



# UK Gender and Ethnicity Pay Gap Report

April 2023

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**AND** Digital

## **ABOUT THIS REPORT**

**It is a legal requirement for UK employers with more than 250 employees to publish their Gender Pay Gap on the government website. This report shows data from our UK employees as of 5th April 23.**

**We are reporting on our Ethnicity Pay Gap for the third time. We consider this to be important in addressing any ethnic disparities and renewing our ongoing commitment to be transparent on equity and inclusion.**

## Message from our CEO: Paramjit Uppal

AND's purpose is to close the digital skills gap for our people, our clients and in society. Our ability to address the pay gap sits right at the heart of this, through the increase of grass roots careers, career changers and sustained pathways in technology, where the opportunity to build and grow digital skills is available to everyone.

Diversity and inclusion is interwoven into the essence of AND, evidenced through the brilliant diversity of our workforce and our commitment to structural inclusion. However, there is much more to be done.

Our focus is on truly representing the societies we work within through our gender and ethnic makeup. We have work to do across our senior leadership and are focused on achieving 40% female and 20% ethnic minority representation along with pay gap of less than 10% in this group by 2025.

Investments in recruitment, growth and development, and policies enabling equal opportunities are key priorities for the year ahead. I remain unwaveringly committed to making AND a place where everyone can thrive.

**Paramjit Uppal**  
CEO, Founder AND Foodie



## Message from our SEI Committee Chair: Ian Mcdonald

It is gratifying to see AND continue to improve its diversity across a number of measures, and that other leading indicators such as pay gap continue to improve rapidly. Although there is a way to go to match the population both overall and in senior roles, AND Digital is ahead of most other tech focused companies.

On a personal note as I finish as an advisor, it is good to reflect how measuring D&I has gone from being a very manual process to now an integrated part of the business. During the year redundancies had to be made, and although these situations are never easy, it was ensured that this was done with as fair a process as possible way and that there was no unintentional bias.

It is encouraging to see the mix of people start to change at more senior levels, and I hope that this will continue. It shows the importance of hiring a diverse range of people and then ensuring that they are nurtured. It is also encouraging to see ANDis increase their rate of declaration of ethnicity giving more value to the data captured and allowing solid action plans.

**Ian Macdonald**  
Chair of Social, Ethics & Inclusion  
Committee



# Pay gap reporting: introduction

## Gender and Ethnicity pay gap reporting is *different* from Equal Pay

Under the **Equal Pay Act** it has been illegal to pay men and women different amounts for doing the same work (unless there is a 'genuine material factor' as to why) since 1970. This was reinforced in the 2010 Equality Act.

AND fully follows this legislation.

The **gender pay gap**, however, is a measure of the difference between men's and women's average earnings across an organisation.

Similarly, the **ethnicity pay gap** is a measure of the difference between the average earnings of different ethnic groups across an organisation.



# Our journey to date

**At AND, we are committed to attracting, growing, and retaining exceptional talent from all backgrounds. To achieve this we are focused on creating a structurally inclusive work environment for all ANDis to thrive.**

This report focused on the year April 2022 - March 2023, the second half of which was a challenging time for AND. Amid the macro-economic and political challenges in the market, we had to take action to stabilise the business, resulting in redundancies and a halt to ANDi recruitment, progression and a slower pace to internal ANDi development activities, impacting the extent to which we were able to drive a continued shift in our gender and ethnicity pay gap.

Despite the obstacles, our workforce diversity and pay gap continues to trend in the right direction and we continue to exceed the tech sector average in our representation of women (36.4% vs 26.7%) and of ethnic minority representation (22.7% vs 15%).

Nonetheless, gender and ethnicity pay gaps continue to be an issue, driven by gender diversity in senior technical and senior leadership roles. This is the basis for our focus for the year ahead as we strive for equity and inclusivity for all ANDis.

