

# Gender Pay Gap Report for 2021



# Our Commitment to Diversity, Inclusion, and Belonging



**Suzan Morno-Wade,**  
Chief Human Resources Officer,  
Xerox

At Xerox, we know the power and importance of having a global and diverse team. Every day, thousands of Xerox employees worldwide uphold our commitment to creating an environment where every teammate is respected, valued, and inspired to contribute to our shared long-term success.

Diverse backgrounds, experiences, and perspectives bring innovative ideas, stronger teams, a high-performing culture, and better results. We are committed to equal pay for equal work and building our future with a talented, engaged, and diverse workforce at all levels. While we continue to make progress, the work is far from done. It will require the collective efforts of all employees to keep moving us forward.

Being competitive requires a diverse employee population representing the markets we serve. Across our operations, we remain committed to pushing ourselves forward and breaking down gender barriers in the workplace by increasing the percentage of women in professional roles across the company.

We demonstrate our commitment to building diverse teams and holding ourselves accountable to equitable processes that promote trust and transparency through our policies and actions. We are wholeheartedly committed to increasing visibility and opportunities for women, both at Xerox and within the global communities in which we operate.

Our commitment to diversity, inclusion, and belonging begins at the top with executive support. Xerox leaders across the globe are committed to fostering a workplace where employees can be true to themselves and contribute fully to our mission.

To achieve our aspirations, we are bringing together our entire workforce to advance equity, build diverse teams, and create inclusion wherever they are. Across the company, we will continue to integrate global insights into our strategies and sharpen our focus throughout the organization to institute enduring change.

With a refreshed roadmap to guide our way, our diversity, inclusion, and belonging efforts will continue to focus on the areas that matter most. As we reflect on our progress in 2021 and the steps we've taken to close the gender pay gap in the UK, we will further fuel the diversity of our workforce and uncover additional opportunities related to education, outreach, transparency, and accountability aligned to our ultimate vision. I confirm that the data contained in this report is accurate.

A handwritten signature in black ink that reads "Suzan". The signature is fluid and cursive, written in a professional style.

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

# Diversity, Inclusion, and Belonging at Xerox

## THE BACKBONE OF OUR COMMITMENT: THE WILSON RULE

The Wilson Rule, inspired by our first CEO, Joe Wilson, aims to drive diverse representation at management and professional levels throughout Xerox by ensuring robust outreach and recruiting to various candidates. This initiative ensures that women and minorities are among the final pool of qualified candidates for every open position. Joe's commitment to social responsibility, diversity, and inclusiveness remains a core Xerox value and part of our company DNA, as well as a key part of our hiring process.

## DIVERSITY, INCLUSION, AND BELONGING: STRATEGY IN ACTION

Diversity, inclusion, and belonging (DIB) are not just words on paper — they are core elements of our value system and central to the way we do business. Through teamwork, professionalism, respect, and inclusiveness, we are creating an environment where our people can achieve their goals and make our clients more successful.

We recognize that diversity, inclusion, and belonging progress will not be sustained unless our workplace promotes and encourages new ways of problem-solving and diversity of thought. The road is long, but we will keep moving forward, as a team, together.



Here is how we will get there:

- **Diverse Pipeline:** A diverse and inclusive workforce starts with diverse candidates. We are focused on building a diverse pipeline and accelerating the careers of women and people of color.
  - **Partnerships:** We are building relationships with external organizations 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:** We are creating an environment that allows all employees to thrive by instilling the right leadership behaviors, aligning behind a shared vision, and communicating our journey. Xerox Employee Resource Groups (ERGs) are critical in helping us reinforce this company-wide culture of belonging and achieve gender equality.
- The Women's Alliance, for example, works to ensure that women are represented, recognized, and valued at all levels in Xerox. The UK chapter hosts regular events to support women and help them develop professionally and network across the company.
  - **Community Outreach:** We believe our DIB efforts must extend into our communities. In the UK, we support Blueprint for All to further their work and honor their mission of working with young people and local communities to create an inclusive society for all.
  - **Accountability:** We hold ourselves accountable to showing progress by incentivizing our leaders – at the manager level and above – to achieve multiple people-related goals. We are committed to being transparent in this journey by publishing our results annually.



