



Gender Pay Gap Report 2023

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Foreword.

Welcome to Isio's 2023 Gender Pay Gap Report. Over the past 12 months, we have completed our integration of the Premier business and made another significant acquisition in May 2023 – the pensions business of Deloitte LLP ('ITRB').

The data shown in this report is a snapshot taken on 5 April 2023. The figures therefore reflect the inclusion of the Premier team, but do not include the ITRB business. The integration of ITRB was completed in October 2023 and next year's report will reflect the expanded, combined business which now numbers over 1,000 employees.

I am pleased that this year's report continues the trend we have established since Isio launched in 2020 of narrowing the Hourly Pay Gap between women and men. Our core focus remains on identifying and addressing the underlying drivers of the pay gap to ensure sustainable, long-term change. In common with many other organisations in our industry, the key driver of the pay gap is the disparity between the numbers of women and men at senior grades, and we have set out in this report the actions we are taking to address this.

These actions form part of our wider Inclusion & Belonging ('I&B') Strategy which was communicated to our people earlier this year. The seven pillars of our I&B Strategy include initiatives around developing role models, mentoring and ensuring our leadership team are equipped to be allies and champions for inclusion. We were delighted to be awarded the Inclusive Employers accreditation this year in recognition of the progress we have made since 2020 in all aspects of inclusion.



Suzy Neubert
Chair of the Isio Inclusion & Belonging Steering Committee and Isio Non-Executive Director



Linda Johnston
Chief People Officer



The results.

What is the Gender Pay Gap?

The Gender Pay Gap is the difference between the average earnings of men and women, expressed relative to men's earnings.

The measures used are:

- Mean and median in hourly pay
- Mean and median in bonus pay
- Proportion of male and female received bonus
- Proportion of male and female employees in each pay quartile

Organisations that have 250 or more employees must publish and report on their Gender Pay Gap annually based on a specified snapshot date. The results shown below are based on a 5 April 2023 snapshot date.

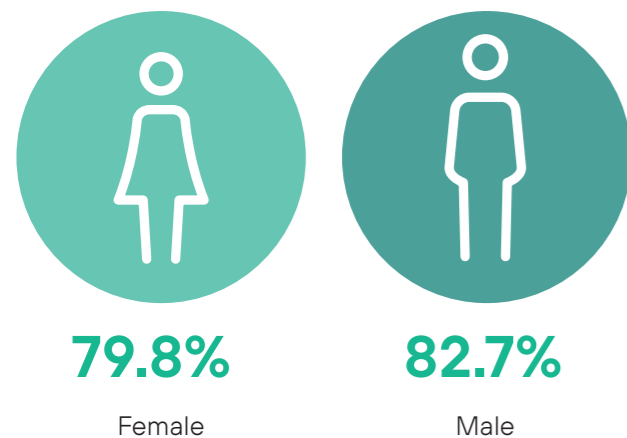
Equal Pay is different from the Gender Pay Gap. Equal Pay refers to the legal requirement for men and women to be paid equally for doing the same or a similar role. The Gender Pay Gap considers the organisation as a whole, rather than specific roles.

Although all our people are eligible for an annual bonus, a greater proportion of overall reward is available through bonus at our senior grades – see page 7 for more detail.

2023 results

	Median	Mean
Hourly Pay Gap	23.7%	28.7%
Bonus Pay Gap	50.3%	68.2%

The proportion of men and women receiving a bonus payment

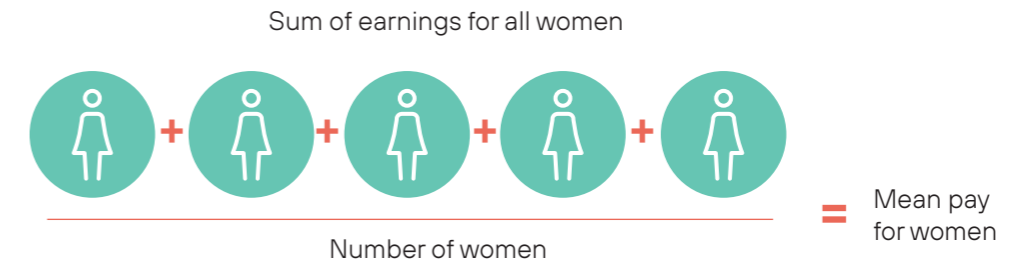


Proportion of men and women in each pay quartile

	Male	Female
Upper	74%	26%
Upper middle	56%	44%
Lower middle	48%	52%
Lower	43%	57%

