IBM Services Centre UK Limited Gender Pay Gap – 2019 Results

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require all companies employing 250 or more employees to publish their gender pay gap results. The government defined gender pay gap metric measures the difference between the average earnings of all females in the organisation and the average earnings of all males, irrespective of their seniority or role. This is not the same as equal pay, which compares what men and women are being paid for the same or similar work.

Having a gender pay gap can be an indicator of two key dynamics within an organisation and these can appear either on their own or in combination. These dynamics are inequitable pay, as measured against the "Equal Pay" criteria, or an imbalance in male and female representation across the levels within the organisation.

Like many other organisations, our gap is a result of having a lower percentage of females in senior, higher paid roles. Whilst our results remain below the UK Gender Pay Gap average, we have seen a slight increase in our Gender Pay gap in 2019 compared to 2018. This is primarily as a result of career progression and movement that has taken place in our senior, higher paid roles. IBM Services Centre UK Limited is committed to continuing to address and eventually eliminate any gender pay gap in our business through targeted initiatives and specific programmes over the coming months and years.

Snapshot Pay Results

This is the percentage difference in mean and median pay for all females in the organisation versus all males in the organisation, as at 5th April 2019.



Median 7.8%

Mean

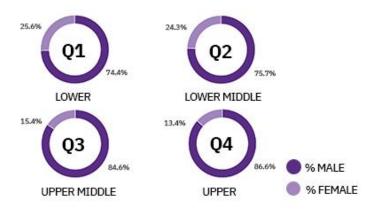
Male/Female Split

9.0%

80%/20%

Pay Quartiles Results

This shows the percentage of men and women in each pay quartile. The quartiles are divided into equal employee numbers. Quartile 1 has the lowest paid employees and quartile 4 has the highest paid employees.



Bonus Pay Results

 a) This is the percentage difference between mean and median bonus for all females in the organisation who receive a bonus versus all males in the organisation who received a bonus.

 b) The proportion of male and female employees who received a bonus during the same 12 month period.

The analysis covers bonuses paid over a 12 month period preceding 5th April 2019.

Median

Mean

0.0%

-76.6%

Proportion men who received bonus

14.5%

Proportion women who received bonus

15.1%

The gender pay gap is always expressed as a percentage. It is calculated by working out the difference between the average male pay and average female pay and dividing that number by the average male pay. This is expressed as a mean or median.

Mean average - sum of all the values divided by the number of values.

Median average - mid-point value when the data is sorted in ascending order.

2018 Gender Pay Gap results can be viewed by following this link

Increasing Female Representation

Gender equality in leadership is a high priority for IBM and we have worked hard to drive progress in this area. Advancing women in the workplace and developing future female leaders continues to remain a key focus.

As we develop many great female leaders, we also seek to create an environment that attracts the best female talent from the marketplace. In 2018 IBM won the Catalyst Award for our global efforts to help advance women in business. We were the only tech company to be honoured that year.

The European Women's Leadership Council (EWLC) of which the UK is an active member, meets quarterly to discuss initiatives and share programmes and projects which benefit the advancement of women in IBM. The council is actively driving

improvement of female representation in executive leadership and leadership development and working to attract, retain and promote women in IBM.

Culture of Inclusion

IBM Services Centre UK Limited recognises the unique value and skills every individual brings to the workplace. We believe that innovation comes from seeking out and inspiring diversity in all its dimensions.

Be Equal is an initiative within IBM to engage IBMers, customers and society in promoting the advancement of gender equality in business leadership. One of its key aims is hiring, developing, mentoring and promoting women at every level of the organisation. We encourage employees to complete the Be Equal Ambassador Badge, which is earned by IBMers who demonstrate volunteer effort and advocacy representation in support of IBM's diversity, inclusion, talent and business priorities.

Additionally, HeForShe@IBM is a solidarity campaign for the advancement of women, initiated by UN Women and promoted within IBM. Its goal is to achieve equality by encouraging men and boys to be agents of change and take action against negative inequalities faced by women and girls. We encourage IBMers to sign up to this programme and become advocates.

We encourage employees to engage with our Employee Champion Teams network, as well as participating in IBM UK Business Resource Groups, which includes ConnectingWomen@IBM, which provide opportunities for women in IBM to extend their network, share experiences and attend workshops, including shared events with other major IT companies participating in the 'Connecting Women in Technology' (CWT) network.

To further support its employees, IBM has developed a specific programme of training to help all employees identify, address and seek support in instances of Sexual Harassment and Workplace Bullying to drive prevention of such behaviours.

Skills and Development

Developing new skills and ensuring all employees have the right skills for the changing market is a business imperative. IBM Services Centre UK Limited is committed to investing in and creating an environment that offers employees the opportunity for development and advancement, enabling new learning experiences and career progression without barriers.

"Your Learning" provides every employee with a personalised learning environment, enabling them to find, undertake and track their individual learning from an extensive range of online, self-study, virtual and classroom learning.

IBM also offers world class learning and development experiences for leaders at all levels of the organisation via the IBM Leadership Academy. IBM has two key award-winning development programmes specifically tailored to developing women and accelerating their careers through the organisation; Building Relationship and Influence programme and Elevate +, which was awarded the European HR Excellence award in 2017.

Workplace Enablement

We are committed to providing all employees with flexible working choices, helping them to achieve greater work life integration, reduce stress and enhance productivity.

In 2019 we enhanced our Maternity Policy, including return to work incentives, to continue to encourage and support female employees at that time in their lives. Our flexible working policy ranges from standard part-time working to compressed hours, mobile working and working from home. Aside from these formal arrangements, employees are also encouraged to adopt a flexible approach to working. Our flexible working practices have received external recognition including the Flexible/Agile Working Award by the Employers' Network for Equality and Inclusion (enei). In 2019 IBM won the enei Global Award and was also awarded the Gold TIDE Benchmark by enei.

In 2018 IBM was a winner of the Timewise Power 50 award which is an accolade to IBM's commitment to flexible working. IBM Services Centre UK Limited also supports its employees to manage their care responsibilities, by partnering with organisations providing family friendly employee benefits.

I confirm IBM Services Centre UK Limited's gender pay calculations are accurate and meet the requirements of the Regulations. We have followed advice provided by our specialist external consultants on our methodology and data, in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Bernard Szczech

Chief Executive and Director IBM Services Centre UK Limited