

About Diligenta

Diligenta is a wholly owned subsidiary of Tata Consultancy Services (TCS), specialising in the provision of policy administration services for the Life and Pensions industry. Diversity and inclusion are central to our business, as well as organisational culture, and we are committed to attracting, motivating and retaining a diverse range of the best talent into our business, regardless of gender.

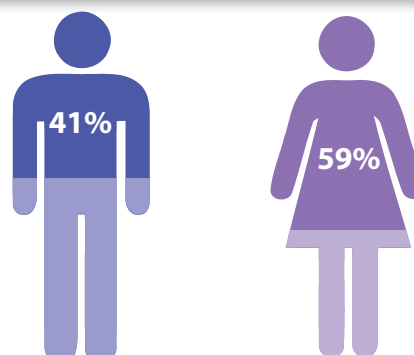
What is the Gender Pay Gap?

The gender pay gap is the difference between the average hourly pay and bonuses of men and women in a business, irrespective of their role.

It is not the same as 'equal pay' which does consider role performed. Equal pay is a direct comparison between the pay of employees performing the same or very similar jobs irrespective of gender.

Our UK business

(at April 2021)



This paper informs The Board on the current position of the gender pay gap (GPG). The data shown in this report is accurate and in line with the gender pay gap reporting requirements. The gender pay gap shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of the average male's earnings, at the 'snapshot' date of 5th April 2021.

For this reporting period, our gender pay gap continues to head in the right direction with improvements in both the mean & medium measures. On our bonus pay gap we have also seen very encouraging improvements. Whilst we recognise that further changes are needed I am confident that with the support of my Executive Management team we will continue to foster the necessary behaviours and actions to improve the gender balance over time and ensure there are greater opportunities for everyone to develop and succeed within our organisation.

Daniel Praveen, CEO and Approved Director



Gender Pay Gap Report

(based on employee data at snapshot date of 5 April 2021)

Pay hourly rate

Difference between men and women

Diligenta

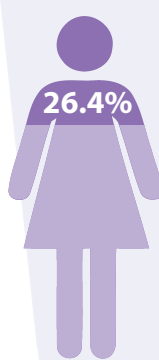
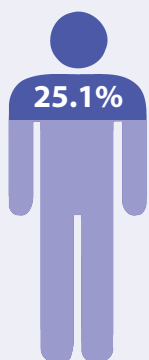
Mean hourly pay gap **13.83%**

Median hourly pay gap **3.76%**

Compared to last year, our mean gap has decreased from 14.84% and our median has decreased from 5.10%.

Bonus Pay

Proportion of men and women receiving bonus



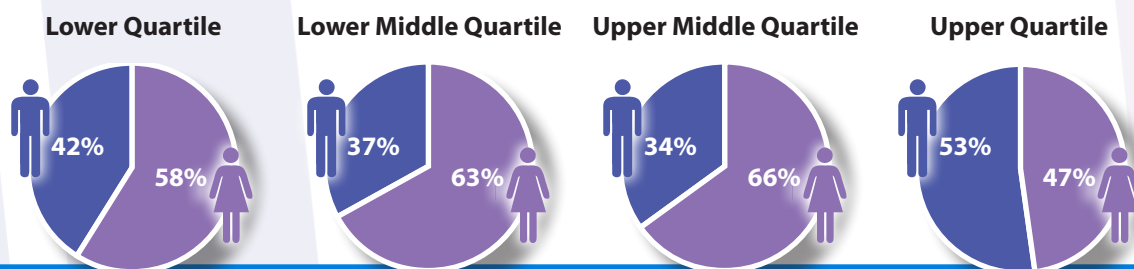
Mean bonus pay gap **25.63%**

Median bonus pay gap **13.51%**

Our bonus scheme aims to reward good performance and is gender neutral, taking into account individual performance ratings and individual bonus targets, linked to job level. Compared to last year, our mean gap has decreased from 33.20% and our median gap has significantly decreased from 30.23%.