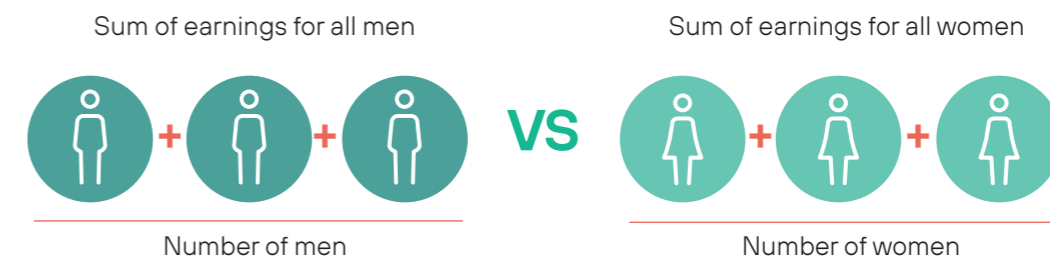
The calculations explained.

Mean



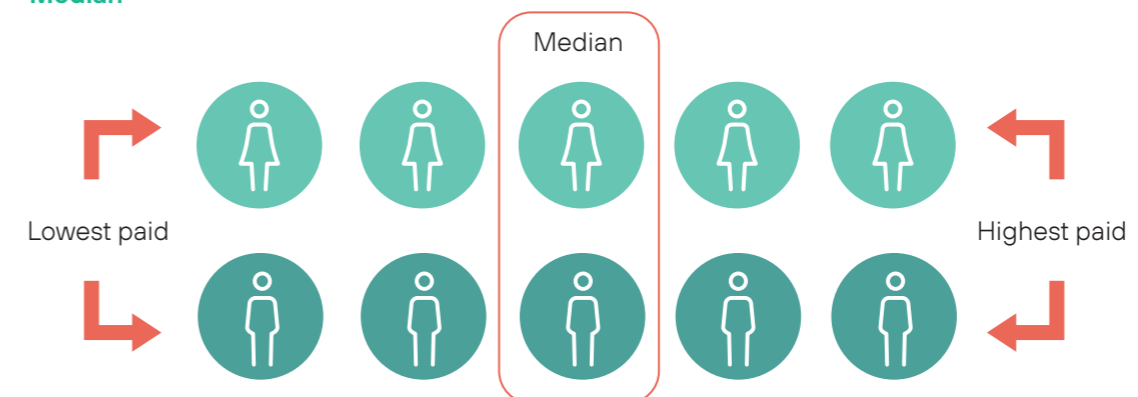
The mean is calculated by adding up all of the earnings of the group of employees and dividing it by the number of employees in the group.

Mean Pay Gap



The mean Gender Pay Gap is calculated based on the difference in the mean earnings for men and the mean earnings for women.

Median



If you were to line up all the individuals in one group in order from lowest paid to highest paid, the median is the one in the middle of the range.

Median Pay Gap

The median pay gap is calculated based on the difference between the earnings of the individual in the middle of the range of earnings for women and the earnings of the individual in the middle of the range of earnings for men.

Although both calculations have some advantages, the median is not skewed by results at either end of the income scale.

The results in detail – Hourly Pay Gap.

Over the past year, our Hourly Pay Gap has fallen on both a mean and median calculation basis. Given we are a growing business, with a history of acquisitions, we can expect volatility in our headline figures as they are not like-for-like comparisons. Nevertheless, we are pleased that our Hourly Pay Gap shows a downward trend since our formation in 2020.

