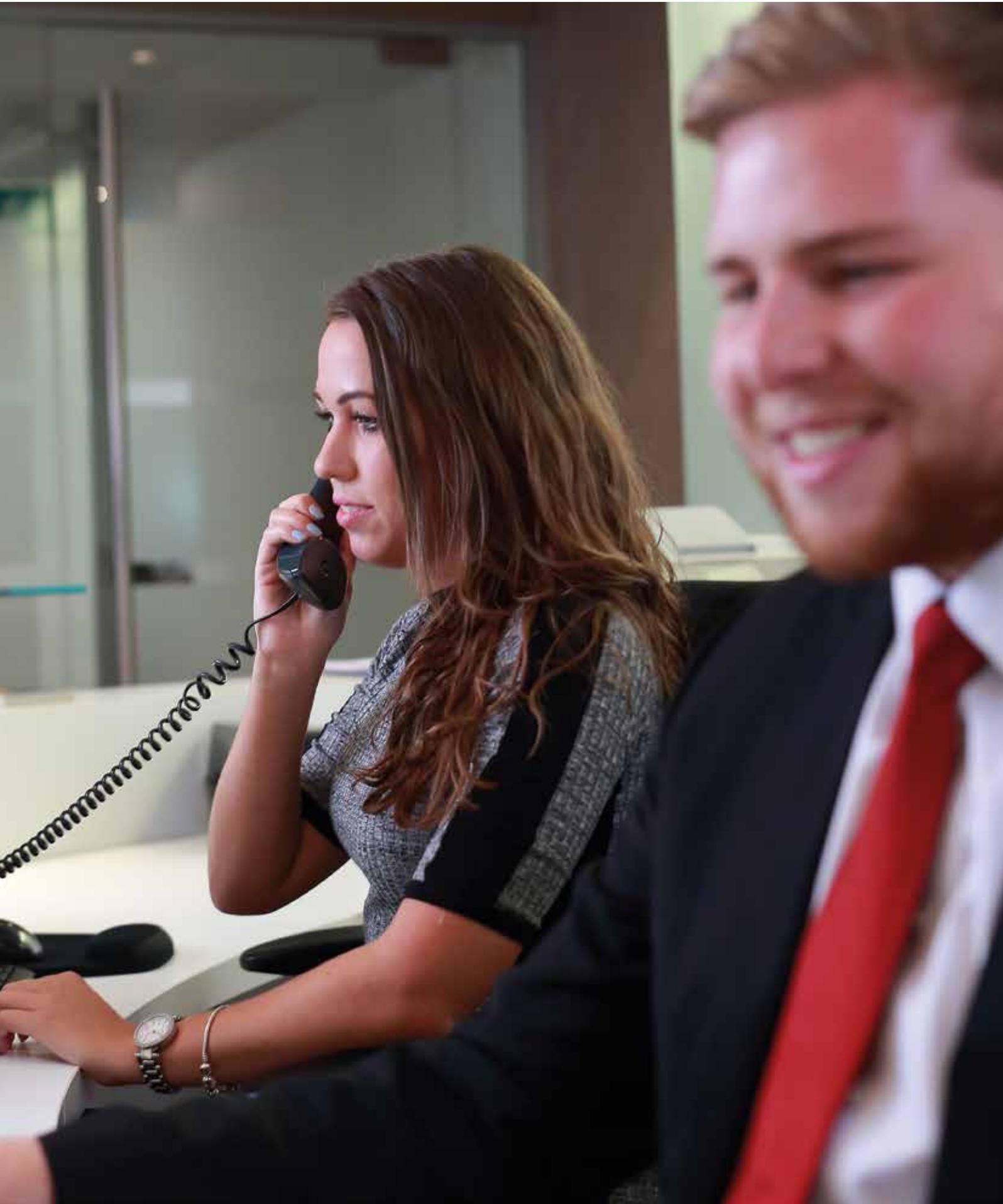




Gender Pay Gap Report



Introduction

At Lorien*, we are fully committed to both discussing our gender pay gap, and taking steps to close it. We are proud to have a healthy balance to our workforce, with just over 50% of our employees and 57% of our executive board being female against a FTSE 250 average of just 23%.

