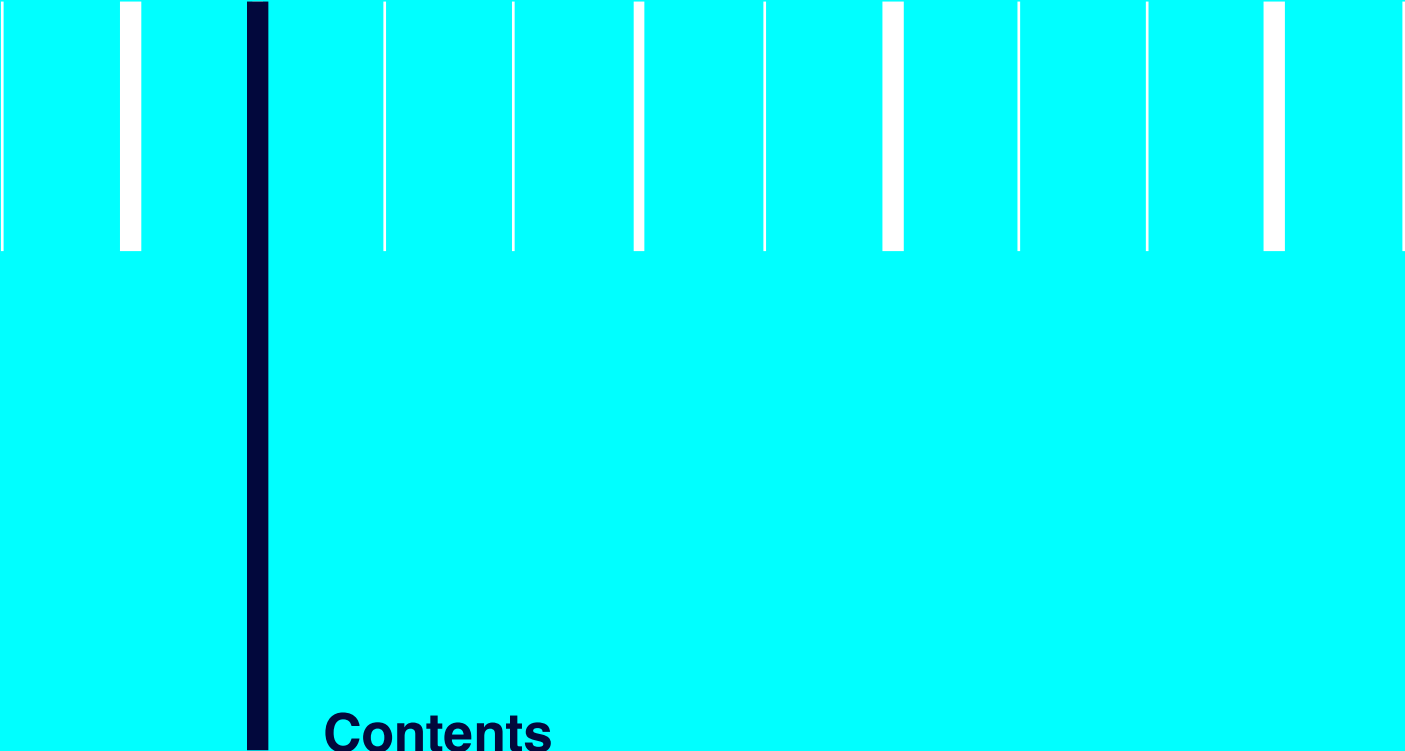


**Creating better
outcomes**



Capita's UK Gender Pay Gap
Report 2019

Capita



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Capita's UK Gender Pay Gap Report 2019

A message from our Chief Executive Officer, Jon Lewis



Our gender pay gap figure is still not good enough.

The pay gap figures we have published today relate to hourly pay rates as of April 5, 2019. They show that at this date, our median pay gap was 21 percent, compared to 17.7 percent in 2018.

Capita is a business that relies on women. Close to half our 61,000 colleagues are women.

At every level of the company, women undertake roles that are crucial to our ability to provide services upon which daily millions of people rely.

Although the hourly rate of pay has improved by a higher degree for women across much of the business, our gender pay gap figures do not yet reflect the sincere commitment I and the other members of the Executive Committee have made to ensuring Capita is a business that champions women. This is a source of personal regret.

We will continue to work to redress Capita's pay gap but doing so will take time. The causes of the gap are issues that have been created over many years.

