

Gender Pay Gap Report for 2020



Our Commitment to Diversity, Inclusion and Belonging

SUZAN MORNO-WADE, CHIEF HUMAN RESOURCES OFFICER, XEROX



We know the power of having a global and diverse team. It's one of the reasons Xerox has endured 115 years. By having a diverse workforce, we gain the benefit of different ways of looking at our business, leading to innovative breakthroughs for our customers and more engaging work for our people. Research shows diverse companies have more engaged, productive and innovative workforces and in turn perform better financially.

In 2020, women made up 27 percent of the Xerox workforce and 43 percent of our Executive Committee – a reflection of our commitment to gender diversity and inclusion at the highest level. In the last year, we've increased the percentage of women in professional roles across Xerox and plan to increase female representation on our board of directors with the nominations of Nichelle Maynard-Elliott and Margarita Paláu-Hernández, two highly qualified candidates with expertise we believe will help us in our business transformation.

While we have made progress, we know there is more to be done to close the gap and revitalised our commitment to Diversity, Inclusion and Belonging (DIB). We recently appointed a Global Head of Diversity, Inclusion and Belonging, Dr. Yetta Toliver, and developed a new roadmap, identifying areas where we can have a bigger impact on employees and society. Our roadmap focuses on five verticals:

- **Diverse Pipeline:** Having a diverse and inclusive workforce starts with a diverse candidate pipeline. For 2021, we are focused on building a diverse pipeline and accelerating the careers of women as well as underrepresented people of colour.
- **Partnerships:** We are building relationships with external organisations to ensure that our incoming talent better reflects the markets and communities we serve. For example, we are partnering with AI vendors to increase the pool of women and diverse candidates for our openings using their unique artificial intelligence algorithms.
- **Culture Change:** The company's nine Employee Resource Groups (ERGs) are critical in helping us reinforce a company-wide culture of belonging and helping us achieve gender equality. The Women's Alliance, for example, works to ensure that women are represented, recognised and valued at all levels in Xerox. The UK chapter hosts regular events to support women to develop professionally and network across the company.
- **Community Outreach:** We believe our DIB efforts must extend into the community. For example, in the UK, we support Blueprint for All to further their work and honour their mission of working with young people and local communities to create an inclusive society for all.
- **Accountability:** Transparency and reporting are key components to ensure we uphold our commitments. We will publish our progress annually.

In this report, we reflect on our 2020 results and the steps we are taking to close the gender pay gap in the UK. If we all work together, we can create a world where gender equality and equal pay is a lived reality.

A handwritten signature in black ink, appearing to read 'Suzan', written in a cursive style.

Suzan Morno-Wade
Executive Vice President and Chief Human Resources Officer

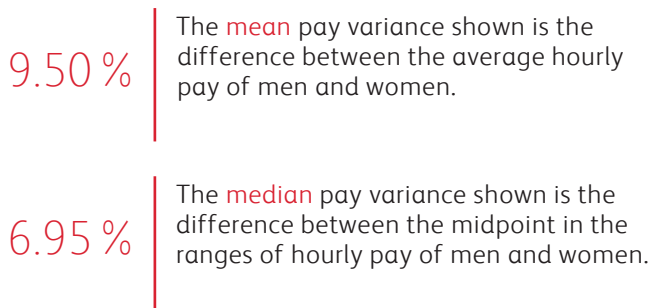
2020 Results

Two Xerox companies operate in the UK: Xerox (UK) Limited is the local operating company, and Xerox Limited employs UK-based headquarters staff.

