UNIT4



In business for people. Gender Pay Gap Report

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Introduction

Two years ago, Unit4 recognised our need to transform our organisation. In a digital age where our customers expect fast paced approaches to software solutions so our business model needed to also embrace diversity and inclusion to truly be in business for people. This has taken us on a journey to redefine the business we want to be, challenge the norms and ensure we assess capability based on performance of our people rather than elements of their identity.

Diversity is not just about gender but embraces all areas of inclusion and Unit4 is committed to driving its focus around our people and the contribution they give unrelated to their identity. We respect each and every one of our employees and we are driving a number of initiatives to meet this goal. Unit4 embraces the need to publish our gender pay report as we welcome transparency but we also want to be clear that demonstrating differentials in pay based on gender is not our sole focus, we are equally as focused on creating an environment that is fair and equal for all of our employees.

By being transparent we can begin to drive change in a more holistic way and for that reason I am also keen to ensure we share some of the initiatives we have already rolled out and those we plan to focus on. These include our approach to Graduate recruitment with equal focus on male and female, introducing a global job framework that focuses on competencies for the role rather than elements of identity, actively working on a change to our recruitment practices including the way we advertise our roles which has been proven to result in a greater diversity of applicants for roles. In addition we are focused on a Key Talent and Succession approach to opportunity building for our people, promotion of women and women in tech focus and driving our Key Behaviours throughout our organisation regardless of gender, race, age, class, sexuality and ability. A decision to be transparent on Gender Pay should not be the reason any organisation focuses on diversity and therefore we will strive to define our culture around being in business for all people regardless of identity.

Managing Director UK & Ireland

Unit4 Business Software UK is required by law to publish an annual gender pay gap report

This is a new requirement for 2017 under The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, as an employer of over 250 employees we are required to publish the following report and to retain it on our website for a period of three years.

The gender pay gap shows the differences in the **average pay between men and women**

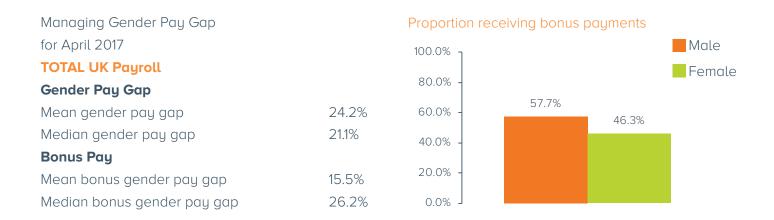
- This is its report for the snapshot date of 5 April 2017.
- The mean gender pay gap for Unit4 Business Software UK is 24.2%
- The median gender pay gap for Unit4 Business Software UK is 21.1%
- The mean gender bonus gap for Unit4 Business Software UK is 15.5%
- The median gender bonus gap for Unit4 Business Software UK is 26.2%
- The proportion of male employees in Unit4 Business Software UK receiving a bonus is **57.7**% and the proportion of female employees receiving a bonus is **46.3**%.

Pay quartiles by gender

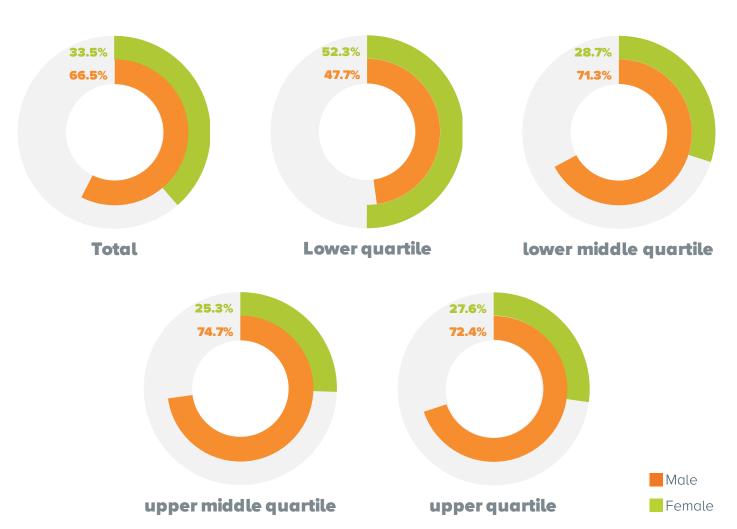
Band	Males	Females	Description
А	47.7%	52.3%	Includes all employees whose standard hourly rate places them at or below the lower quartile
В	71.3%	28.7%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
С	74.7%	25.3%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	72.4%	27.6%	Includes all employees whose standard hourly rate places them above the upper quartile



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



Proportion of gender in each Quartile pay band



What are the underlying causes of Unit4 Business Software UK gender pay gap?

Under the law, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

Unit4 Business Software UK is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above). As such, it:

- carries out pay and benefits audits at regular intervals;
- provides regular equal pay training for all managers and other staff members who are involved in pay reviews; and
- evaluates job roles and pay grades as necessary to ensure a fair structure... We use a Global Job Framework to benchmark the role, ensuring the focus is on the role not the employee in role.

Unit4 Business Software UK is therefore confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract which is also commensurate with the industry we work in. The make up of our workforce includes multiple offices employing for example multiple front line reception roles and these are generally in the lower quartile for pay. Similarly sales has a vast pool of males and the pool of candidates we source from is therefore largely male. These are in the upper quartile

In the make-up of Unit4 Business Software UK's workforce, where all of the front-line reception roles are held by women, while the majority of line manager and senior manager roles are held by men. In addition, the majority of the relatively highly paid senior leadership roles are held by men and not women. It should be noted that employing a diverse population is key in all of the hiring decisions Unit4 undertakes, however despite taking a diversity focused stance, for many senior roles fewer women apply for certain roles, this is particularly true within Sales and Professional Services as examples.