Primarily, and like many other organisations, the gap at Capita is caused by gender balance, in particular the ratio of men to women at the manager and senior manager levels of the business. At these levels of the business, the ratio is about 70:30, where it is close to 50:50 throughout the rest of the organisation.

It is important to note that at the manager and senior manager levels the pay gap narrowed over the reported period, and we will continue to focus on narrowing it further.

Over the last two years, we have introduced many positive measures to increase the number of female managers and senior managers at Capita. In time, these initiatives will help us to achieve gender pay parity.

For example, we now ensure the candidate pool for all manager level recruitment comprises a minimum of 40 percent women, and we continue proactively to identify talented women within the business for fast track promotion into management roles.

“At every level of the company, women undertake roles that are crucial to our ability to provide services upon which daily millions of people rely.”

Jon Lewis

We are making progress. In the 2019 Hampton Alexander Review, which measures female representation in the management of FTSE-listed companies, Capita was ranked 70th, up from 110th in 2018's review, and a vast improvement on our 314th place ranking in 2017.

I am proud, too, that women now account for 29 percent of our Executive Committee, and 36 percent of our board. Which means that we have met the Hampton Alexander Review's target for 33 percent women's representation on FTSE 350 boards, one year ahead of target.

In September last year, we significantly enhanced our policies as they relate to maternity, paternity and shared parental leave for UK colleagues. This initiative was undertaken to improve the experience of working at Capita for women, and also to enable the duty of caring for young children to be more equally shared between men and women.

As we grow the business, we will seek to make further improvements to these policies.

I repeat, our pay gap figure remains unacceptable. But we will continue to work to ensure this is no longer the case.



Jon Lewis
Chief Executive Officer, Capital plc

Capita's UK Gender Pay Gap



We have reported on 24 legal entities that meet the reporting criteria of the UK Government's Equalities Act 2010, as well as provided information for our pay gap covering our whole UK business. Results for each of these entities can be found in this report and on the government website. This is the third time we have reported our gender pay gap. You can view previous years' reports here [<https://www.capita.com/our-company/about-capita/policies-and-principles>].

As in previous years, we choose to voluntarily disclose our consolidated UK gender pay gap figures for all UK employees at 5 April, including our plc Board Directors. When reviewing our overall headline numbers, we have chosen to focus on the figures for our direct employee base which gives a truer representation of our progress, rather than external contractors, whose terms and conditions are within the control of their own companies, rather than Capita's.



Hourly pay	2019	2018
Mean pay differential (average)	24.5%	24.1%
Median pay differential (mid-point)	21.0%	17.7%

Bonus pay	2019	2018
Mean pay differential (average)	66.5%	61.40%
Median pay differential (mid-point)	58.2%	57.40%

The gender pay gap is the difference between the average pay and bonuses for men and women, regardless of role. For 2019, our median (mid-point) hourly pay gap is 21 percent. This is 3.3 percent worse than last year's figure, calculated on the same basis. Capita is undergoing a transformation with significant change in the employee population which will have impacted our year-on-year result. Where there is sufficient data to show year-on-year trends in hourly pay for both male and female employees, the hourly rate of pay has increased by a higher degree for female employees in the majority of entities. This suggests that whilst a gap remains, the actions taken by Capita over the last year to improve the gap have started to make some headway.

The proportion of women receiving a bonus increased to exceed the proportion of men receiving a bonus. However, the overall bonus gap increased by 0.9% from 57.4% to 58.3%. This is likely to be driven by the higher proportion of males in senior roles (74.99% in the upper quartile and 55.73% in the mid to upper quartile) receiving a bonus.

