

## GENDER PAY GAP EMPLOYER STATEMENT REPORTING YEAR 2022-23

### Introduction

From 2024, gender pay gap legislation in Australia requires private sector employers in with 100 or more employees to publish their gender pay gap annually on the Workplace Gender Equality Agency (WGEA) website. This statement covers Loch Tess Services Pty Limited, which is the employing entity for Cliftons in Australia and therefore used for WGEA reporting.

### What does 'gender pay gap' mean?

A gender pay gap is a measure of the difference between the average earnings between men and women employees, regardless of their role or seniority. The gender pay gap gives a snapshot of the gender balance within an organisation. As a result, it is affected by how the workforce is made up - including the numbers in respective employment status types, the jobs they do, and the levels of seniority. Measuring the Gender Pay Gap is not the same as measuring equal pay – ie. the pay that women and men receive for performing the same or comparable roles.

### Our commitment to diversity

At Cliftons, we encourage, value, and leverage the diversity of people, perspectives, experiences, and lifestyles to achieve strong business performance. It is critical to our success that we have a workforce as diverse as the clients and delegates we serve.

Focusing on diversity and inclusion supports our business strategy by attracting talent and improving our decision-making. Analysing diversity data and being transparent about the diversity of our workforce is an important step in creating meaningful change towards a fairer, more inclusive workplace.

### Understanding our Gender Pay Gap Snapshot date 31 March 2023

The data for pay gap calculations was taken at 31 March 2023 as part of the annual compliance report submitted to the WGEA. *[Please visit the [WGEA's Data Explorer](#) to view our results under Employer Results]*

At the snapshot date, there were 315 people within our Australian workforce. Of those, 58% were women and 41% were men.

At a topline level, Cliftons' data indicates a positive story.

### Median Pay Gap

Our gender pay gaps for median base salary and median total remuneration (ie. salary plus super, incentives etc) have narrowed over the past three years and is now in favour of women ( **-1.0%** and **-1.2%** respectively). This compares very positively against the national results as well as similar sized peers in the Rental, Hiring and Real Estate Services industry group.

When we also look at our own workforce ranked by remuneration, there is a strong proportion of women in the upper pay quartile (54%) and upper median pay quartile (72%), which also compares favourably against the industry.

### Average Pay Gap

The WGEA has also published the average (or mean) gender pay gap at the national level - this is more commonly used as the headline measure for pay equity. We recognise that, from next year, this will be published at the organisational level.

When it comes to average gender pay gap, Cliftons compares well against the national results and our peer industry group. Our average total remuneration gender pay gap is

8.8% in favour of men, which is significantly narrower than nationally (21.7%) and Rental, Hiring and Real Estate Services industry (25.5%).

A closer analysis of the data shows that we have more work to do.

We have a female CEO and women made up 42.3% of all Australian managers, and were evenly represented amongst the General Manager, Senior Manager and Other Manager categories. We acknowledge that an uneven gender balance existed at the most senior executive levels. Women were under-represented in the Key Management Personnel category (0%) and the governing body (17%). Despite this, there is a strong proportion of women in the upper and upper median remuneration quartiles.

We also note that a high proportion (three quarters) of our workforce is casual, due to the seasonal nature of the business and the business events industry. Women make up 59% of our casual employees. For WGEA reporting, their remuneration is annualised to a full-time equivalent basis so as to compare 'apples with apples'. In reality, the earnings (based on hours worked) for this cohort of employees is likely to paint a different picture.

Since the data snapshot was taken, Cliftons has undergone an organisational redesign in the second half of 2023. As a mid-sized organisation, small changes in our employee profile can have a significant impact. We recognise that monitoring full-time remuneration at periodic intervals throughout the year will be valuable.

