



Gender Pay Gap Report for 2018

Foreword

HERVÉ TESSLER, PRESIDENT, EUROPE, MIDDLE EAST AND AFRICA OPERATIONS, XEROX



Xerox can trace its commitment to diversity and inclusion back to the core values of Joseph C. Wilson, our founder and first CEO.

When we talk about diversity we do so in the widest sense – we embrace gender, race, sexual orientation and diversity of thought. Many of our accomplishments originate from teams of diverse individuals whose varying perspectives complement one another as they work together to achieve our strategic goals.

A balanced world is a better world, and that we all have a part to play. Across the globe, people celebrated the cultural, economic, political and social achievements of women. To make a difference we need to embrace this spirit every day to create a better working world and produce a more balanced society.

#BalanceforBetter, the theme of the 2019 International Women's Day, reinforced and reminded us all that a

In this report we reflect on our 2018 results and the steps we're taking to close the gender pay gap.

What's Inside:

- Culture and Commitment
- 2018 Results
- Closing the Gap
- Shaping our Future



Culture and Commitment

Xerox has a history of being a leader in diversity and inclusion (D&I). More than a half-century ago, Joseph C. Wilson, our founder and first CEO, had the foresight to take bold actions early on to make D&I an integral part of our value system.

Two of our former CEOs, Anne Mulcahy and Ursula Burns, were women. Currently, 32% of Xerox employees globally are female, and 40% of our Executive Committee are female – a reflection of our commitment to gender diversity and inclusion at the highest level. But we recognise that there is still a lot of work to be done and there is still a gender pay gap to close.

To deliver ongoing improvements in gender equality at Xerox our long-standing focus on female hiring, promotions and equal pay, together with regular monitoring, sponsorship, analysis and action, will help us expand and develop our internal pipeline of high potential females.

Although this report is specific to our UK companies, as a global organisation Xerox pursues gender equality globally. Targets and local action plans may be specific to the requirements of different parts of our business, but they reflect the diversity and inclusion ambitions set globally and endorsed at the highest level in Xerox.



A Long History of Inclusiveness

Since the 1960s, Xerox has encouraged the creation of independent groups of employees (caucuses) that play an important role in promoting inclusive diversity in the company. Seven caucuses currently exist to address the concerns and meet the needs of our employees, representing groups as diverse as Asians; lesbian, gay, bisexual and transgender (LGBT); and military veterans. Our Caucus locations range from the US to India to Guatemala.

The Women's Alliance caucus group 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.

2018 Results

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

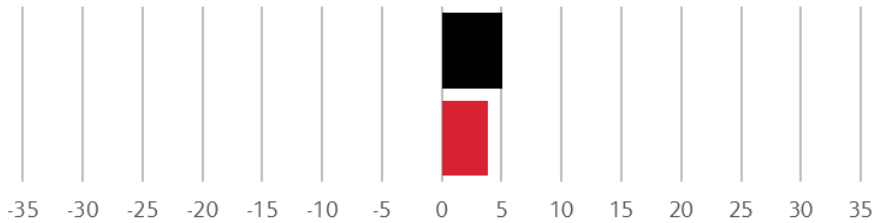
Xerox (UK)

1,490 employees (25 % women)

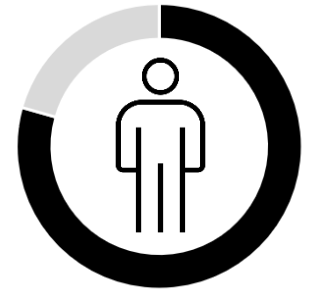
Gender Pay Gap

Mean: 5.1 %

Median: 3.9 %



Proportion of Men and Women Receiving Bonuses

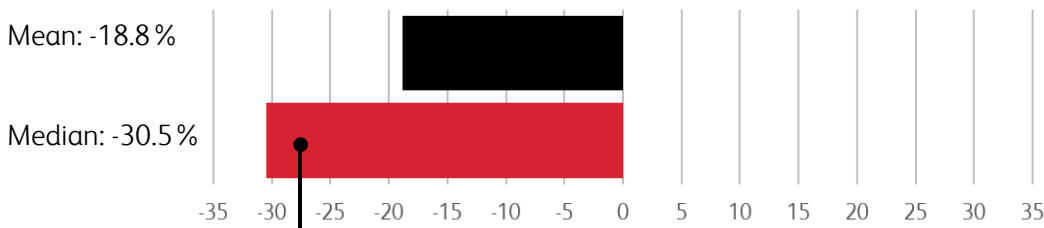


79.4 %

Gender Bonus Gap

Mean: -18.8 %

Median: -30.5 %



A negative value means women on average receive more in bonuses than men.



