

Gender Pay Gap Report for 2022



Our Commitment to Diversity, Inclusion and Belonging



Suzan Morno-Wade,
Chief Human Resources Officer,
Xerox

Diversity, inclusion and belonging (DIB) remain part of our core values and are central to how we do business at Xerox. As the world changes, it has never been more critical that we foster a culture that respects individuals, promotes teamwork through inclusivity and belonging, and embraces diverse backgrounds and perspectives that lead to innovative ideas and engaging work for our employees.

At Xerox, we continue to evolve and progress our approach to nurturing a diverse and inclusive environment where everyone can thrive. We continue to grow the representation of diverse talent in our executive ranks, expand our global footprint and improve the diversity within our talent pipeline.

Our focus for our people includes establishing equal pay for equal work. We are committed to closing this gap across all levels and continue to adapt and make strides in this critically important area.

To remain competitive and grow as a company, we must continue to break down gender barriers in the workplace by hiring, promoting, and developing more women in senior leadership roles at Xerox. Achieving this begins at the top with executive support, but equally important is action and accountability from Xerox employees across the organisation—at all levels and in all geographies.

We will continue to empower our DIB advocates and expand our DIB initiatives. Additionally, we hold our leaders accountable to improving the representation of women in professional roles. Our workplace policies, training curriculum, talent programmes, reporting and compensation programmes provide awareness, transparency and accountability.

I am inspired by the progress we have made and am optimistic for what is planned in the years ahead. We will continue to close the gender pay gap in the UK—and across the globe—and make lasting DIB changes at Xerox.

I confirm that the data contained in this report is accurate.

A handwritten signature in black ink, appearing to read 'Suzan', written in a cursive, flowing 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 for various candidates. This initiative makes sure 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 recognise 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 one 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 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:** We are creating an environment that allows all employees to thrive by instilling the right leadership capabilities, 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, recognised 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 partner with the Prince's Trust, a leading youth charity in the country. Our partnership focusses on fundraising efforts and practical support for the charity's programmes that provide opportunities for young people from deprived and disadvantaged backgrounds to succeed.
 - **Accountability:** We hold ourselves accountable to showing progress by incentivising 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 the 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 2022, we continued to focus on the DIB agenda by reinforcing a company-wide culture of belonging, extending our reach into the communities that we serve and fostering accountability by measuring our progress against Environment, Social and Governance (ESG) Key Performance Indicators (KPIs).

We launched a diversity survey to all employees across Europe, the Middle East and Africa (EMEA). Based on the results, we took action not only at an EMEA level but also at a national level. We recruited employees to use the survey results and employee feedback to create action plans. These advocates have delivered several initiatives to strengthen the inclusion of employees in all areas.

In 2022, our EMEA Diversity, Inclusion and Belonging (DIB) advocates led efforts to spread awareness of DIB initiatives and support the expansion of Employee Resource Groups (ERGs) within EMEA markets. They also participated in a mentorship programme with the Black Young Professionals organisation.

Xerox deployed required diversity, equity, allyship and inclusion training for all employees globally, including the UK, to inspire change throughout the organisation.

We continue to hold our leaders accountable across the company through an ESG metric, tied to improving the representation of women in professional roles. This ESG metric is an important component of their compensation incentive plan.

In the spirit of building a more inclusive culture, the DIB Office continues to host 'All of Us together' sessions for all Xerox employees. In 2022, the focus was on intersectionality and improving workplace culture by understanding our differences.

We have partnered with the UK's largest youth employment charity, the Prince's Trust, which supports disadvantaged 11–30-year-olds. We will work cross-functionally to drive relationships, identify talent acquisition opportunities and support personal development goals that align with the charity's well-being and diversity, inclusion and belonging objectives.

To ensure that we are leveraging all available best practices to help build an even more gender-inclusive workforce, we continue to partner globally with leading organisations such as the Black Young Professionals (BYP) network to strengthen our diverse pipeline and improve the representation of Black professionals within Xerox and beyond.

Our recruitment practices also support our diversity agenda, and we continue to encourage hiring female talent. Following the 'Wilson Rule' in all our hiring helps us increase the representation of women and ethnic minorities within management and professional roles.

We continue to inspire culture change through our Employee Resource Groups (ERGs). Our ERGs are critical in helping us reinforce a company-wide culture of belonging and achieve greater equality. Our ERG members have their 'ear to the ground' and enable us to tackle challenges that arise in our workforce and society. The Women's Alliance and Black Women's Leadership Council in the UK help facilitate the hiring, retention, promotion and development of women of all races while fulfilling our organisation's business needs in the communities where we do business. The Well-being team launched an employee menopause programme that provides employees with access to expert support and other resources.

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

Looking Ahead: Our 2023 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 focusses on building a diverse pipeline and accelerating the careers of women and diverse talent by:

- Partnering with external organisations 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 incentivising 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 completed **advanced DIB training** to ensure that they are better equipped to implement impactful diversity and inclusion practices across their teams.

We will encourage all applicants and employees to confidentially self-identify their disability, veteran status and sexual orientation and gender identity (**SOGI**) in our internal system. Employees can show their allyship (whether they identify with the LGBTQ+ group or not) by filling in their SOGI information to recognise 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 under-represented groups.

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

Our current workforce is 30.7% 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 **well-being** 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 organisation.

2022 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

1,395 employees (20% women)

HOURLY PAY

6.63%

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

11.56%

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

BONUS PAY

3.39%

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

5.89%

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	81.95%	18.05%
Upper Middle	85.96%	14.04%
Lower Middle	81.03%	18.97%
Lower	69.91%	30.09%

PROPORTION OF MEN AND WOMEN RECEIVING BONUSES

60.07%

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

70.50%

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

2022 Results (Continued)

XEROX LTD.

422 employees (31% women)

HOURLY PAY	
15.19%	The mean pay variance shown is the difference between the average hourly pay of men and women.
7.97%	The median pay variance shown is the difference between the midpoint in the ranges of hourly pay of men and women.

BONUS PAY	
40.56%	The mean bonus pay variance shown is the difference between the average bonus pay of men and women.
27.52%	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	75.47%	24.53%
Upper Middle	65.71%	34.29%
Lower Middle	75.24%	24.76%
Lower	58.49%	41.51%

PROPORTION OF MEN AND WOMEN RECEIVING BONUSES	
21.97% The proportion of female employees that received bonus pay during the year to the 5 th of April.	30.69% The proportion of male employees that received bonus pay during the year to the 5 th of April.

A GENDER PAY GAP DOESN'T MEAN UNEQUAL PAY

The gender pay gap is a measure of the difference between the average hourly earnings of men and women, expressed as a percentage of the men's earnings. 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 mean gap of 6.63% for Xerox (UK) means that, on an average, women in Xerox (UK) are paid 93p for every £1 earned by a man. This is an improvement from 2021 when the mean gap was 13.5%.

Our analysis shows that the 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 sectors. Our Bonus schemes are gender-neutral by intent and design. The data, however, shows a mean gap of 3.39%.

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.