## 2022-2023

### DEI achievements★

- ★ **Diversity Data:** Extended and significantly improved diversity declaration with c.60% of ANDis sharing their diversity data, helping us to be data-driven to inform our Structural Inclusion priorities.
- ★ **AND-Wide Inclusion Training:** Introduced a mandatory Inclusion learning module, establishing clarity and commitment to AND's inclusion stance and role of all AND's in creating an inclusive environment.
- ★ **Policies & Resources:** Launched new policies to protect trans and non-binary rights, along with tools and resources to embed inclusive ways of working within AND and with our client teams.
- ★ **Reasonable Adjustments for Progression:** Introduced a series of adjustments to ensure we have a level playing field through the approach and process facilitating ANDi progression and promotion.
- ★ **AND Inclusion Week:** Celebrated our first AND Inclusion Week focused on elevating, educating, and building allyship across our minority communities.
- ★ **AND Communities:** Established an enhanced support structure across AND's minority communities (embrace; LGBTQ+; Distinguishing Differences, Carers and Menopause) and community of communities.

# April 2023 Snapshot

## UK Workforce population

35.1%

Female

34.6%\*



22.7%

Ethnic Minorities

17.9%\*



## Senior Leadership population

28.9%

Female

xxx%\*



8.9%

Ethnic Minorities

xxx%\*



## Gender pay gap

12.6%

Mean

16.5%\*



14.8%

Median

19.2%\*



## Ethnicity pay gap

20.4%

Mean

Not available%\*

16.9%

Median

Not available%\*

# 2023-2025 Plan

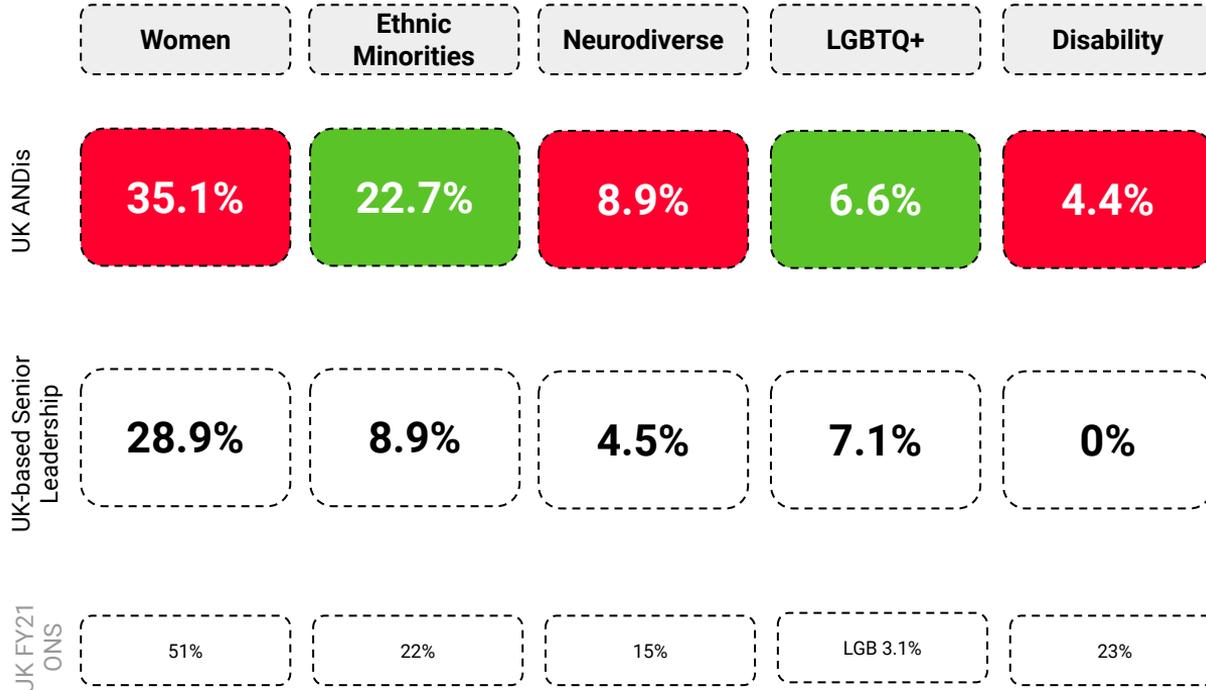
## Target

	UK Workforce		UK Senior Leadership	
	Diversity	Pay Gap (Median)	Diversity	Pay Gap (Median)
Gender	38-40%	11.8%	35-40%	12.7%
Ethnicity	25%	17.4%	8-10%	14.5%

