INTRODUCTION

Under the UK Government’s Gender Pay Gap Reporting Regulations, employers with over 250 employees need to report their gender pay gap annually. This involves carrying out six calculations that show the difference between the average earnings of men and women within the organisation, irrespective of job role or seniority. This measure is different to equal pay which measures the differences between male and female employees performing the same or similar work, or work of equal value.

According to the Office for National Statistics (ONS) the overall UK median gender pay gap is 17.3% as at April 2019. We have a mean gender pay gap of 3.6% and a median gender pay gap of -12.7% (-9.7% in 2019).

Again this year our bonus mean and median percentage for women is less than men despite a greater percentage of women being in receipt of a bonus.

This analysis is influenced by our employee composition which reflects a significantly larger male population (78%).

The pay quartiles are relatively comparable to the distribution of gender in our workforce. The key factor influencing the upper quartile result is a higher proportion of males in our most senior positions, which are our highest paid roles. When looking at the bonus pay gap, this is again down to the distribution of gender within our workforce. We have a relatively small proportion of employees who received a bonus, limited to senior positions and sales roles who are predominately male.

Diebold Nixdorf (UK) Ltd is committed to the principle of equal opportunities and equal treatment for all employees and is governed by our company code of conduct in order to ensure we achieve this.

Paul Young
Finance Director UK/I

<table>
<thead>
<tr>
<th>Gender Pay and Bonus Gap</th>
<th>Mean (Average)</th>
<th>Median (Middle)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender Pay Gap</td>
<td>3.6%</td>
<td>-12.7%</td>
</tr>
<tr>
<td>Gender Bonus Gap</td>
<td>28.6%</td>
<td>31.6%</td>
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**Mean Pay Gap:** The mean gender pay gap is the difference between the average hourly rate of pay for women, compared to the average hourly rate of pay for men, within a company.

**Median Pay Gap:** The median represents the middle point of a population. If you lined up all of the pay of women and all of the pay of men at a company, the median pay gap is the difference between the hourly rate of pay for the middle woman compared to the hourly rate of pay for the middle man.

PROPORTION OF EMPLOYEES RECEIVING A 2019 BONUS

In relation to bonus, our mean gender pay gap for bonuses paid in the year to April 2019 is 28.6%, and the median gender pay gap for bonus payments is 31.6%. Just over a third of employees received a bonus in 2019 (178 men and 60 women). The main reason for the gap is due the higher proportion of males in our senior roles and sales positions.

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Our 2019 data saw gender diversity remain at 78% male/22% Female (no change from 2018).

The gender diversity in our lower and low middle quartiles reduced slightly (more males), whereas in the upper middle quartile this remained unchanged. In our top quartile, we increased number of females by 2% in 2019.

### OUR PLANS TO CLOSE THE GAP

There are a number of steps we are taking to improve our gender balance that we expect to positively impact our gender pay gap in the future, including:

**Actions completed:**
- **Inclusive culture** - Continue to promote a culture where everyone can bring their whole selves to work and perform at their best.
- **Inclusive leadership** - Our leaders create and enable high performing teams from diverse backgrounds.
- **Inclusive practices** - We maintain policies and practices that reflect the culture of inclusion we are striving for.

**Actions for 2020**
- **Recruitment** - Enhancing our recruitment practices and building inclusion into all leadership activity to raise the standards of recruitment.
- **Flexible job design** – We promote and offer our people (at every level), the flexibility to establish both work-life balance and a working pattern that is right for them.
- **Gender balance** – Increase gender diversity in our lower pay quartile which predominantly includes Service Engineers roles. Deliver a leadership development programme to support gender diversity at executive levels.

We remain committed to removing the Gender Pay Gap at Diebold Nixdorf UK but also know it will take time for our efforts to be reflected in the reported figures. Our long-term view enables us to refine our strategy each year to drive progress in the UK and Globally.