We are pleased that the median pay gap of our overall workforce has improved significantly, down from 22.65% to 7.29% in 2018, likewise our overall mean gender pay gap has reduced from 27.59% to just 3.91%.

The gender imbalance is a problem worldwide and as a recruitment business working in the technology sector – where women make up only a stark 21 percent of executives in tech - we are often tasked with supporting our clients to overcome their own gender imbalances. It's become an agenda (and one I fully advocate) for everyone. Whilst we are strongly committed to improving our own gender pay gap, we are also passionate about driving change within our industry as well as supporting our customers with their own diversity goals. In 2018 we became members of Tech Talent Charter, an organisation that aims to address gender imbalance and deliver greater diversity with the UK's technology workforce. We will continue to work in partnership with our customers and external partners as we strive to play our part in addressing the imbalance.

As a staffing business, we have a number of temporary workers on our payroll whose pay is fixed by our customers. As part of our commitment to transparency, we have therefore provided a separate analysis of our 222 permanent UK employees in this report.

Our median gender pay gap for this specific group is 25.77%. Again, this is a significant improvement on the previous year where it was 38.2%, although we are fully aware that there is still work to be done. We continue to pay both men and women who perform the same roles equally; however the nature of our business means the majority of roles are bonus-earning sales positions. This is generally an area which attracts fewer women and therefore has an impact on our gender pay gap. In 2018 we ran a campaign called "Cultivating Career Equality" aimed at gathering feedback from our employees and ensuring that our environment and career paths are fully inclusive.

Whilst we have a higher proportion of women in Support and Administrative functions, they remain underrepresented in senior management positions. However in recent months we have increased the number of women we have in these roles, which should hopefully mean a further improvement in our pay gap next year.



I confirm the information and data reported is accurate as of the snapshot date 5 April 2018.

A handwritten signature in black ink, appearing to read 'Julia', with a horizontal line underneath.

Julia Robertson

Group CEO, Impellam Group Plc

As a business thinking to the future, I strongly believe that we must deliver for the next generation. That means creating equal opportunities, driving career progression and ensuring a supportive, collaborative working environment that will cultivate fulfilling careers. In a bid to attract more women to these roles, we are constantly evaluating our recruitment processes, culture and training programmes. Further details about the initiatives that we are undertaking as part of a broader focus on creating an inclusive workplace can be found in this report.

Claire Marsh

Chief Executive Officer,
Lorien

*The legal entity Lorien Resourcing Limited includes all employees of Lorien and onezeero.

Understanding the gender pay gap

Gender pay vs equal pay

A gender pay gap shows the difference in average pay across all of the men and women in an organisation, industry or country as a whole. It can be driven by the differing number of men and women across all roles.

It is not the same as an equal pay comparison which looks at how much men and women are paid for carrying out the same role.

How we calculated our numbers

Under the UK Government's new Gender Pay Gap regulation, companies need to report their gender pay gap for all legal entities in Great Britain with more than 250 employees. We have provided data on all of our permanent and temporary employees, as required by the regulation. Given we are a staffing business we have a very high number of temporary workers on our payrolls at any one time.

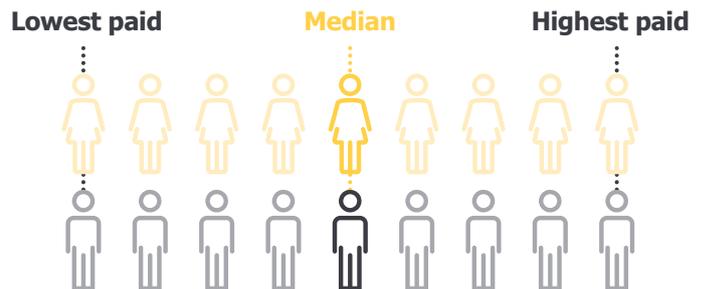
This number fluctuates depending on requirements from our clients, and typically the rate of pay that our temporary workers receive is decided by our clients. We have also reported on our permanent employees only and our temporary employees only.

