

GENDER PAY GAP REPORT 2021



Building a better future

As a specialist staffing company our purpose is 'Bringing skilled people together to build the future'. Over the last two years our purpose couldn't have been more relevant as we've helped our clients find the right STEM talents to tackle the challenges of the pandemic and help the world recover.

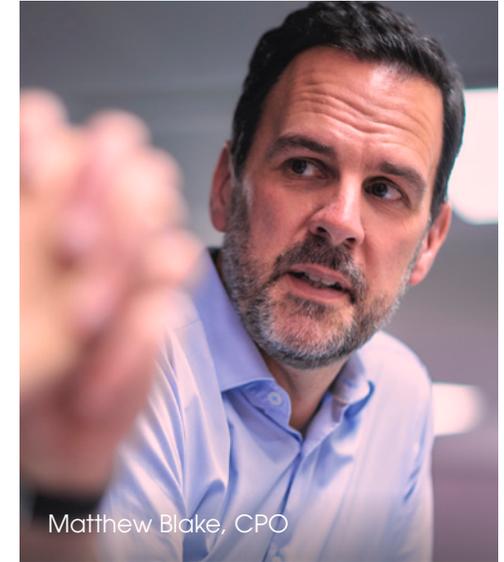
We believe that bringing cultures, communities and backgrounds together is a vital part of building a better future. We're proud to be a company that attracts diverse talent to move society forward through STEM.

Our Diversity, Equity and Inclusion (DE&I) strategy and policies are critical to attract, develop and retain diverse talent and help our people be their best. We're committed to change and have set ourselves challenging targets for gender, aspiring to increase gender representation at leadership levels to 50/50 by 2024.

We know we have more to do. This report sets out not only the legal gender pay gap reporting requirements, but our commitments and actions to help us achieve our targets. Next year, we will go one step further and voluntarily report any gender pay gap for all of the countries in which we operate. We have a responsibility to be leaders in this space within the world of recruiting, and the opportunity to help solve complex global issues by making STEM industries more accessible and inclusive.



Timo Lehne, Interim CEO



Matthew Blake, CPO

Handwritten signature of Timo Lehne in black ink.

Timo Lehne
Interim CEO

Handwritten signature of Matthew Blake in black ink.

Matthew Blake
Chief People Officer

Our diversity, equity and inclusion journey

At SThree, our ambition is to be recognised as leaders of DE&I in the staffing industry. We want to attract, retain and develop great talent, and we know great minds don't always think, act or look alike.

To help us achieve our ambition, in 2020 we launched our four year DE&I strategy. At the heart of our strategy we are committed to creating a culture of allyship and delivering systemic equity through developing our policies and processes.

Two years in to our strategy and we've accomplished a great deal. We've held 395 hours of leadership training, we've grown our community networks and expanded our global employee resource groups. In 2021 we launched our Global DE&I policy and vision statement across all regions. We've developed a future leaders programme for women, Identifly+, to develop and retain our leaders of tomorrow. And in 2021 we won Company of the Year at the European Diversity Awards.

We set ourselves the target to increase gender representation at all leadership levels to 50/50 by 2024. We are starting to see change, but we know real change takes time. Women now make up 30% of our Executive Committee, and 50% of Non-Executive Directors. Despite this, we recognise that we have a gender pay gap at SThree in the UK and it exists for a couple of reasons.

While our bonus gap continues to decrease, down 4.2% since last year at 51.7%, our mean gender pay gap has widened by 2.9% to 24.6%. Although women make up 51% of our overall business, we still have a higher proportion of men in senior roles. In addition, the proportion of bonus received by women in sales roles is lower. These factors coupled with a larger proportion of women in entry level and mid-level roles all contribute to our overall pay gap.

We know we have more work to do to balance gender representation at all levels and close our pay gap. The third year of our DE&I strategy, will continue to drive the change needed to help us achieve our ambition of being a STEM and staffing leader of DE&I.

Karima Green

Global Head of Diversity, Equity & Inclusion and People Engagement



Our UK data: The big picture

We want to demonstrate that we truly are leaders in DE&I by going above and beyond the current reporting legislation.

Our aggregated UK data includes our sales business (SThree LLP) and our corporate 'core functions' business (SThree Management Services). This data snapshot also includes Partners and executive and non-executive directors to give a more holistic view of our gender pay gap.