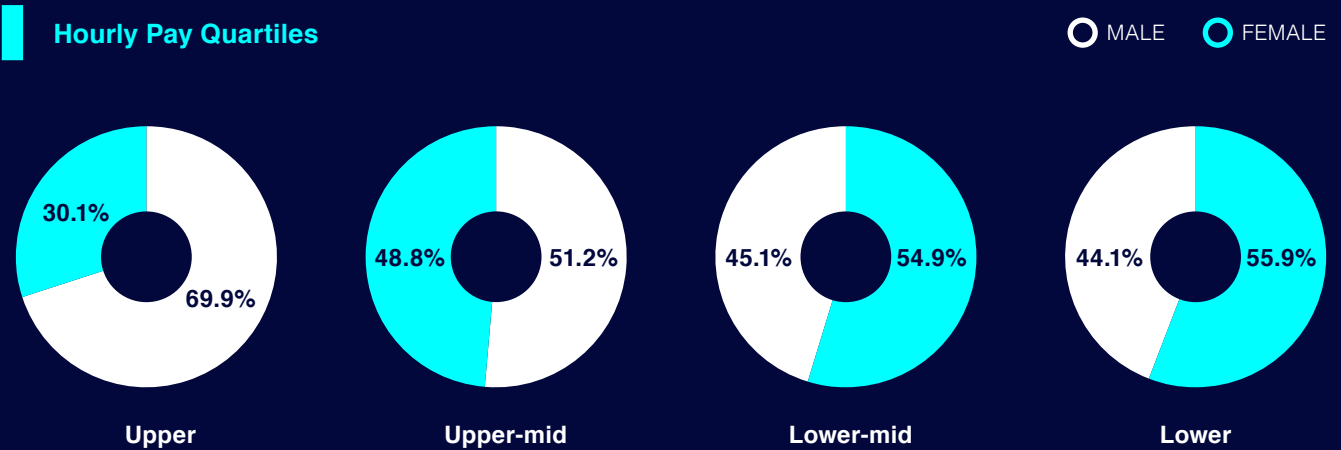


Proportion of employees receiving a bonus	2019	2018
Men	28.4%	25.1%
Women	29.4%	24.7%

The reasons we have a gender pay gap are:

We have more men than women in senior positions

We have slightly more women than men at other levels in the organisation



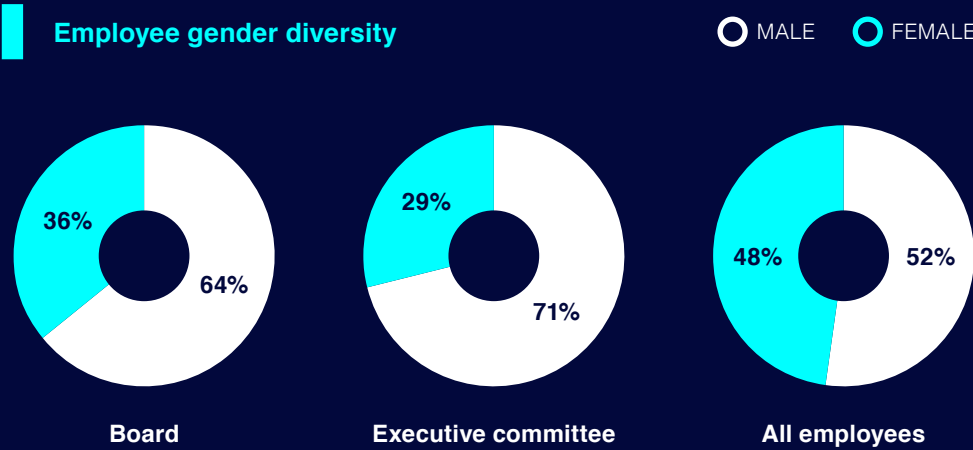
Equal pay and the gender pay gap

It is important to note there is a fundamental difference between Gender Pay and Equal Pay.

Equal Pay is men and women being paid the same for the same work. We are confident we pay men and women equally for work of equal value.



Across Capita, we have a fairly equal distribution of men and women and we are proud of the progress we have made in improving female representation at our Executive Committee and board level, welcoming two new women onto our board – Lyndsay Browne and Georgina Harvey. This progress has been recognised by the Hampton-Alexander Review which began reporting in 2016 and is committed to improving women’s representation at board level and leadership roles across all sectors of British business. Our ranking in the FTSE 250 has climbed from 314th place in 2017 to 70th in 2019. We have also now met the Review’s target for 33 per cent women’s representation on FTSE 350 boards, one year ahead of target.



How are we accelerating progress in 2020?

Building on our actions from 2019, we plan to focus on the following four areas in 2020 to accelerate gender pay parity at Capita.

1 Improving data intelligence through our Be Counted campaign

The launch of Workday has provided us with the opportunity to understand our workforce better, so that we may implement targeted interventions to accelerate gender parity and other strands of diversity. Our global “Be Counted” campaign encourages our people to update their diversity data in Workday. The data will enable us to understand the demographics of different areas within Capita, identifying areas where we may need to invest to create a more diverse organisation. We will also assess the appropriateness of setting global and local targets to accelerate change.