57.9 %

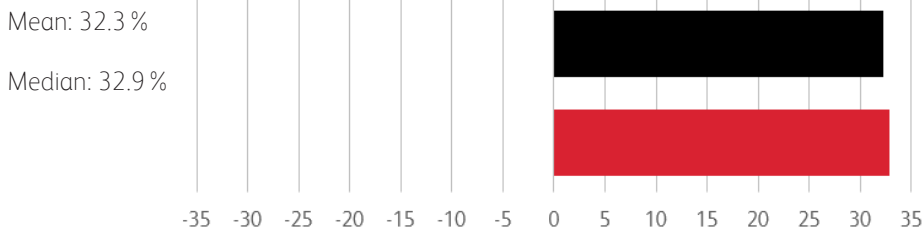
Employees by Quartile



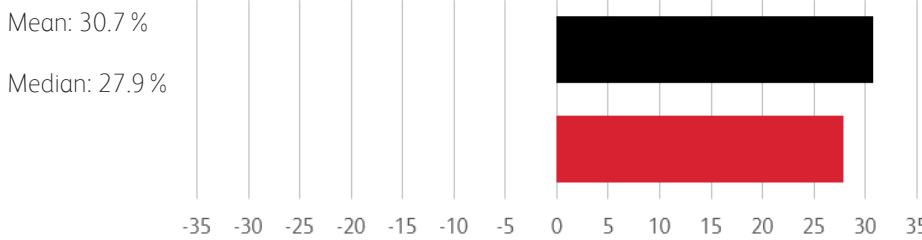
Xerox Ltd

760 employees

Gender Pay Gap (35 % women)



Gender Bonus Gap



A Gender Pay Gap Doesn't Mean Unequal Pay

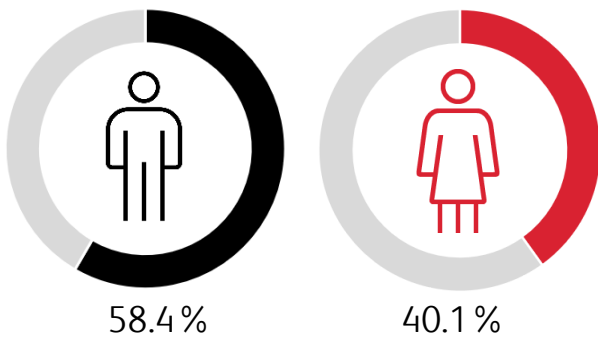
In the UK today, women earn on average 18 % less than men: this is the UK gender pay gap.

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 4 % for Xerox (UK) means that, on average, women in Xerox (UK) are paid 96p 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 at April 2018

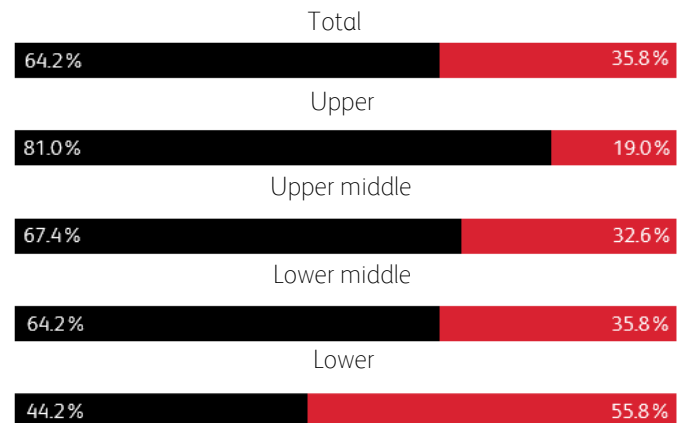
Proportion of Men & Women Receiving Bonuses



The Xerox (UK) 2018 numbers continue to indicate that, even in an organisation that is male-dominated, obtaining near gender pay parity is achievable. Our hourly pay gap remains significantly lower than the UK average, indicating we act, not just talk.