Gender pay gap:

25.3% Median **24.6%** Mean

Gender bonus pay gap:

57.9% Median **51.7%** Mean

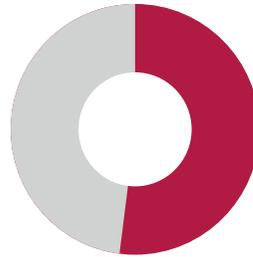
Bonus proportion

82.3% Proportion of women receiving bonus **85.2%** Proportion of men receiving bonus

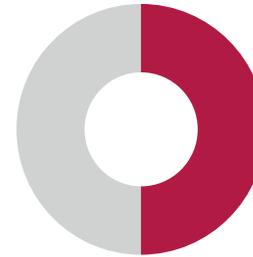
The gender pay gap is not the same as equal pay. Equal pay means 'equal pay for equal work'.

It's against the law to differentiate pay based on gender.

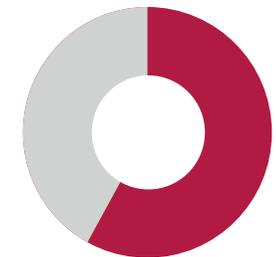
The bigger picture



UK hiring in 2021
48% women / 52% men



Global hiring in 2021
50% women / 50% men



Global promotions in 2021
42% women / 58% men

Women make up:

51%

of our overall business

30%

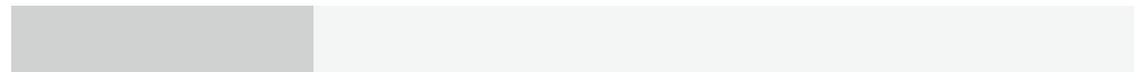
of our Executive Committee

50%

of our Non-Executive Directors

Global turnover in 2021:

34% women



40% men

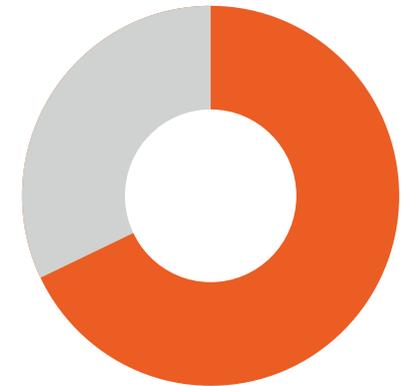


Our UK data broken down: SThree Management Services

This data gives snapshot of our UK corporate core functions staff on 5 April 2017 – 2021.

		2021	2020	2019	2018	2017
Gender pay gap	Median	27.0%	23.1%	17.7%	27.4%	20.8%
	Mean	17.5%	13.5%	8.9%	13.8%	11.9%
Gender bonus pay gap	Median	22.9%	18.9%	17.6%	24.9%	1.4%
	Mean	11.0%	4.5%	-8.0%	18.7%	24.5%
Bonus proportion	Women	83.7%	85.8%	83.9%	77.6%	84.4%
	Men	80.6%	84.7%	80.9%	86.9%	91.4%

2021 promotions

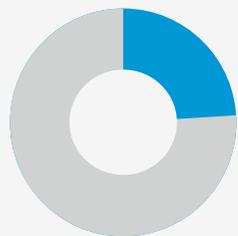


67.9% women
32.1% men

Gender pay gap by quartiles

This shows the mix of women and men at the four different levels of pay, with 'Upper quartile' being the highest paid and 'Lower quartile' being the lowest paid.

Lower quarter



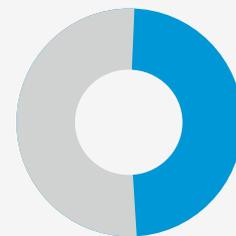
76.5% 23.5%

Lower middle quarter



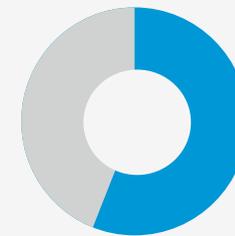
58.8% 41.2%

Upper middle quarter



51.5% 48.5%

Upper quarter



44.1% 55.9%

Women
Men

Our UK data broken down: SThree LLP

This data gives a snapshot of our UK sales staff on 5 April 2017 - 2021.

		2021	2020	2019	2018	2017
Gender pay gap	Median	22.4%	15.6%	7.9%	10.2%	13.1%
	Mean	20.4%	22.8%	21.5%	22.6%	14.4%
Gender bonus pay gap	Median	50.0%	45.0%	48.7%	47.0%	36.4%
	Mean	47.9%	38.6%	50.1%	44.4%	22.9%
Bonus proportion	Women	81.4%	86.7%	76.8%	81.8%	73.5%
	Men	88.8%	89.6%	77.0%	88.6%	86.1%

2021 promotions



35.1% women
64.9% men

Gender pay gap by quartiles

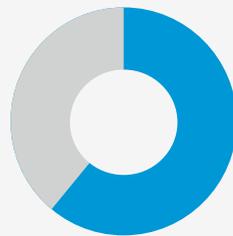
This shows the mix of women and men at the four different levels of pay, with 'Upper quartile' being the highest paid and 'Lower quartile' being the lowest paid.