2 Empowering our employee voice through our employee networks

We launched our employee network groups in early 2020, which are sponsored and championed by Executive Officers. The aim of the networks is to give more voice to our people through a two-way feedback loop between the groups and our sponsors. As our networks grow locally and globally, we will ensure that what people need on the ground is reflected at a strategic level and good practice and activities are shared across the business.





3 Accelerating female development through mentoring and high potential schemes

We will continue our support for high potential women – having doubled our mentoring through the 30 Percent Club and joining the Women’s Industry Networking Group to provide additional mentoring. Our leadership team has started an internal advocacy programme to champion the career development of 18 high potential women that were identified through the succession planning process. This has contributed to an additional 15 women being identified as potential successors for future senior leadership roles, the total now standing at 48.



4 Focus on inclusive recruitment

We are driving greater inclusivity throughout the hiring process by:

- Introducing new standardised interview templates
- Piloting a new digital behaviours-based assessment that removes bias from the early stages of candidate screening
- Launching our new Employee Value Proposition which will underpin content across all our major candidate sourcing channels
- Working with key external partners to help us attract candidates from more diverse backgrounds.

Additionally, we appointed a Head of Executive Resourcing who will be accountable for driving this approach consistently across the organisation, ensuring that hiring partners adhere to these policies when presenting shortlists. We will continue to promote the availability of Capita’s flexible and agile working solutions, particularly the use of technology to allow remote and home working to provide life balance.

Case studies



Gillian Channer

I joined Capita just over 2 years ago. When comparing Capita with other companies I have worked for of similar and larger sizes, Capita is very complex! But that's why we're transforming and that's why I chose to come and work here, so that I can experience what real transformation is all about, with plenty of opportunity to put my business, technical and change management skills to the test. I especially value feeling empowered to help solve complex business problems with a fantastic and diverse group of people. I also value that I can work in a way that balances my work and personal life so that I get to enjoy both, equally, which really matters to me. I don't want to have to sacrifice one for the other. As a woman working at Capita, I have received nothing but support and respect since joining the company, which matters a great deal. I have recently been appointed as Chief Product Officer for the Software Division, which is extremely motivating and a very exciting challenge that I'm already thoroughly enjoying. It also provides a great platform for me to help other women, and men, in business to progress their own careers.



Amrit Saroya

The scale and breadth of Capita makes it an organisation full of opportunities to progress your career. In the last five years I've had a range of roles from marketing to product management, transformation to business management. I've worked as part of a joint venture, for a group function and more recently have joined the Local Government business. In every role I have been supported and mentored by some amazing people. There are so many allies, both men and women, across Capita who go out of their way to support individuals to progress their careers. The strategic focus on being a purpose driven business is important to help drive gender equality and something that I find incredibly motivating. Have we always got it right? Not always, but I do believe that we're prioritising the right things to make Capita a more equal workplace.

“That’s why I chose to come and work here, so that I can experience what real transformation is all about, with plenty of opportunity to put my business, technical and change management skills to the test.”

Gillian Channer

Our data

We are reporting on all 24 UK entities with more than 250 employees.

Declaration

The data in this report is accurate at the snapshot date of 5 April 2019 and is reported in line with the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

