are committed to achieving this balance and have a series of initiatives in place to reach our goal.

Our initiatives for achieving this balance are based on our assessment that the current pay gap is principally driven by the ratio of male to female employees within certain specific functional areas of our business. These functional areas – which include traditionally male-dominated technical and engineering workstreams – are parts of our organisation where we are placing significant focus on encouraging more diverse participation.

Nurturing female talent

It is important that we provide the appropriate level of support for women across our business through the employee lifecycle. One area we have focused on this year is the level of support we provide during the maternity and adoption process. Our aim is to give every female employee the opportunity to progress their career alongside their changing family circumstances.

Overall, approximately 80 per cent of women taking maternity or adoption leave return to work with us. Towards the end of the reporting period, we undertook research across this community to better understand the level of support we provide to women during this time.

This research is designed to identify any areas for improvement before, during or after a period of maternity/adoption leave that could encourage more women to return to work. The findings are being collated and will be presented, with recommendations, to the leadership team.

Inspiring young women to engage in our industry

We have continued to participate in a range of activities designed to encourage girls and young women to consider technology, engineering and business support as potential future career streams.

We have the potential to make the biggest, most lasting change to our business – and to our industry overall – if we are successful in breaking down barriers long before young women consider their career. By reaching deep within the many schools across our region, we seek to inspire them to consider engineering courses, technical education and meaningful careers in our sector.

Female engineers and IT technicians who are already making their market at KCOM regularly attend events aimed at attracting more women into technical roles across our business. At events such as Women in Manufacturing (WiME) they share their enthusiasm for the tech sector and provide insight into the rewarding career opportunities available.



Promoting positive role models

Inspiring women are already a part of KCOM and its success. We believe that, where the successes of these women are publicised and promoted, we will heighten our chances of encouraging other women to follow in their path.

Our Head of IT Delivery, Lindsay Rogers is passionate about encouraging more young girls and women to enter what still remains a male-dominated discipline. As well as being a Governor at Hull's Ron Dearing UTC, she volunteers her time to bust myths about IT geeks and sell IT as a creative career at local career events.



Lindsay is central to an internal project to create job advertisements for technical roles that significantly increase their appeal to a diverse audience.

Backing our commitment with action

This is the first gender pay report we have published since I joined the business in October.

The figures for the year ending April 2018 demonstrate that there is much work to be done to tackle the gender pay gap within our business.

While I recognise that underlying and historical trends within our industry have contributed to issues of gender diversity, I believe there is much more we can do as a business to redress the balance in our own employee base. Some activity has taken place, but further focus is required to make a fundamental and sustainable change. Ownership of this change must start at the highest level of our organisation and flow through every aspect of our organisation.

During the next year, we will work closely with chosen external parties to help accelerate our response to these challenges. I am personally committed to identifying any opportunities, and barriers, and to work through them with the aim of achieving a 50/50 gender balance.

I confirm the data reported is accurate.

Graham Sutherland
Chief Executive Officer
31 March 2019