



NEC Gender Pay Gap Report 2024

April 2024

(Includes NEC Europe, NEC UK, NEC Capital)

Gender Pay Gap

In compliance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, NEC presents its annual Gender Pay Gap Report. Despite our efforts and commitment to fostering diversity and inclusion within our workplace, we acknowledge that this year there has been modest progress in bridging the gender pay gap from the previous year.



Although we do not meet the statutory threshold of 250 employees within the reporting entities covered in this report, we have chosen to voluntarily disclose our gender pay gap statistics, underscoring our dedication to transparency and accountability. Our decision reflects our belief in the importance of setting an example in promoting gender equality, regardless of legal requirements.

Snapshot Date and Context

This report is based on data collected on 4th April 2023. We emphasize the importance of considering the context of our workforce demographics, where males continue to outnumber females. The representation of female employees in the UK remains consistent compared to the previous year, reflecting our current workforce composition where females constitute only 27%.

Gender Pay Gap Analysis

Despite our commitment to pay equity, we acknowledge a persistent gender pay gap within NEC. Our data reveals an average gender pay gap of 19%, highlighting disparities in earnings between male and female employees.

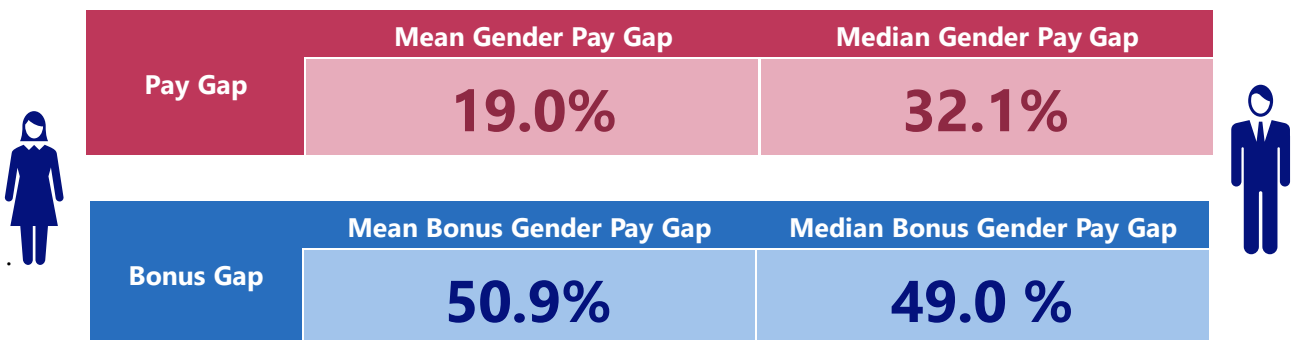
It's important to distinguish between the gender pay gap and equal pay. Equal pay refers to the principle of paying men and women equally for performing the same or similar work, whereas the gender pay gap reflects broader structural and systemic issues such as occupational segregation, unconscious biases, and underrepresentation of women in higher-paying roles. At NEC, we affirm that we do not have an issue with equal pay. However, the gender pay gap persists primarily due to underrepresentation of women in senior positions, with only 27% of our workforce comprising women. Consequently, male employees continue to dominate higher-paid roles within the organisation, skewing the averages.

Bonus Discrepancy

Our mean bonus gender pay gap remains high at 50%, primarily due to the disproportionate distribution of bonuses among male employees, particularly those in senior roles.

This indicates that the payout amount for bonuses is disproportionate, rather than questioning the entitlement to a bonus. While the majority of employees at NEC are entitled to a bonus, it's important to note that not all employees are reported as receiving one, as new starters have to wait for a certain period before a bonus is payable. However, the significant gap in bonus distribution highlights the disparity in rewards received by male employees, particularly those occupying senior positions. This trend underscores the need for alternative recruitment strategies aimed at attracting and retaining more women in leadership positions within NEC.

The data below shows the Median and Mean Gender Pay Gap for both the payⁱ and bonusⁱⁱ.



Challenges and Initiatives

As we embark on our journey towards greater inclusion and diversity and passionately pursue cultural transformation, we recognise the multifaceted nature of the gender pay gap. Structural barriers, such as the underrepresentation of women in STEM fields, contribute to this disparity. To address this, we are aligning our efforts with the wider NEC Group's targets for improving inclusion & diversity towards our Mid-Term plan 2025. Additionally, we are committed to continuously monitoring and analyzing our gender pay gap data to track progress and identify areas for improvement.

Introducing a New Global Job Framework

In tandem with our commitment to diversity and inclusion, NEC is proud to announce the introduction of a new global job framework. This framework will provide a standardised approach to job titles and career progression across our global operations. By ensuring transparency and fairness in job descriptions, we aim to mitigate unconscious biases that may contribute to the gender pay gap.

NEC's Support for International Women's Day

As NEC takes strides to address the gender pay gap, starting this year, we have proudly decided to establish an NEC Women's Day in support of International Women's Day to celebrate women's accomplishments and bring attention to this significant subject. This marks the first time we're hosting a global celebration dedicated to recognising the achievements of women worldwide. This event reflects our ongoing commitment to fostering inclusivity and promoting equal opportunities for all employees. By aligning our gender pay gap initiatives with the values of International Women's Day, NEC is actively working towards positive change and a more equitable future for everyone in our organisation.

Way Forward

Closing the gender pay gap requires sustained effort and a multifaceted approach. While challenges persist within our industry, NEC remains unwavering in its commitment to driving meaningful change. As we navigate the complexities of inclusion and diversity, we recognize that our journey is far from over. By prioritizing these initiatives, we aim to cultivate a workplace where all employees, regardless of gender, have equal opportunities for growth and advancement.

Closing Statement

As President & CEO Europe, I, Christopher Jackson, affirm the accuracy of the information presented in this report. NEC remains resolute in its pursuit of gender equality and will continue to take proactive measures to address the gender pay gap within our organisation.



Chris Jackson
President & CEO
NEC Europe

ⁱ Ordinary pay is basic hourly pay on the snapshot date (5 April), bonus (monthly and quarterly) and premiums (shift premiums, on call allowances, etc.) and converted into an hourly rate. Note: Overtime and pension contributions are excluded and annual bonus paid in March is therefore not included in ordinary pay

ⁱⁱ '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