Pay Quartiles

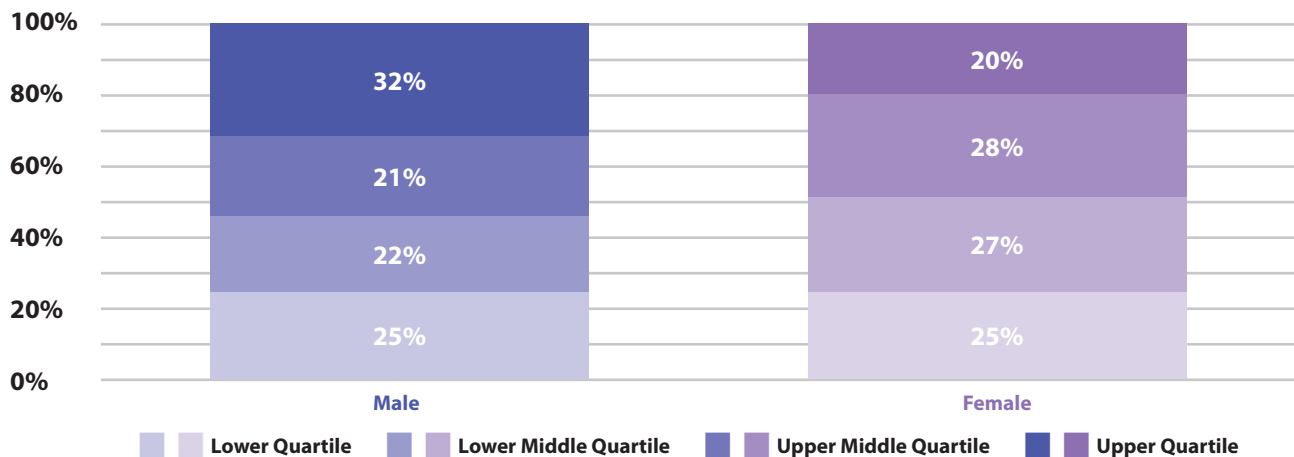
Proportion of male and female employees according to quartile pay bands



Representation in the top two quartiles has remained unchanged. The Lower Middle Quartile split is largely unchanged from last year's 36%:64%. Whilst, compared to last year the lower quartile represents slightly less females, dropping from 60%.

The graph below provides some further insights into the makeup of our respective male/female populations by pay quartiles, and most notably illustrates that proportionately more of our male population (32%) sit in the Upper Quartile, compared to just 20% of females. Around 55% of our female population sit in the middle two quartiles compared to only 43% of males.

Male/female population by pay quartiles



Why is there a gender pay gap at Diligenta?

- Due to the nature of our business as an outsourcer, we inherit legacy pay levels, which have some impact on gender pay gaps.
- Whilst we continue to have more women than men in our organisation, proportionately more males than females occupy our more senior roles.
- A higher proportion of our female than male colleagues (19% v 2%) choose to exercise work-life, family friendly choices and work part time, which impacts on associated bonus payments. Although bonus payments are calculated on the same basis for all, the fact that we have to compare part-time and full-time bonuses directly, can potentially contribute to the reported bonus gap. However, further analysis conducted by us, specifically on a 'full time equivalent' basis for those part-time employees who received a bonus, reveals that the mean bonus gap for 'part-time' bonus recipients (FTE) would be less than the reported mean bonus gap, thereby indicating that our bonus rules have continued to be consistently applied, irrespective of gender and hours worked.

What are we doing to address the gap?

Our Action Plan includes:

- Ongoing review/monitoring to ensure that all of our processes and policies (e.g. Recruitment, Training, Promotion) are without bias;
- Identifying and correcting what (if any) actual or perceived 'barriers' may exist to females applying for internal promotion to senior roles;
- Ensuring that all employees, irrespective of gender, are treated consistently in terms of flexible working applications;
- Engaging with our Diversity & Inclusion colleagues to support wherever possible, any campaigns or initiatives aimed at encouraging everyone to achieve their full potential, irrespective of gender.