## Key priorities

- **Targeted recruitment and skills growth** into key roles where female representation is lacking including Product Developer, Tech Principal, Platform Engineer. Continued focus on inclusive recruitment practices.
- **Clarity of career pathways, reinvigorated progression and mentoring for female ANDi's** across levels 4, 5 and 6 to attract and retain female ANDis across these levels
- **Continued focus on leadership diversity** through recruitment, succession planning and targeted development of emerging leaders
- **Inclusive and progressive policies** including but not limited to maternity returners, childcare, menopause health provision etc.

# UK-based ANDi and Leadership Diversity



In line with our diversity, equity and inclusion strategy, it is our aspiration to ensure our UK workforce is reflective of the overall population within the UK.

From a **total UK workforce of 1706**, as an organisation we are improving our diversity as we grow, however diversity in senior technical roles and in our leadership requires greater focus, along with regional focus to increase AND's representation in line with the makeup of our UK workforce (informed by ONS Census 2021).

Across our senior leadership, there is a drop off in representation across ethnicity, gender and disability that highlights a key diversity growth priority.

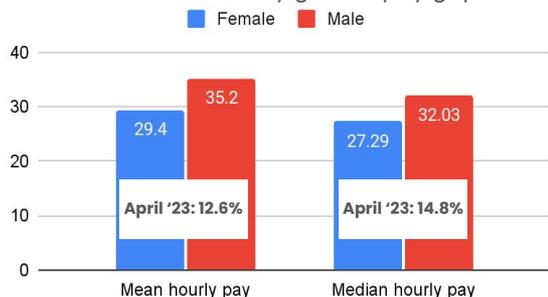
For context, the tech workforce in 2023:  
 28% female or non-binary and 22% in senior leadership  
 18% ethnic minority and 13% in senior leadership

**Source:** Tech Talent Charter. (2023). Diversity in Tech Report 2023.

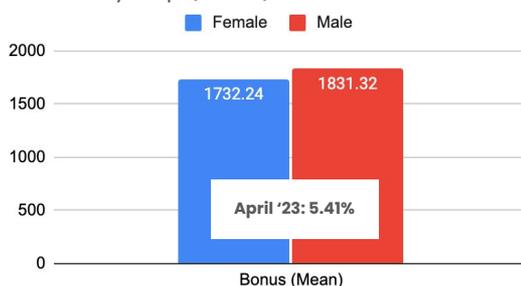
RAG Key	
<span style="background-color: red; width: 15px; height: 10px; display: inline-block;"></span>	Significant under representation
<span style="background-color: orange; width: 15px; height: 10px; display: inline-block;"></span>	Representation within 5% range
<span style="background-color: green; width: 15px; height: 10px; display: inline-block;"></span>	Positive representation

# Gender Pay Gap Summary

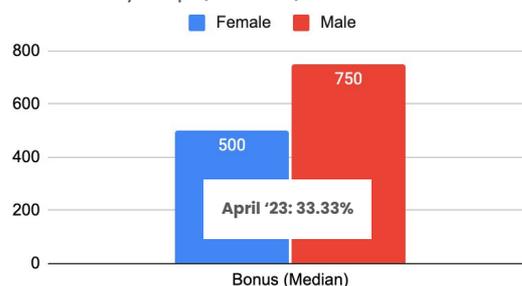
Mean and median hourly gender pay gap



Bonus Pay Gap (Mean)