More women in Xerox (UK), are now bonus recipients than last year and are paid on average more than men.

Employees by Quartile



There is positive movement of women into higher salaried roles, albeit the highest percentage of women remain in lower-paid entry-level roles. The Xerox Limited HQ organisation has undergone a significant transformation in the last 18 months. Whilst it has a more balanced representation of female employees at most levels of the organisation, a reduction in overall employee numbers at senior level has negatively impacted the pay gap.

Closing the Gap

The illustrations below show year on year comparisons of pay and bonus gaps.

Xerox (UK)



ATTRACTING & RETAINING WOMEN

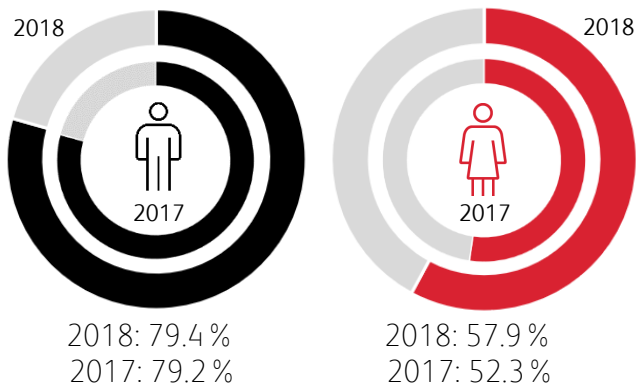
Our ongoing challenge is to recruit and promote more women into mid and upper quartile professional and technical roles.

Xerox Ltd



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.

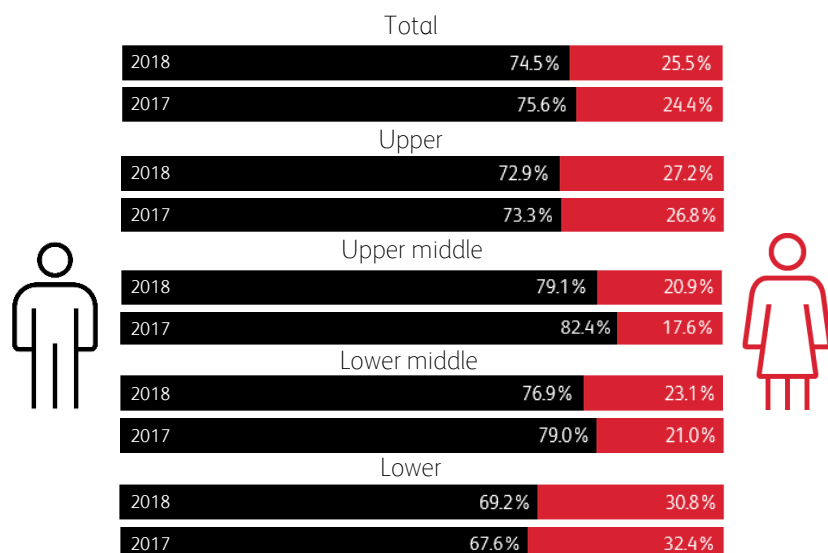
Xerox (UK) Male and Female Bonus Receivers 2018 vs 2017



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.

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

Xerox (UK) Employees by Quartile 2018 vs 2017



Shaping our Future

SUZAN MORNO-WADE, CHIEF HUMAN RESOURCES OFFICER, XEROX



Diversity and inclusion are part of Xerox's DNA.

It's well documented that the success of any organisation is driven by the quality of its culture, the strength of its leadership, and the relevance of its values. We are focussed on our culture – on how we behave and treat each other. Our leaders understand what is expected of them and they embrace the behaviours that align with our values.

The case for gender equality in the workplace is a business imperative. We need to see greater progress on closing the gap between the genders and creating a gender-balanced workplace.

We're developing a cultural framework to engage our people and enable a shift in mindset and behaviours. As part of a global focus on diversity we will:

- Foster a respectful and inclusive environment.
- Strengthen our organisation and talent planning processes.
- Refresh our millennial program to create valuable opportunities and experiences.

I am proud to be a part of Xerox today, and a member of the team building the Xerox of tomorrow.