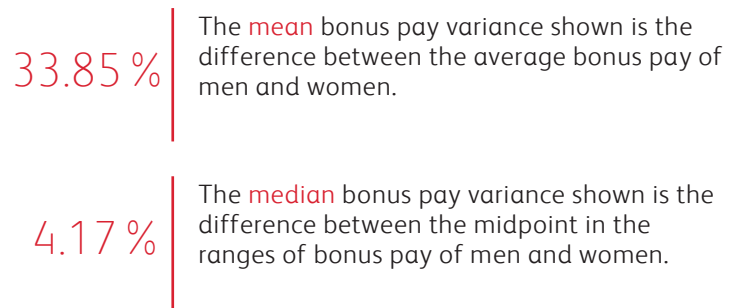
Xerox (UK) Gender Pay Gap

1,086 employees (26 % women)

Hourly pay



Bonus pay



Employees by Quartile

Upper	72.79 %	27.21 %
Upper Middle	79.70 %	20.30 %
Lower Middle	78.97 %	21.03 %
Lower	64.71 %	35.29 %

Proportion of Men and Women Receiving Bonuses

88.30 %	93.41 %
The proportion of female employees that received bonus pay during the year to 5th April.	The proportion of male employees that received bonus pay during the year to 5th April.

- Women
- Men

A Gender Pay Gap Doesn't Mean Unequal Pay

In Xerox (UK), women earn on average 11% less than men: this is the UK gender pay gap. It should not be confused with the law relating to equal pay, which states that men and women should not be paid differently for the same or similar work.

The gender pay gap is a measure of the difference between the average hourly earnings of men and women, expressed as a percentage of men's earnings. The mean gap of 10% for Xerox (UK) means that, on average, women in Xerox (UK) are paid 92p for every £1 earned by a man. In companies where equal pay is the policy and the practice, the gender gap is usually a reflection of the under-representation of women in senior roles.

*as of April 2020.

Xerox Ltd

496 employees (32 % women)

Hourly pay

20.26 % | The **mean** pay variance shown is the difference between the average hourly pay of men and women.

14.04 % | The **median** pay variance shown is the difference between the midpoint in the ranges of hourly pay of men and women.

Bonus pay

44.72 % | The **mean** bonus pay variance shown is the difference between the average bonus pay of men and women.

41.45 % | The **median** bonus pay variance shown is the difference between the midpoint in the ranges of bonus pay of men and women.

Employees by Quartile

Upper	77.42 %	22.58 %
Upper Middle	66.94 %	33.06 %
Lower Middle	67.74 %	32.26 %
Lower	58.87 %	41.13 %

● Women
● Men

Proportion of Men and Women Receiving Bonuses

89.98 %
The proportion of **female** employees that received bonus pay during the year to 5th April.

91.07 %
The proportion of **male** employees that received bonus pay during the year to 5th April.

Accelerating our DIB Roadmap in the UK

In order to accelerate our progress in the UK and drive our DIB agenda, we are launching a series of initiatives in 2021.

A newly created EMEA Diversity, Inclusion and Belonging (DIB) Council, led by senior leaders, will help support and drive our DIB efforts with input from leadership, employees and ERGs. The EMEA DIB Council will be aligned to the broader goals of the company.

In order to hold our leaders accountable across the company, we added an Environmental, Social & Governance (ESG) metric as part of their compensation incentive plan for 2021.

Partnerships are also key in advancing our DIB goals. We've started working with the Black Young Professional's (BYP) Network and Blueprint for All in the U.K. Both organisations help young people from disadvantaged backgrounds on their journey to having a fulfilling and successful career.

In order to accelerate the careers of women and diverse talent, we are also introducing leadership development programs for our highest-potential employees across the globe, sponsored by the Executive Committee, designed to provide enhanced visibility, special assignments and participation in development events.

Finally, we are investing in unconscious bias training. All employees will be encouraged to participate in order to better understand and recognise bias.

This is just the start. Every step we take within our organization and the communities we serve will help us reach a more balanced world.



Attracting and Retaining Women

Our ongoing challenge is to recruit and promote women into mid and upper quartile professional and technical roles. Historically, women have been underrepresented in the engineering and technology sector. We are determined to bring ratio back to balance.

We offer competitive pay and benefits, many geared to supporting a work/life balance. These include childcare vouchers, flexible working, and enhanced maternity and paternity leave.

Throughout Xerox we have flexible working policies to help both female and male employees balance work and life responsibilities, especially childcare. Because of our family-friendly policies, most women return to work at Xerox after their maternity leave. Flexible working can also promote work-life balance, reduce employee stress and improve performance and productivity.

The under-representation of females within the most senior roles has been recognised and actions underway taken to redress this.