This can be seen above in the table depicting pay quartiles by gender. This shows Unit4 Business Software UK's workforce divided into four equal-sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each Band. However, within Unit4 Business Software UK, 52.3% of the employees in Band A are women and 47.7% men. The percentage of male employees increases throughout the remaining Bands, from 71.3% in Band B to 72.4% in Band D.

How does Unit4 Business Software UK's gender pay gap compare with that of other organisations?

It is difficult to compare us to other companies at this stage as this is the first year that we have been required to publish any data and there is no comparison data available at present. Although early indications show we are in line with other software companies who operate in a similar business model. We will however, be able to compare to other businesses in the software sector for 2018 onwards.

The median gender pay gap for the whole economy (according to the November 2016 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 18.1%, while in the skilled trade occupations the gender pay gap sits at 25.1%. At 24.2%, Unit4 Business Software UK mean gender pay gap is, therefore, slightly lower than that for our sector.

The mean gender bonus gap and the median gender bonus gap for Unit4 Business Software UK are slightly higher than our median overall figure at 15.5% and 26.2%. However, this reflects that not all roles attract a bonus payment and the more senior role would generally attract a higher bonus amount, reflecting our Global Bonus Schemes and market rate to attract and retain the right candidates in roles.

The proportion of men at Unit4 Business Software UK who received a bonus in the 12 months up to 5

April 2017 was 57.7%, while for women this was 46.3%. This reflects the higher proportion of men in the management and sales roles that, under our current policy, attract a performance bonus and the fact that historically the Software Industry has been more heavily male dominated.



What is Unit4 Business Software UK doing to address its gender pay gap?

While we believe that Unit4 Business Software UK's gender pay gap will compare favourably with that of similar organisations across the UK economy, we want to more than compare and is committed to doing everything that we can to excel. Scope to act is limited in some areas — we have, for example, no direct control over the subjects that individuals choose to study or the career choices that they make, nor the general employment dynamics in our industry today; such as the pool of candidates for roles being predominately male. However, we have given young people an insight into the software environment through our partnership with the Princes Trust and World at Work days and to date, the steps that Unit4 has taken to promote gender diversity in all areas of its workforce include the following:

Global Job Framework: used for benchmarking of all roles and salary benchmarking, comparing the roles not the employee

Flexible working policy: to ensure that all employees in all areas and levels of the business can request for the business to consider an application and this need not be limited to part-time working.

Flexi-time Policy: to encourage employees to manage their own work time, as appropriate within the role they perform to enable a better level of work life balance for all.

Unconscious bias: During 2017 Management training was rolled out and included best practice recruitment techniques ensuring the best candidate is hired for the role.

Creating an evidence base: We will use this report to identify any barriers to gender equality and inform priorities for action, in 2017 Unit4 introduced gender monitoring to understand:

Launch of Unit4 Includes: 2018 will see the launch of a program to encourage diversity in the work place and encourage women into the Software Industry.

None of these initiatives will, of itself, remove the gender pay gap - and it may be several years before some have any impact at all. In the meantime, Unit4 Business Software UK is committed to reporting on an annual basis on what it is doing to reduce the gender pay gap and the progress that it is making.

Any further initiatives launched throughout the year will be reported on the company intranet.

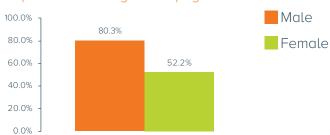


Appendix

UK Ops only

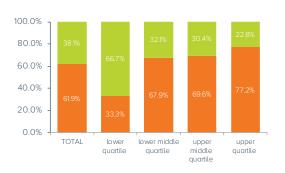
Gender Pay Gap					
Mean gender pay gap	31.0%				
Median gender pay gap	23.4%				
Bonus Pay					
Mean bonus gender pay gap	25.2%				
Median bonus gender pay gap	26.3%				

Proportion receiving bonus payments



Proportion of gender in each Quartile pay band

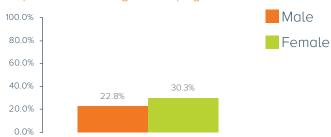
	Male	Female
TOTAL	61.9%	38.1%
lower quartile	33.3%	66.7%
lower middle quartile	67.9%	32.1%
upper middle quartile	69.9%	30.4%
upper quartile	77.2%	22.8%



Corp Departments

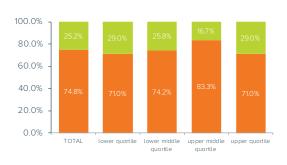
Gender Pay Gap Mean gender pay gap 9.4% Median gender pay gap 5.3% Bonus Pay Mean bonus gender pay gap (49.0%) Median bonus gender pay gap (16.6%)

Proportion receiving bonus payments



Proportion of gender in each Quartile pay band

	Male	Female
TOTAL	74.8%	25.2%
lower quartile	71.0%	29.0%
lower middle quartile	74.2%	25.8%
upper middle quartile	83.3%	16.7%
upper quartile	71.0%	29.0%



About Unit4

Unit4 is a leading provider of enterprise applications empowering people in service organizations. With annual revenue of close to 600M Euro and more than 4200 employees worldwide, Unit4 delivers ERP, industry-focused and best-in-class applications. Thousands of organizations from sectors including professional services, public services, not-for-profit, real estate, wholesale, financial services and education benefit from Unit4 solutions. Unit4 is in business for people.

Unit4.com

Unit4

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