



NEC Gender Pay Gap Report 2022

April 2022

NEC Europe/NEC UK

Gender Pay Gap

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require all companies employing 250 or more employees to publish their gender pay gap results.



NEC does not have 250 employees in the UK and is still not required to submit the data, however we believe that it is important to publish the statistics as we continue to be committed to improving the Gender Pay Gap, and diversity and inclusion in general. This commitment also is supported from a Global perspective within NEC Group.

[NEC's Inclusion & Diversity](#)

NEC in the UK workforce consists of significantly more males than females, which reflects industry trends. When analysing the NEC gender pay gap results, it is important to take into consideration the prevalence of males to females in our Company, which has had a significant influence on our overall gender pay gaps.

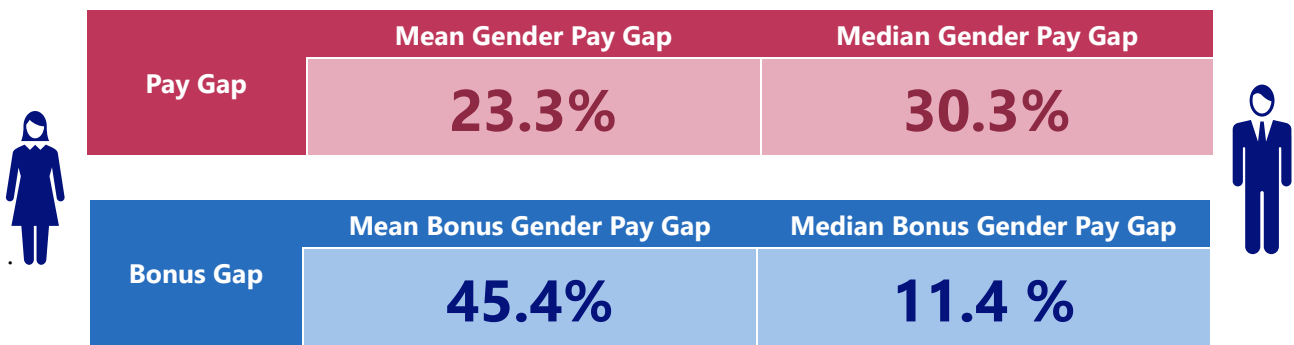
How NEC is doing?

We are reportingⁱ on our businesses based in the UK, and specifically NEC UK, NEC Europe, and NEC Display Solutions. This information is based on the '[snapshot date](#)' and using the people data as of 5 April 2021, and this is why NEC Displays statistics are still included. The gender pay gap, not to be confused with the issue of equal pay, shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of average male earnings.

At NEC we pay our men and women equally, but due to the issues highlighted in this report we do have a gender pay gap. This report shows that in FY2020 the Company had an average gender pay gap of 23.3%.

This is an improvement last year, that showed a gap of 29.9%, and previously a gap of 36% however our business has more men at senior levels and this means our average male salary (median or mean) is still higher than our average female salary. We agree that there is more work to be done but the Company is committed to this initiative and we will invest in closing the gap where possible.