Pay quartiles explained

A pay quartile is calculated by listing the hourly pay rates for everyone in the business then dividing them in to four equal sized groups. We then work out the percentage of men and women in each group.

Median and mean gaps explained

The figure used most regularly is the **median gender pay gap**. To help bring this to life, imagine all of the women at Impellam standing in one line, from lowest paid by hour to highest, and all of the men doing the same in another line. The median gender pay gap is the percentage difference in hourly pay between the woman in the middle of the line and the man in the middle of the line. Hourly pay includes leave and any shift premiums, but not overtime.



The **mean gender pay gap** is the percentage difference in the average pay of men and women. This is calculated by adding up all of the hourly pay rates for all of the women in a business and dividing it by the number of women, then doing the same for the men and comparing the difference. The mean can be affected by different numbers of men and women in different roles. This is why we also report the number of men and women in different pay quartiles.

We also report the median and mean differences in bonus pay over a twelve month period, and the percentage of men and women who received a bonus.

A positive percentage shows a gap in favour of men; a negative percentage shows a gap in favour of women.

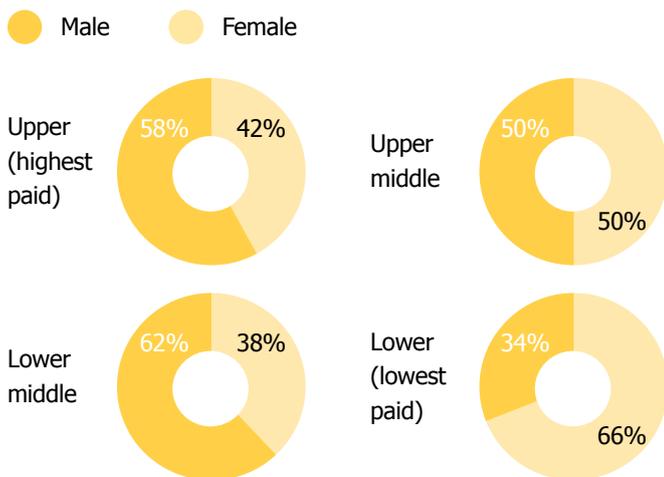
Our figures for 2018

All UK employees, including temporary and permanent

Pay - hourly rate

Median **7.29%** Mean **3.91%**

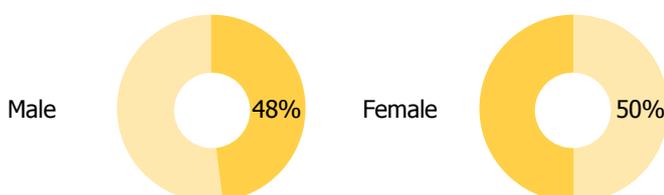
Proportion of employees according to quartile bands



Bonus pay difference between men and women

Median **66.93%** Mean **51.76%**

Percentage of males / females receiving a bonus payment



Did you know?

- Lorien's overall gender pay gap is 7.29%. For our permanent employees, it's 25.77%.
- Just under 50% of Lorien's employees are female. They are under-represented in senior management roles and this is the main reason for our gender pay gap.
- Within our organisation, we have fewer women than men in sales roles that attract high bonus payments. We also have a larger number of women working in roles that don't include bonus payments - such as support and administrative functions - which further increases the bonus gap.
- The technology sector is 75% male and has an average pay gap of 25%*.

Permanent employees only

| | |
|---|-----------------------|
| Median / mean hourly pay gap | 25.77 / 23.51% |
| Median / mean bonus pay gap | 58.21 / 44.85% |
| % males / females receiving a bonus payment | 89.81 / 66.67% |
| Upper quartile (male / female %) | 72.73 / 27.27% |
| Upper middle quartile (male / female %) | 55.36 / 44.64% |
| Lower middle quartile (male / female %) | 42.86 / 57.14% |
| Lower quartile (male / female %) | 25.45 / 74.55% |