Bonus Pay Gap (Median)

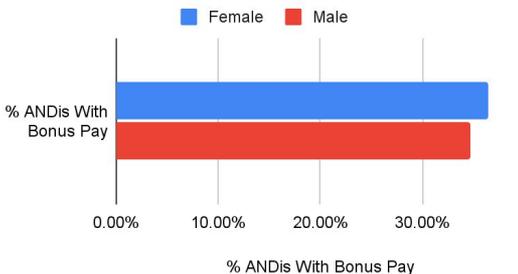


The gender pay gap at AND has fluctuated in line with organisational growth, reducing to **14.8% from 19.2% between year end April 2022 and year end April 2023.**

The biggest drivers of this reduction include the **hiring of more females in senior positions** between April 2022 and April 2023 and an increase in headcount of women across AND more generally.

Whilst **the mean bonus pay gap suggests that on average male and female ANDi's who are eligible receive equal bonuses**, the **median represents the fact that more males receive higher bonuses**, reflective of the higher number of males in senior leadership roles.

% ANDis receiving a Bonus

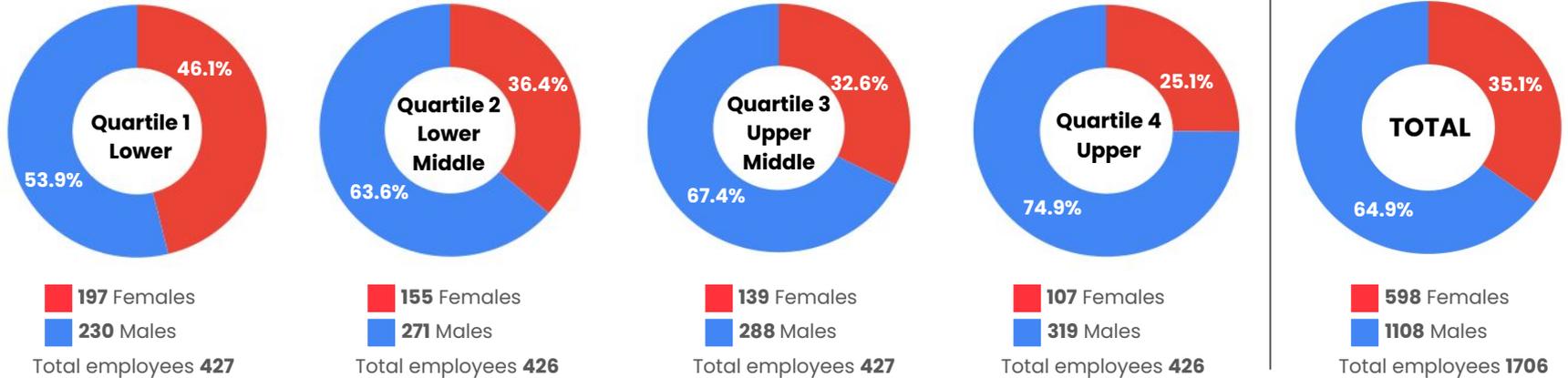


## Factors perpetuating our gender pay gap:

- **Limited female talent in key technical higher paid roles**, including Product Developers, Tech Principles, Platform Engineers, Platform Architects etc. *E.g. Of 329 Product Developers, only 60 (18.24%) are female*
- **Representation of females in Senior Leadership roles** at just 28.9%.
- **Representation of females in our Associate population** - AND has been successful in recruiting an increasingly gender diverse pool of entry-level talent, increasing representation, however within lower paid levels and roles.

# GENDER: FY23 demographics by pay quartile

Proportion of male and females in each quartile pay band as at 5th April 2023



AND's growth from April 2022 to April 2023 allowed us to focus on gender balance through our hiring and internal progression programmes. During this time we saw an increase of females by 0.5% to 35.1% of our workforce (FY22: 34.6%, FY21 30.7%).

