

## Citation Ltd Gender Pay Gap Reporting Statement

Based upon April 2021 snapshot period (published in April 2022)

	<b>48%</b> female
	<b>52%</b> male



**Significant progress** in balancing the gender split in our lowest quartile roles.



Proudly enabling **20,000** SMEs to keep their workforce safe, engaged and compliant with our H&S, Employment Law and HR services.

	Mean hourly gender pay gap has reduced by <b>15 percentage points</b>
	Mean bonus gap has reduced by <b>29 percentage points</b>
	Median bonus gap has reduced by <b>20 percentage points</b>
Mean Ordinary Pay Gap of <b>13%</b>	

Bonus and Commission skews our Gender Pay Gap due to the number of sales roles we have across the business. As part of our plans to reduce the pay gap, we have initiatives in place attract more females to such roles.

## Gender Pay Gap (April 2021 snapshot) commentary

Citation Ltd is a leading provider of HR, Employment Law and Health & Safety services to nearly 20,000 small and medium sized businesses in the UK. With top quartile colleague engagement levels and industry leading client retention levels, we are proud of our business where people (employees and customers) are at its heart.

We recognise that successful organisations build on the strengths that come from having a diverse and inclusive workforce and are pleased that we have a balanced workforce when it comes to gender (52% male and 48% female). This gender diversity comes from the top, where almost half of our senior leaders are female. As part of our talent strategy, we will continue to seek ways to attract and retain the best people - regardless of gender, age, ethnicity, beliefs, or background.

We welcome gender pay gap reporting and take our obligations seriously. Since the last report, we are happy to report that our hourly and bonus pay gaps have significantly reduced - with the mean hourly pay gap and the mean bonus pay gap, both reducing by circa 41%. Further, the proportion of females in our lowest pay band (Band A) has reduced from 78% to 58%.

Whilst gender is not part of the equation when deciding how to remunerate colleagues, we recognise that still have more work to do in order to close the gender pay gap. As it is primarily bonus and commission in our sales roles that cause the pay gap between men and women in our business, we have plans in place to attract more women to our sales roles. We continuously review our bonus and commission schemes and remain satisfied that pay is directly linked to performance and is transparent.

**The below gender pay gap data is skewed by the way in which we have to calculate it, for the following key reasons:**

### 1) After salary sacrifice deductions;

- The hourly gender pay gap is reported after salary sacrifice. We offer salary sacrifice in the form of childcare vouchers, additional leave, pension and cycle to work. Around one quarter of our workforce choose to participate in salary sacrifice, and nearly 70% are female (a percentage that has increased since the last report). Without this reduction in salary, which is offered to help colleagues and has been entered into voluntarily, the pay gap would be reduced.

## **2) Including non-contractual bonus and commission within quartiles and the hourly pay gap data.**

- Almost one third of our workforce is employed in a commercial/sales-based role where we have non-contractual bonus/commission schemes in place. Significantly more men than women (63% versus 37%) work in such roles. Schemes are fair, transparent and objective across anyone eligible for bonus/commission and are directly correlate to performance. Additionally, base salary (Ordinary Pay) increases are linked directly to performance within such sales role. We have had and continue to have a number of initiatives aimed at attracting, developing and retaining females in sales roles, resulting in a year on year increase in the number of women we have in our sales roles. Had we excluded non-contractual bonus and commission from the below reporting and had just calculated pay based upon contractual pay (known as 'Ordinary Pay'), the mean pay gap would reduce to 13%.

## **3) Including part-time pay, not pro-rated up to show to the full-time equivalent**

- We categorically do not offer men full time roles and women part-time roles. Rather, to attract people with responsibilities and caring commitments outside of work (which is still predominantly women), we actively advertise roles as part-time and flexible in order to attract talent and we accommodate wherever possible flexible working requests to reduce hours (which again mostly come from females). In line with reporting requirements, the gap is not calibrated to take account of part-time time and hence it appears wider than it would if the reporting calculations were adjusted to take account of pro-rata salary, targets and bonus payments for part-time colleagues. If we were not as flexible around part-time working, the gap would not appear so wide.

		Male	Female
<b>Pay quartiles %</b>	Band A (Lower)	42	58
	Band B	40	50
	Band C	52	48
	Band D (Upper)	65	35
Mean hourly gender pay gap	22%		
Median hourly gender pay gap	12%		
Mean gender bonus gap	40%		
Median gender bonus gap	23%		
<b>Percentage of colleagues paid bonus</b>		38%	33%

### Explanatory Notes

- The above pay quartiles and the 'mean and median hourly gender pay gap' shown above is not just calculated on contractual salary and pay, but inclusive of non-contractual bonus, commission and referral payments too. It is also calculated after salary sacrifice and excludes those on leave or reduced pay (furlough, voluntary pay cuts, etc)

**I confirm that the above information is accurate**

Signed



**Matthew Stewart**

**Manging Director**