Lower quarter



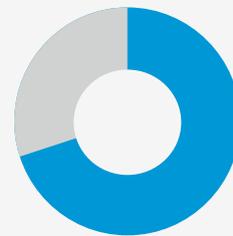
49.3% 50.7%

Lower middle quarter



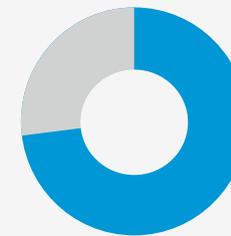
39.2% 60.8%

Upper middle quarter



29.7% 70.3%

Upper quarter



27.0% 73.0%

Women
Men

What we're doing

As we work to achieve our target of 50/50 gender representation at all leadership levels by 2024, here are highlights from 2021 and how our goals for the future align to our DE&I strategy key conditions of success.

Condition of success	What We've Done
Listen to our people, act on their feedback and create an environment where they can shine	<ul style="list-style-type: none"> • Launched SThree DE&I bitesize training • Held nine global and local webinars reaching over 1,600 colleagues • Completed promotions & progression audits to identify any systemic barriers related to gender that are holding women back at SThree
	What we'll do <ul style="list-style-type: none"> • Expand our DE&I learning curriculum • Continue to build engagement on global and local awareness days
Condition of success	What We've Done
Create a renewed focus on inclusion, culture addition, not culture fit	<ul style="list-style-type: none"> • Launched our Global DE&I policy • Refreshed policies to support family leave • Changed processes and policies to drive systemic focus on DE&I in our hiring, reward, learning & development and ESG
	What we'll do <ul style="list-style-type: none"> • Roll out inclusive language guide • Use employee engagement data to improve the employee experience

What we're doing

Condition of success	What We've Done
Reflect our clients and candidates in the countries we operate, and by doing so value diversity	<ul style="list-style-type: none">• Set clear global and local country DE&I targets owned by local leadership
	What we'll do
	<ul style="list-style-type: none">• Focus on and delivery of targets to drive change• Grow our Breaking The Glass programme at a regional level, using our successful US blueprint where over 2,200 women in STEM come together to share, learn, network and grow
Condition of success	What We've Done
Build a diverse leadership team who will positively and actively challenge and change the status quo	<ul style="list-style-type: none">• Invested in remote learning to support flexible working and career development• Launched future leadership development programme for women Identify+• Delivered leadership executive bias training to our Board, our Executive Team and all regional leaders across the business
	What we'll do
	<ul style="list-style-type: none">• Inclusive leadership training• Bias training for our people managers• Link executive pay to DE&I targets from 2022

How the gender pay gap is calculated

Since 2017, it's been a legal requirement for all UK companies with 250 or more staff to measure and report the difference in average pay between men and women.

How we calculate proportion of men and women in each pay band quartile

The population is ranked from highest to lowest and then cut into four equal parts to see the gender composition of each section.

How we calculate the proportion of men and women receiving a bonus

The percentage of all men and women that received a bonus payment in the 12 months to 5 April 2021.

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It's against the law to differentiate pay based on gender.

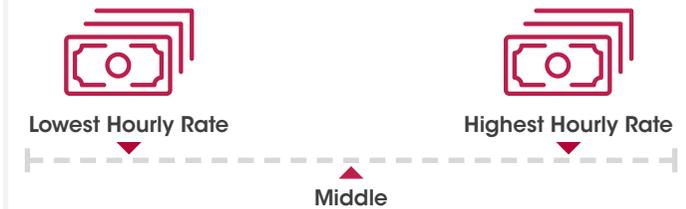
How we calculate the MEAN pay gap



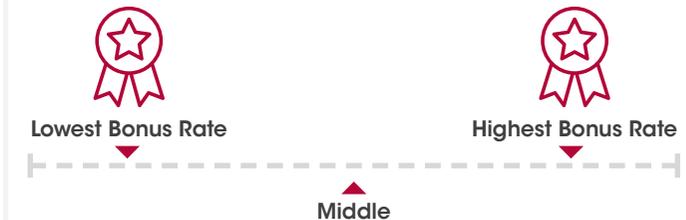
MEAN bonus pay gap



How we calculate the MEDIAN pay gap



MEDIAN bonus pay gap



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