26th March 2020

Will Serle
Chief People Officer, Capital plc

	Total employees	Hourly Pay Gap		Hourly Pay Quartiles								Bonus Pay Gap		Percentage Receiving Bonus	
				Upper		Upper-mid		Lower-mid		Lower					
Legal entity	All	Mean	Median	Male	Female	Male	Female	Male	Female	Male	Female	Mean	Median	Male	Female
Capita Business Services	14789	34.2%	28.8%	75.1%	24.9%	47.4%	52.7%	45.5%	54.5%	42.5%	57.5%	67.1%	72.5%	26.1%	28.6%
Capita Customer Mgmt Ltd	9354	9.7%	2.2%	54.5%	45.5%	48.7%	51.3%	43.9%	56.1%	41.5%	58.5%	50.8%	40.5%	29.1%	27.3%
Capita Resourcing Ltd	5039	25.9%	40.8%	79.7%	20.3%	80.9%	19.1%	67.9%	32.1%	46.4%	53.6%	53.3%	47.3%	8.1%	18.5%
Capita L&P Regu Serv Ltd	2904	16.9%	15.6%	54.7%	45.3%	33.6%	66.4%	29.7%	70.3%	39.0%	61.1%	60.5%	40.5%	44.6%	45.5%
Capita Empl Benefits Ltd	1726	20.9%	13.6%	67.3%	32.7%	52.5%	47.6%	53.1%	46.9%	38.4%	61.6%	61.1%	32.0%	21.3%	17.4%
Capita Prop & Infra Ltd	1592	23.5%	21.6%	86.9%	13.1%	76.9%	23.1%	65.1%	34.9%	62.6%	37.4%	60.0%	92.7%	12.3%	13.9%
Capita Secure InfoSol Ltd	1196	15.2%	13.7%	87.2%	12.8%	79.4%	20.6%	74.4%	25.6%	73.0%	27.1%	18.8%	31.5%	21.8%	12.8%
Capita Retail Fin Serv Lt	1150	1.5%	6.2%	54.7%	45.3%	65.4%	34.6%	56.4%	43.6%	50.0%	50.0%	59.7%	0.0%	1.4%	1.8%
Capita Travel & Events Lt	690	36.2%	30.4%	58.1%	41.9%	27.2%	72.8%	21.8%	78.2%	16.9%	83.1%	26.5%	32.9%	32.8%	19.8%
Voice Marketing Limited	677	-0.5%	0.2%	58.9%	41.1%	55.2%	44.8%	47.3%	52.7%	55.5%	44.5%	15.2%	30.5%	72.9%	75.6%
Western Mortgage Services	675	20.8%	9.8%	49.3%	50.7%	35.1%	64.9%	23.0%	77.0%	34.2%	65.8%	70.0%	14.3%	11.8%	10.3%
Entrust Support Serv Ltd	577	-3.1%	7.0%	48.7%	51.3%	58.6%	41.4%	42.2%	57.8%	55.6%	44.4%	-60.0%	-52.5%	1.4%	2.7%
Capita IT Services Ltd.	532	25.2%	32.8%	89.5%	10.5%	86.3%	13.7%	81.5%	18.6%	63.2%	36.8%	65.2%	65.5%	9.5%	18.2%
Capita Managed IT Sol Ltd	506	20.5%	17.7%	90.2%	9.8%	86.0%	14.1%	83.5%	16.5%	73.0%	27.1%	78.2%	76.0%	18.2%	44.1%
Capita plc	468	30.9%	31.7%	66.7%	33.3%	59.5%	40.5%	46.9%	53.2%	36.9%	63.1%	65.2%	45.6%	58.7%	56.2%
Capita Life&Pension Serv	438	35.5%	36.2%	73.3%	26.7%	51.0%	49.0%	39.4%	60.6%	35.2%	64.8%	76.7%	47.5%	72.0%	66.4%
Fera Science Limited	405	13.6%	6.6%	63.3%	36.7%	41.1%	58.9%	43.3%	56.7%	53.9%	46.2%	65.6%	0.0%	83.8%	93.0%
TrustMarque Solutions Ltd	389	21.2%	25.2%	82.6%	17.4%	83.5%	16.5%	76.1%	23.9%	60.9%	39.1%	30.2%	34.5%	35.3%	35.0%
Capita Emp Ben(Cons) Ltd	377	37.4%	44.2%	82.6%	17.4%	62.4%	37.7%	52.9%	47.1%	30.2%	69.8%	9.9%	30.0%	26.8%	8.1%
RE (Regional Enterprise)	334	17.2%	11.1%	70.7%	29.3%	48.0%	52.0%	46.7%	53.3%	44.0%	56.0%	-89.1%	-89.1%	0.6%	0.6%
Optima Legal Services Ltd	323	17.3%	5.0%	49.2%	50.8%	35.9%	64.1%	43.1%	56.9%	33.9%	66.2%	82.6%	12.5%	40.5%	42.7%
Tascor Services Ltd	320	12.4%	1.0%	72.1%	27.9%	44.8%	55.2%	64.2%	35.8%	48.5%	51.5%	-126.6%	-126.6%	1.1%	1.5%
Updata Infrastruct (UK) L	292	15.7%	19.9%	86.6%	13.4%	89.4%	10.6%	81.8%	18.2%	77.6%	22.4%	21.1%	-1.7%	15.3%	19.6%
GL Hearn Limited	286	43.6%	41.1%	95.5%	4.6%	64.6%	35.4%	51.5%	48.5%	37.9%	62.1%	76.5%	90.0%	55.8%	45.5%