Experienced hires, and progression and promotion of female ANDis have been key to supporting a steady shift in the representation of females across quartiles 2, 3 and 4. (FY22 quartile 2: 34.9%, quartile 3: 31.2%, quartile 4: 22.1%)

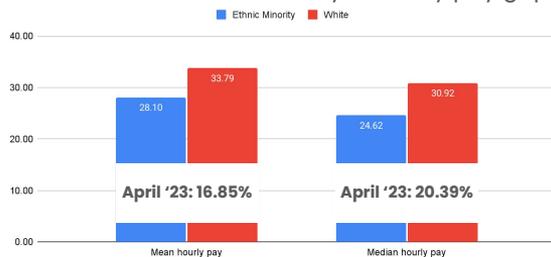
Sourcing and growing females with senior technical, product developer and delivery skills will be fundamental to addressing both leadership diversity and the gender pay gap across quartiles 2, 3 and 4.

Entry-level representation and pay gap has widened due to a lower level of recruitment during the second half of the year and continued attrition.

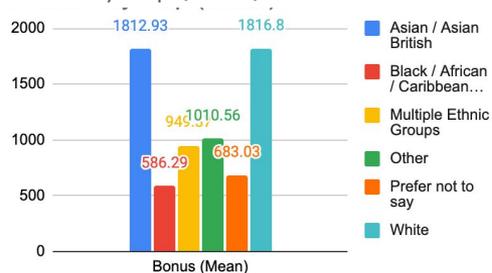


# ETHNICITY: Pay Gap Summary

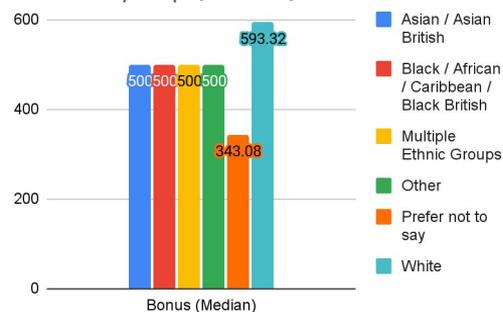
ANDi Mean and median hourly ethnicity pay gap



Bonus Pay Gap (Mean)



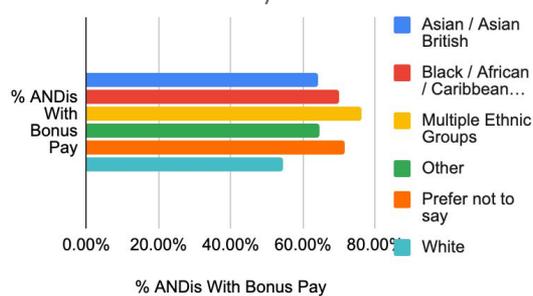
Bonus Pay Gap (Median)



Whilst we have reported on our ethnicity pay gap over the last two years, our data disclosure has allowed a greater level of clarity in the 2023 report. We are now able to create a view on the pay gap of ethnic minorities and individual ethnic groups within our workforce.

In relation to the bonus data, we are pleased to see that an even amount of ANDis across all ethnic groups are receiving bonuses. The bonus pay gap stems from more ANDis from white or asian ethnic backgrounds in senior roles, with a higher bonus value that is driving the overall mean value higher. The other ethnic groups do not have this representation, hence the bonus mean and median value are similar.