The key driver of our Hourly Pay Gap remains the disparity between the numbers of women and men at senior grades. Whilst our entry grade has more females than males, our most senior grade (Partner) is currently comprised of 17% women and 83% men.

Supporting the career development of our people and providing support at different life stages – for example, when returning to work after a leave of absence – are important elements of our strategy to ensure a more diverse leadership team in future.

We have made positive progress over the past year in improving the gender diversity within our senior grades including a more equal balance in the proportion of our female and male populations promoted in comparison to the previous year.

Hourly Pay Gap	Median	Mean
2023	23.7%	28.7%
2022	26.1%	32.8%
2021	18.7%	30.9%
2020	29.8%	33.7%

The results in detail – Bonus Pay Gap.

Our Bonus Pay Gap is larger than our Hourly Pay Gap and has increased since last year. We have investigated the causes of this:

- Although all our people are entitled to an annual bonus, a greater proportion of overall reward is available through bonus at our senior grades. Bonuses will fluctuate with business performance. When the business performs well and we deliver higher bonuses, given we have more males than females at senior grades, this drives a material Bonus Pay Gap.
- The Bonus Pay Gap is naturally more volatile than the Hourly Pay Gap due to the variable nature of bonuses compared to fixed pay. This is compounded by the fact that the amount of bonus received each year tends to be far more variable at our senior grades.
- The Bonus Pay Gap is affected by the prevalence of part-time working. Our bonus amounts are pro-rated for part-time workers and 80% of our part-time workers are female compared to 20% who are male.

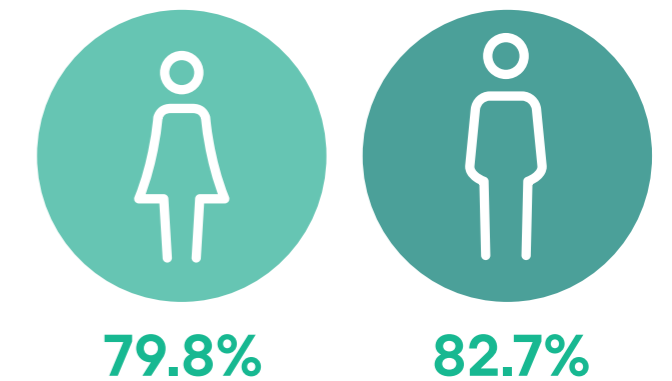
For 2023, a slightly higher proportion of males received a bonus than females. This is a reversal from the previous year when a slightly higher proportion of females than males received a bonus.

All our staff have the opportunity to receive a bonus, except for those who join Isio within four months of the end of the performance year, who are not eligible until the following year. For this reporting year, we had recruited more females than males during this four month period and this resulted in a slightly higher proportion of females being ineligible for a bonus this year.

Bonus Pay Gap	Median	Mean
2023	50.3%	68.2%
2022	37.6%	62.2%
2021	56.5%	61.5%
2020*	30.3%	35.9%

* Partners did not receive a bonus in 2020 as they were still working for KPMG and had a different employee status.

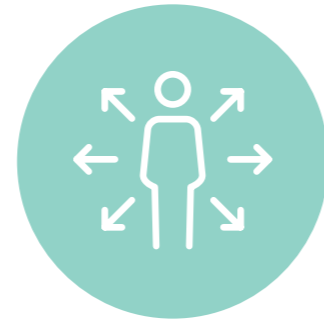
The proportion of men and women receiving a bonus payment



Our progress on gender diversity.

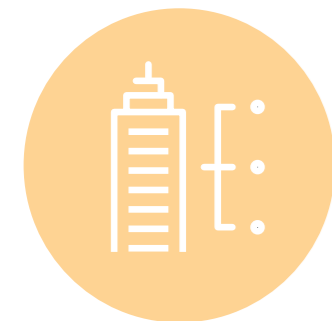
Performance Management

In 2023, we introduced a new performance management system that makes it easier for individuals and managers to monitor performance. Moving to an online platform has enabled improved reporting and monitoring of performance trends related to diversity.



