

Responsible business continued



International Women's Day

In March 2019 events were held at some of our sites to celebrate International Women's Day. The theme this year was 'Balance for Better' and provided an opportunity to raise the profile of gender issues across the Group.

- Following the successful launch of unconscious bias training last year, open sessions across the organisation have continued. We have also provided an infographic on unconscious bias that is accessible to all employees. We view this training as a key step in developing an inclusive culture but acknowledge that the true value comes from exploring our organisational biases and putting in place action plans to remove any barriers
- We continue to celebrate diversity and our Women's Networks have gained momentum. Networks have been established at our head office site as well as in Sri Lanka and Westhoughton and a number of events have taken place this year, providing both men and women with the opportunity to hear external speakers, create informal networks with colleagues and to discuss and debate topical issues relating to inclusion. De La Rue uses Insights profiling which helps our employees to understand themselves and the teams that they work within. This enables employees to recognise the value of diversity of thought and communication style and improve their ability to communicate with others
- We continue to embed our flexible working policies and implement them whenever possible

Our long term commitment to eliminate any pay gap remains. As at 5 April 2018 our gender pay gap was 15.37% (mean) or 17.47% (median).

This was higher than in 2017, but the bonus gap of -2.25% (mean) or 22.88% (median) has decreased. Analysis, however, has shown us that these differences are primarily due to two main organisational reasons not linked to our Inclusion and Diversity strategy. Firstly, at the end of FY17/18 De La Rue sold 90% of its shareholding in the Group's paper business to Epiris and retained the remaining 10% shareholding. This change of ownership meant that c500 employees transferred out of De La Rue to Portals in March 2018. Significantly a larger percentage of males, particularly in the lower two pay quartiles, transferred out compared to females; this decrease in UK employee numbers changed the overall male/female pay ratio and also our gender pay gap. Secondly, individuals in roles covered by our collective bargaining agreement received a lump sum as part of the 2017 pay settlement. These payments are included in the bonus data and consequently show that a high proportion of our employees received a bonus during the year. It should be noted that this payment was unique to 2017 and if we remove this payment from the data, the mean and median bonus gap are more in line with the 2017 figures.

We continue to strive towards improving the proportion of women in senior roles, which we believe to be the underlying reason behind our gap. To reflect our ratio between males and females overall in the UK, we aim to increase the proportion of women within our senior leadership to 30% by 2020.

As at the end of this financial year, the percentage was 25%.

Every manager and employee has responsibility for the implementation of our inclusivity policy and training is provided to newly appointed line managers in inclusivity and associated policies and procedures such as stress management, grievance and anti-harassment.

Engagement

On a regular basis we conduct global employee surveys. Our most recent survey was launched in April 2019. The results will be analysed and action plans created through employee workshops. These plans will be closely monitored by the Executive Leadership Team.

We work closely with the relevant trade unions, employee forums and other employee representatives and report to all employees the outcomes of these meetings.

We communicate all relevant news, business and financial updates. To do this we hold regular town hall meetings, conduct conference calls, update our intranet and screens in communal areas, send email announcements and publish monthly site news updates. These are adapted to the audience, whether all staff, a country, a site or department. During the year we have continued to develop a standardised approach to employee communications and engagement across our sites, coordinating campaigns where possible. Examples include National Apprenticeship week in the UK and International Women's Day. Each site organises its own social events including family days and local celebration events and most have an employee forum. Our global employee recognition scheme, High Five, launched in August 2015 and in February 2019 the 100,000th High Five was celebrated. In 2019 we will hold our fourth annual 'Above and Beyond' employee awards event, recognising the most outstanding contributions to the business from across the organisation.

In line with the 2018 Corporate Governance Code, the Board has appointed a Non-executive Director responsible for engagement with the workforce.