% ANDis with Bonus Pay



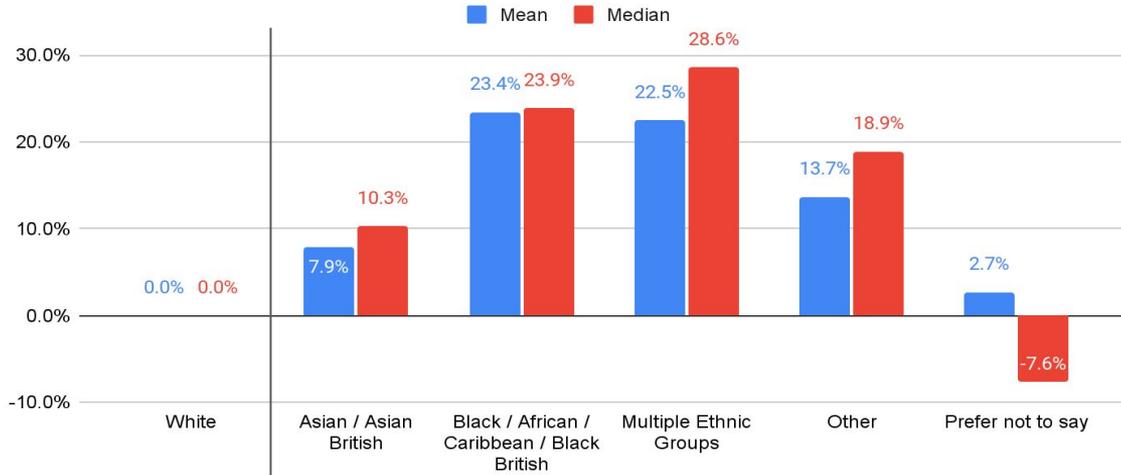
**Initial findings see us reporting a 20.39% median pay gap between white and ethnic minority ANDis.**

This is driven by the following:

- IMPROVED DATA DISCLOSURE:** At the time of writing, 84.7% of ANDis have now disclosed their ethnicity, which allows us to report more accurately on our pay gap. This is reflective of the ongoing work done to encourage our ANDis to share this information for our wider inclusion strategy.
- REPRESENTATION:** As mentioned in previous reports, ethnic minority ANDis are overrepresented in more junior roles and underrepresented in our more senior roles. For example, there are a very limited amount of ethnic minority Senior Leaders (under 10%) in comparison to a very diverse AND (22.7% of all ANDis are from an ethnic minority background)

# ETHNICITY: FY23 pay gap by ethnic group vs white

MEAN and MEDIAN pay gap by ethnicity



The pay gaps of biggest concern **Black** and **Multiple ethnicity** ANDIs. Gaps as wide as 23% and 28% compared to white ANDIs, can be at least in part attributed to the representation of **black and multiple ethnic** ANDIs across AND.

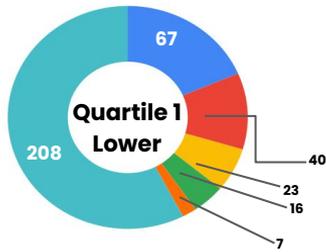
Specifically, the data points to a greater concentration of Black and Multiple Ethnic ANDIs at **Associate level roles**. This is especially the case in London Hub in which the majority of these ANDIs are located.

A critical focus on retention and progression of these two groups is needed to ensure we are truly inclusive and equitable moving forward.

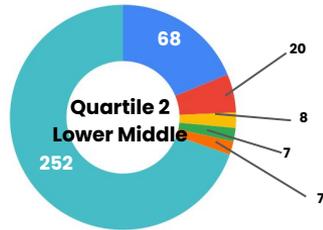
Ethnicity	Headcount
White	998
Asian/ Asian British	247
Black/ African / Caribbean / Black British	79
Multiple Ethnic Groups	46
Other	40
Prefer not to say	35

# ETHNICITY: FY23 demographics by pay quartile

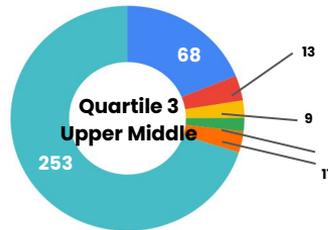
Proportion of male and females in each quartile pay band as at 5th April 2023