Network

We support a range of highly engaged employee networks who undertake a variety of initiatives. Our Women's Network has recently hosted a series of grade-specific networking and development sessions. As well as providing excellent networking and development opportunities, these sessions have provided a safe place for our female colleagues to share their experiences and to hear from, and speak to, senior female leaders.



Promotions

The Year End calibration and promotion process is checked through a diversity lens and we ensure that interview and promotion panels are diverse. In our last promotion round, at each level promotions were broadly proportionately split between males and females, with a slight balance towards more female promotions at certain grades.



Parental leave and return to work

We have introduced a 'Return to Work' programme to support parents back into the workplace and have updated and enhanced our Shared Parental Leave policy.

Recruitment

We have built more flexibility into our career pathways with the introduction of an Industrial Placement programme for students. We have enhanced the data we receive when considering candidate pools and, over the past year, our new recruits have been split 49% female and 51% male.



External recognition

We were honoured to be awarded the Inclusive Employers accreditation in 2023 in recognition of the progress we have made in all aspects of inclusion.

We were delighted that ten of our people were nominated for the Professional Pensions Women in Pensions awards. Congratulations to Glenda Robinson who won the award for Administrator of the Year.



Career development programmes

A range of management workshops and leadership programmes have been developed to support colleagues at all stages of their career. All of our senior people have attended a programme this year on being an effective and inclusive Performance Manager.

Monitoring our progress.

We believe that we have the right approach to ensure that we can continue to make progress on our gender pay gap. Nevertheless, we have a number of measures in place to monitor our progress, obtain feedback on our performance and continue to evolve our strategy.

The initiatives set out in this report are overseen by both our **Inclusion & Belonging ('I&B') Steering Committee** and our **Executive Committee**. In addition, each of our **Partners have individual objectives** to support specific initiatives.

I&B Steering Committee

This committee is chaired by Suzy Neubert, an Isio Non-Executive Director and includes Isio's CEO, CFO, CPO and other senior representatives from across the business. The I&B Steering Committee meets every three months and is responsible for driving forward the I&B Strategy. Our Gender Pay Gap Report, and resulting actions, are shared with the I&B Steering Committee each year.

Executive Committee ('ExCo')

The ExCo is chaired by the CEO and is our main forum for taking day-to-day decisions on key business activities. Our Gender Pay Gap Report, and resulting actions, are reviewed and approved by the ExCo prior to publication.

Partner performance objectives

Each of our partners have personal performance objectives which includes goals to set the right culture, support our people and contribute to the I&B Strategy. During 2024, all of our partners will attend a Leaders as Allies development programme led by a third-party provider to ensure they are equipped to be champions for inclusion.



Andrew Coles,
Chief Executive Officer



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I am pleased to note the progress we have made this year in improving our gender diversity at senior levels and consequently reducing our Hourly Pay Gap between women and men. Our key focus remains on continuing to drive long-term, sustainable change throughout our organisation which will further reduce our pay gap over time.

Over the past year, we have launched our Inclusion & Belonging Strategy and I am immensely proud that, despite still being a new organisation, we were awarded the Inclusive Employers accreditation this year. This is a testament to the commitment and determination from our people and our leadership to make Isio a diverse and inclusive place to work. ”

Declaration

I confirm the information and data reported is accurate as of the snapshot date 5th April 2023.

A handwritten signature in blue ink, appearing to read "Andrew Coles".

Signed: **Andrew Coles**

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The background is a solid teal color. It features several 3D-rendered geometric shapes in a slightly darker shade of teal. These include a circular disc at the top, a rectangular block on the left, a curved block on the right, and another curved block at the bottom. The shapes have soft shadows, giving them a three-dimensional appearance.

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