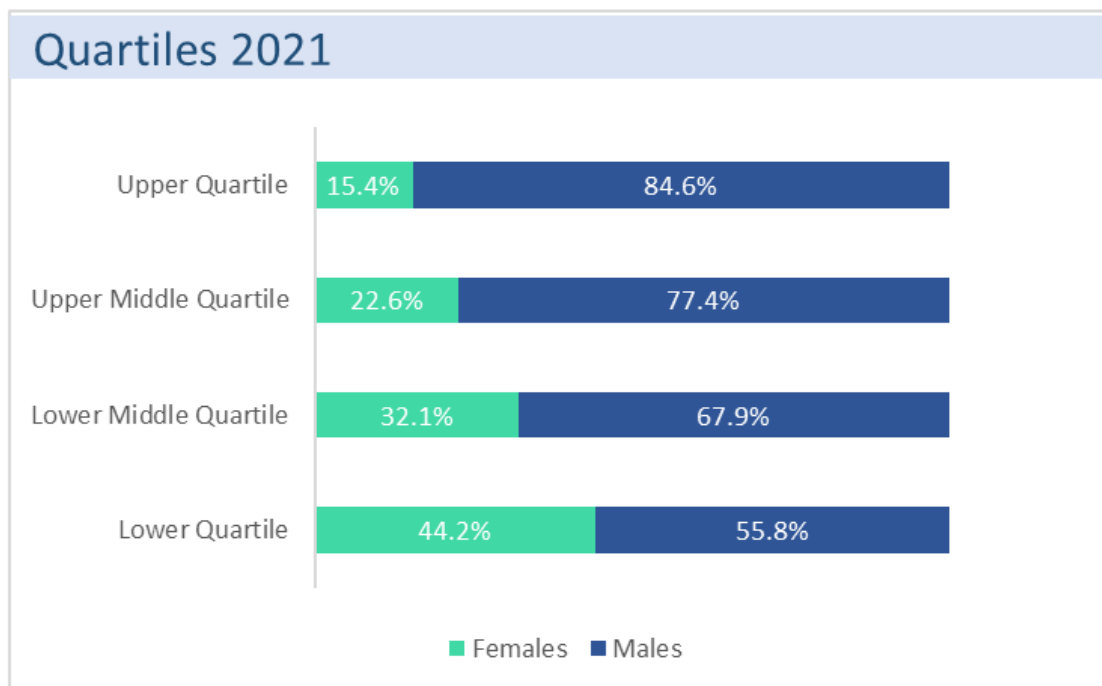
The data below shows the Median and Mean Gender Pay Gap for both the payⁱⁱ and the bonusⁱⁱⁱ.



Understanding pay gap

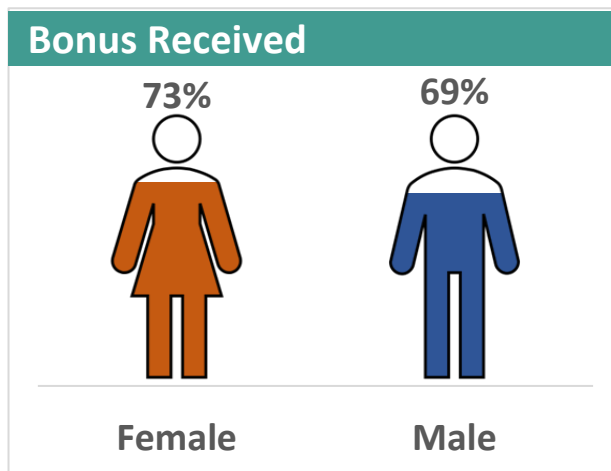
As we have previously communicated, as we are a smaller Company the impact of a few changes is greater on the data than in a larger organisation. Therefore, the mean bonus gender pay gap remains at a high percentage as we continue to have more men in senior roles. This is mainly within the business areas, as opposed to support functions and is an issue for the whole industry. We recognise that we need to find alternative recruitment strategies to attract women to our core businesses.

We have a significantly larger proportion of women in our support functions rather than specialist roles within the business, which are higher paid. As we move forward, our ultimate aim remains to achieve gender equality across our business in all quartiles.



We continue to have a higher percentage of women that have bonus payments than men, however the representation of women in senior role continues to be low, which impacts the gap greatly.

This data is only using UK employee data and does not take into account senior women in other countries and globally. NEC's gender pay gap is primarily a consequence of more men than



women holding senior or specialist roles within the business and consequently higher-paid roles.

As we have had a considerable recruitment drive in the business, women now only make up 28.6% of our workforce. Lower attrition at more senior levels, among other industry factors, means that change will take time and we need to accept that this is a long term change process. The technology industry historically shows a gender pay gap greater than the average for all companies in the UK. In 2019, the average mean gender pay gap in the UK was 17 per cent, while in the technology sector it was closer to 25 per cent.

We fully recognise there is no quick fix to reducing our pay gap until there is a gender balance across all parts of our businesses, and this remains to be a challenge within the industry. We will continue to work on initiatives in bringing talent to address diversity and inclusion at all levels.

I, Christopher Jackson, President & CEO Europe, confirm that the information in this statement is accurate.



Chris Jackson
President & CEO
NEC Europe

i The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

ii 'Ordinary pay' is defined as any monetary payment such as: basic pay; allowances; pay for piecework; pay for leave; shift premium pay. It does not include: overtime pay; redundancy pay; pay related to termination of employment; any repayments of authorised expenses; benefits in kind; interest-free loans

iii 'Bonuses' are defined as any rewards related to: profit-sharing; productivity; performance; incentive; commission. The rewards can be made in: cash; vouchers; securities; securities options; interests in securities