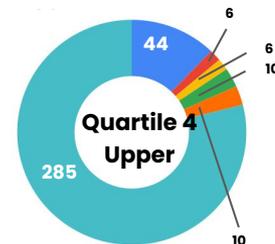
Total 361



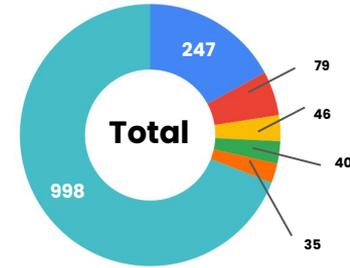
Total 362



Total 361



Total 361



Total 1445

These numbers reflect 2022's ethnicity declaration rate of 84.7%. This represents a much higher rate than last year, reflecting the efforts taken to improve declaration data quality, which is essential to evidencing structural inequities and informing preventative and remedial action. (Data based upon 1445 of 1706 Andis that have declared their ethnicity).

This being said, we continue to see similar trends to our previous report in the underrepresentation of ethnic minority groups in the upper middle and upper quartiles.

In particular, there is a drop off in representation of ANDIs from a **Black or multiple ethnicity** background which may be affecting the pay gap for these ethnic groups.

# Priority actions to close AND's pay gap

## DIVERSITY TARGETS

**Ratio-based targets have been set across recruitment, progression and succession planning** to fuel gender and ethnicity diversity of Senior Leadership and experienced practitioners within AND's Business Units

## SUCCESSION PLANNING

**Double down on succession planning** as a basis to inform senior leadership and senior technical, product developer and delivery practitioner recruitment and targeted ANDi growth and development priorities.

## RECRUITMENT EXPERIENCE

**Strengthen inclusivity of AND's end to end recruitment experience**, including inclusive talent sourcing, JD and job adverts, blind screening, diverse hiring team and increased use of AI

**Identify diverse prospective candidates proactively** in support of succession plans, engage and keep warm for future opportunities.

## ANDI GROWTH EXPERIENCE

**Establish targeted learning curricula to grow and develop** a diverse pool of senior technical, product developer, UX and delivery practitioners, identifying opportunities for re-skilling of our female and ethnic minority ANDis.

**Remove unintended barriers to progression** through simplifying and prioritising inclusivity of the progression process, ensuring we uphold our commitment to equal opportunities for all ANDis

## PAY EQUITY

**Implement structured pay banding across all Senior Leadership roles** as part of AND's Total Reward Strategy, increasing transparency and focus to close the pay gap at our most senior levels.

## POLICIES AND PROCESSES

**Develop best in class people policies focused on attracting and retaining female talent**, including maternity & parental care, female health, carers leave etc.

**Scale inclusion mentoring** to increase awareness, understanding and allyship of minority groups as we continue to deliver on our commitment to create a structurally inclusive AND.

# Over **AND** Out

# So how is the gender ethnicity gap measured?

Companies report on the pay gap across **six key areas**:

\* Based on hourly pay



Companies report on the pay gap across **six key areas**:



Companies report on the pay gap across **six key areas**:

1

MEAN  
PAY GAP \*

2

MEDIAN  
PAY GAP \*

3

MEAN  
BONUS GAP

4

MEDIAN  
BONUS GAP

5

BONUS  
PROPORTION

6

PAY  
QUARTILES

The **proportion** of men and women receiving a bonus payment.

1

MEAN  
PAY GAP \*

2

MEDIAN  
PAY GAP \*

3

MEAN  
BONUS GAP

4

MEDIAN  
BONUS GAP

5

BONUS  
PROPORTION

6

PAY  
QUARTILES

The **number** and **proportion** of males and females or ANDis from the different ethnic groups in each pay quartile.

# What's included in these calculations?



## HOURLY PAY

Base salary

+

Allowances

-

Deductions\*

-

All salary employed and paid  
on 5 April 2023



## BONUS

Quarterly bonus

+

Referral bonus

+

Joining bonus

+

Club-specific bonus

-

All bonuses paid in previous 12  
months included for people  
employed on 5 April 2023

\*Deductions include **pensions, childcare vouchers, Ride2Work scheme, charitable giving**, etc.