# Diversity, Inclusion, and Belonging Initiatives in Xerox (UK): Where We Are Today

We've made tremendous progress in recent years, fostering a more diverse and inclusive environment. We see progress in representation of diverse talent in our executive ranks, an expanded global footprint, and improved talent pipeline diversity. While this is a great start, we remain committed to the work that still needs to be done.

In 2021, we reinvigorated the diversity inclusion agenda and established a new **Diversity, Inclusion, and Belonging (DIB) roadmap** to focus on the areas where we can make the most significant impact. Our efforts include the following:

- We launched a **diversity survey** to all employees across EMEA. Based on the results, we acted, not only in EMEA, but on a national level as well. We recruited employees to be **DIB Advocates** to review the results and act based on employee feedback. These team members delivered several initiatives to help strengthen the inclusion of employees in all areas.
- In 2021, we introduced mandatory **Unconscious Bias training** to all line managers across EMEA. In the UK, the training was also cascaded to non-managers.
- To hold our leaders accountable across the company, we added an **Environmental, Social, & Governance (ESG) metric** as part of their compensation incentive plan in 2021.
- The Senior Leadership team of Xerox started '**All of Us Together**' sessions for all employees, jumpstarting an ongoing dialogue about how we can create a more diverse and inclusive organization. Apart from employees sharing their experiences in roundtables, the concepts of unconscious bias and intersectionality were key discussion points.

- Attracting early career talent from different racial, ethnic, and cultural backgrounds increases the likelihood of filling diverse roles at all levels, sparking creative and revolutionary ideas for years to come. In the UK, we have the **Kickstart program**, which aims to provide job opportunities for 16-24 year-olds receiving Universal Credit. A quarter of Kickstarter participants are women employees – in line with our focus on hiring more women at this particular level. At Xerox, we have created numerous roles across different business areas to help them develop core skills and ready them for a successful career. We also converted eight Kickstarters to full-time staff, two of whom are women.

We know that we are better when we are together – better for our clients and for each other. While the COVID-19 pandemic sparked the need to embrace **new ways of working**, it also surfaced the critical importance of an engaged and connected workforce. As we approach the future of work at Xerox, we will continue to focus on the importance of employee connections to support the vitality of our organization as well as our employees' unique needs and situations.



## Best Practices to continue:

To ensure we are leveraging all available best practices to foster an even more inclusive workforce, we continue to partner globally with leading organizations such as the **Black Young Professionals (BYP) Network** to further build a diverse pipeline and improve the representation of Black professionals within Xerox spaces and beyond.

Our recruitment practices also support our diversity agenda, and we continue to encourage the hiring of female talent and keep the **Wilson Rule** at the forefront throughout the talent acquisition process.

Xerox **Employee Resource Groups (ERGs)** are voluntary, employee-led, underrepresented groups that foster a diverse, inclusive workplace aligned with our mission, values, goals, business practices, and objectives. The Women's Alliance & Black Women's Leadership Council in the UK help facilitate the hiring, retention, promotion, and development of women (including Black women) while fulfilling our business needs in the communities where we work.

# Accelerating our Diversity, Inclusion, and Belonging (DIB) Roadmap in the UK

## Looking Ahead: Our 2022 Plan

Our commitment to creating a more gender-balanced workforce remains the same. We stand ready to hire, promote, and develop more women in senior leadership roles, and will continue to embed DIB in all our policies and processes, creating a more inclusive environment.

The DIB Roadmap focuses on building a diverse pipeline and accelerating the careers of women and diverse talent by:

- partnering with external organizations to ensure our talent reflects our communities
- embedding DIB into our DNA and reinforcing a company-wide culture of belonging
- holding ourselves accountable to making progress by incentivizing our leaders to achieve specific people-related goals
- extending our reach into the communities that we serve
- measuring our progress while being transparent

DIB is included in the goals of our senior leadership team. In 2022, all senior management team members will be required to complete **advanced DIB training** to ensure they implement impactful diversity and inclusion practices across their teams.