### **Factors behind our Average Gender Pay Gap**

1. Casual employees:  
As mentioned above, a high proportion of our total workforce is casual who are employed on award pay rates.
2. More men in the most senior leadership roles.  
While there is good representation of women within management, our average gender pay gap is driven by the fact that at the data snapshot date, the majority of our most senior roles were more likely to be filled by men. To close the average gender pay gap, we must work towards a gender-balanced population at all leadership levels.
3. Occupational segregation:  
Although the overall gender ratio is strong, women are concentrated in certain role types. There is a very high female representation among sales professionals (who have the ability to earn sales incentives), however this is still a small proportion of our overall headcount. There are more women in clerical and administrative roles and catering assistant roles. At the snapshot date, there are no women among our technical IT roles (including as casuals).
4. Economic factors and remuneration decisions:  
During 2022/23 the organisation experienced a period of rebuilding following the COVID pandemic, which had notable impacts on the business and the broader industry we operate within. We externally benchmarked salaries against the market for most positions during the FY2023 remuneration review, and internally reviewed the pay recommendations to check that employees undertaking same or similar roles are paid fairly. Despite these efforts, it's still possible to have a gender pay gap. The overall salary increase pool for FY2023 was 3.6% but there were limited opportunities to provide significant pay increases to all employees. During this time, we temporarily paused organisation-wide variable remuneration schemes (with exception of Sales employees).

## Closing the gender pay gap: What we're doing

### 1. Being a 'Best Place to Work'

Cliftons remains committed to building a workforce that reflects all aspects of diversity to bring a range of perspectives, ideas, and insights to everything we do. We want to create a place where people want to work and are valued. We are proud to be officially recognised as one of the Australian Financial Review's Best Places to Work in 2023.

### 2. Talent Attraction & Recruitment

We will work towards an aim of 40:40:20 representation at all levels, by presenting diverse shortlists for roles at all levels. We continue to focus our efforts on a number of actions to improve our gender representation at every seniority level, and therefore gender pay gap.

From FY25, job postings will include published salary ranges.

We will continue using specialist software, to ensure language in recruitment advertising is gender neutral and inclusive.

We are piloting a benchmarking survey to measure the candidate experience and to determine whether differences exist between men and women applicants.

We will roll out inclusive recruitment training (Licence to Hire) for all people managers, to improve fairness in selection processes and challenge bias.

We continue to strengthen the internal talent pipelines for internal progression.

### 3. Flexibility and Personal Wellbeing:

Through our 'All roles flex' policy, everyone is empowered to work together flexibly in a way that works for their team and the business, in a way that suits them, so they can deliver their best work. We are proud that many of our senior roles are already carried out on a flexible basis.

Across our Group, we provide 4 'Me Days' for all permanent staff each year– in addition to traditional annual leave.

We continue to shape areas of policy and practice, such as paid parental leave for both primary and secondary carers, that focus on enabling new parents (regardless of gender) to take equal responsibility for childcare commitments. In 2023, for the first time, one of our male managers accessed parental leave as primary carer. We recognise that this will take time, but this will help address the current imbalance that occurs when more women than men work flexibly to fulfil family responsibilities.

In 2022 we launched a new policy, Reconnect with Family & Friends, where employees can apply to work from another location where Cliftons has a presence for up to 2 weeks each year. This is designed to expand our flexibility offering.

We have provided tools, policies and guides that support employee wellbeing, mental health and resilience, including manager guides, training courses and tips, wellbeing apps .

#### **4. Encouraging leadership commitment**

When senior leaders visibly participate in fostering an inclusive culture, their actions set the tone for the entire organisation. We are shaping a culture in which each employee feels able to bring their whole self to work, in a safe and supportive environment. Leaders are encouraged to influence change and are given the tools and knowledge to help them lead on diversity and inclusion initiatives. Monitoring feedback from employees through our employee engagement, onboarding and exit surveys will be pivotal in tracking our progress.

#### **5. Undertake more detailed analysis**

We have a responsibility – to our business and our people – to track, report and learn from our gender pay gap data. Doing so will also help us identify any areas where we need to improve and to address them.

We intend to set up practices to monitor the size of the gender pay gap at regular intervals throughout the year and at a more granular level (eg. full-time; part-time; bonus eligibility; by job family (like for like pay gaps); by job level; shift allocations).