Temporary employees only

| | |
|---|-------------------------|
| Median / mean hourly pay gap | -41.82 / -34.25% |
| Median / mean bonus pay gap | -56.53 / -80.43% |
| % males / females receiving a bonus payment | 12.50% / 31.53% |
| Upper quartile (male / female %) | 34.88 / 65.12% |
| Upper middle quartile (male / female %) | 46.51 / 53.49% |
| Lower middle quartile (male / female %) | 95.35 / 04.65% |
| Lower quartile (male / female %) | 35.71 / 64.29% |

*Mercer, <https://www.uk.mercer.com/our-thinking/the-gender-pay-gap-in-uk-tech-sector.html>

How we are building an inclusive business

We are committed to creating an inclusive and diverse business built on trust and the following initiatives support our goals:

1. Team cohesion

We continue to invest in Team Cohesion – our Diversity & Inclusion Group – in order to ensure a united, inclusive working environment through promoting, educating and celebrating diversity amongst all our staff.

We are achieving this by:

- Making D&I training mandatory for all employees on commencement of their employment.
- Ensuring all our diversity champions for BAME, Disability, Gender Equality, LGBTQ+, Mental health, Religion, Social Mobility and Working Parents are supported in delivering their initiatives.
- Providing an online forum to discuss unity and inclusivity – By creating our 'Ask Cohesion' Workplace group.
- Measuring employee wellbeing and acting on feedback.
- Partnering with the Impellam (Lorien's parent company) D&I Council to share initiatives and facilitate further discussion around creating an inclusive working environment.

2. Recruiting & retaining diverse talent

We will continue to create an inclusive environment at all levels of the organisation, ensuring we attract, recruit and retain diverse talent. We are committed to ongoing review of our current recruitment practices to ensure we remove barriers to entry, including a review of advertising methods, formats and selections procedures.

It is also important to us that all of our people have equal opportunity for progression and training within the business. We will ensure our career paths and structure are regularly communicated and clearly visible so our employees are aware of the opportunities available to them.

Our mentoring programme in which employees have access to business mentors who support them with their career goals and development continues to be successful with the second cohort commencing during 2018. Feedback has shown the programme is enabling more women to progress their careers into senior management positions, by offering them support, guidance and encouragement to pursue career opportunities.

3. A culture of virtuosity

We are continuing to invest in our management population, ensuring they free themselves from conventional thinking enabling all of our people to be encouraged and supported in reaching their full potential. We are doing this by ensuring all our Managers attend the Virtuoso Training Programme, 23% of our managers have attended the training throughout 2017 and 2018, with a further 37% scheduled to attend the training throughout 2019 (Lorien). 66% of our managers have attended the training throughout 2017 and 2018 (onezeero).

4. Addressing unconscious bias

All new starters attend a Company induction in which they are introduced to the concept of unconscious bias and the impact it has on recruiting and retaining diverse talent. Following this employees have access to further training via our online learning platform, which will help them understand, identify and address unconscious bias. For all employees with the responsibility for interviewing candidates this training is mandatory. In addition all of our internal recruiters have been trained to ensure bias-free recruitment practices such as maintaining gender neutrality in all of our job specifications and avoiding gender based terminology.

How we are building an inclusive business

5. Facilitating flexible working conversations

All employees are encouraged to work flexibly where required, these conversations are facilitated through our online performance and wellbeing platform – Open Blend. All Managers have one to one coaching sessions with their Talent in which they explore key drivers of the individual enabling them to adapt to the needs of each employee. Our insights into the impact of the Open Blend method within Lorien have shown an increase in the fulfilment of a flexible working culture following these coaching sessions, and we will continue to ensure an employee's key drivers and wellbeing are a fundamental aspect of monthly reviews.

6. Uncovering the DNA

As part of our commitment to ensuring an inclusive environment we are holding focus groups across the business to gain a greater understanding of the thoughts and views of our employees on gender equality within Lorien and onezero. Our aim is to uncover employee views of gender representation in leading roles and what the ideal future looks like to them.

In 2018 we ran a campaign called Cultivating Career Equality through which we sought the opinions and perceptions of the recruitment sector from of our employees across the entire group. The results from this campaign and the subsequent focus groups will assist with ongoing initiatives to help further address our gender pay gap.





National Gender Pay Gap for UK in 2018:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2018>