We will encourage all employees to confidentially self-identify their sexual orientation and gender identity (**SOGI**) in our internal system. The employees can show their allyship (whether they identify with the LGBTQ+ group or not,) by filling in their SOGI information to recognize the spectrum of gender identity and to help create a culture of inclusion. The intent is to get more insight into the demographics of our workforce, so that we can better understand and support the needs of our diverse talent and underrepresented groups.

We will also encourage employees to use pronouns in their email signatures and on their LinkedIn profiles to normalize and encourage discussions around gender and to reinforce the importance of not assuming pronouns.

Our current workforce is 31% Gen Z and Millennials, and we plan to continue building upon these numbers and onboarding more early career hires in our workforce.

An increased focus was placed on employee **wellbeing** throughout the pandemic, and this commitment remains the same, even as we begin to move beyond this chapter of recent history. The intent is to continue to work towards creating a culture where employees feel confident about having regular conversations about their physical and mental health and work to understand what support they need to stay and grow within the organization.

# 2021 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) LIMITED GENDER PAY GAP

1,178 employees (24% women)

HOURLY PAY	
<b>13.54%</b>	The <b>mean</b> pay variance shown is the difference between the average hourly pay of men and women.
<b>10.97%</b>	The <b>median</b> pay variance shown is the difference between the midpoint in the ranges of hourly pay of men and women.

BONUS PAY	
<b>32.62%</b>	The <b>mean</b> bonus pay variance shown is the difference between the average bonus pay of men and women.
<b>-47.06%</b>	The <b>median</b> bonus pay variance shown is the difference between the midpoint in the ranges of bonus pay of men and women.

EMPLOYEES BY QUARTILE		
	Men	Women
Upper	78.64%	21.36%
Upper Middle	79.25%	20.75%
Lower Middle	79.32%	20.68%
Lower	65.31%	34.69%

PROPORTION OF MEN AND WOMEN RECEIVING BONUSES	
<b>49.48%</b>	<b>40.74%</b>
The proportion of <b>female</b> employees that received bonus pay during the year till the 5 <sup>th</sup> of April.	The proportion of <b>male</b> employees that received bonus pay during the year till the 5 <sup>th</sup> of April.

# 2021 Results (Continued)

## XEROX LIMITED GENDER PAY GAP

452 employees (34% women)

### HOURLY PAY

**28.10%**

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

**9.69%**

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

### BONUS PAY

**34.74%**

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

**22.79%**

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

	Men	Women
Upper	74.34%	25.66%
Upper Middle	65.49%	34.51%
Lower Middle	67.26%	32.74%
Lower	57.52%	42.48%

### PROPORTION OF MEN AND WOMEN RECEIVING BONUSES

**48.37%**

The proportion of **female** employees that received bonus pay during the year till the 5<sup>th</sup> of April.

**56.19%**

The proportion of **male** employees that received bonus pay during the year till the 5<sup>th</sup> of April.

## A GENDER PAY GAP DOESN'T MEAN UNEQUAL PAY

The gender pay gap is a comparison between median hourly pay for all women and men within a business, between mean hourly pay for women and men, and between incentive awards for both, expressed as a percentage of men's earnings. These figures consider both part-time and full-time employees. Importantly, these numbers do not reflect whether an employer provides equal pay for equal work – as we do at Xerox.

The mean gap of 13.5% for Xerox (UK) means that, on average, women in Xerox (UK) are paid 86p for every £1 earned by a man.

Our analysis shows that gender pay gap in Xerox UK is a consequence of low gender diversity in senior roles within the company, a reality which we encounter outside the UK as well and is typical of the engineering and technology sector. Unfortunately, the response to market realities and a challenging few years in our sector has resulted in fewer overall opportunities for promotion and advancement within the organization, as well as incentive compensation.

Our bonus schemes are gender neutral by intent and design. The data though shows an impact on the median bonus pay of males. This was driven by 500 employees transferring from XBS on 1<sup>st</sup> April 2021 but they did not receive a bonus pay in the reference period.

At Xerox, we provide equal opportunity to all, irrespective of age, disability, gender identity, marriage or civil partnership, pregnancy and maternity, ethnicity, religion or belief, and sex or sexual orientation.