

The title of the report, "Gender Pay Gap Report 2017", is displayed in a clean, sans-serif font. The words "Gender Pay Gap" are in black, and "Report 2017" is in a light blue color. A small icon of a bar chart with three bars (blue, red, blue) is positioned to the left of the text.

Introduction

With 39 years' experience, IRIS Group Ltd is the UK's largest privately held software company and one of the most trusted business critical software and services providers in the UK today.

IRIS provides innovative software and services that connect accountants, businesses and their employees, enabling them to efficiently manage their financial, compliance and human capital resource requirements to achieve success.

We are driven by a core belief: people are our most valuable asset and we're proud of their talents, enthusiasm and achievements. Our priority is to encourage and recognise every success with an emphasis on team work as well as individual contribution. We believe transparency, sharing and accountability creates a stimulating and rewarding work environment.

IRIS Group Ltd has published its gender pay data under new regulations introduced by the Government this year. The legislation requires companies employing more than 250 people to publish information about their gender pay and bonus gaps.

It is important for companies to acknowledge and work towards closing the gender pay gap. The Government's introduction of a formal measurement to standardise the way in which businesses report enables us to measure ourselves against industry norms and work to reduce any gaps.

In this report, we provide our gender pay gap information for IRIS Group Ltd; look at the causes of the pay gap and outline our commitment to employees. Our ambition is to offer more opportunities to women as we continue making IRIS a company people want to join.



Kevin Dady
Group Chief
Executive Officer



Jane Pointet
Group Chief
People Officer

We confirm the information and data provided herein is accurate and in line with mandatory requirements.

IRIS Group Ltd findings

The gender pay gap shows the difference in average pay between women and men.

The graphics show IRIS Group Ltd's Mean and Median gender pay gap for fixed pay at the snapshot date of 5 April 2017.

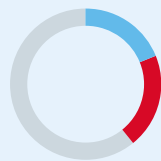
They also show the Mean and Median gender pay gap for bonuses paid to men and women in the year up to 5 April 2017.

IRIS Group Pay Gap Results

IRIS employees

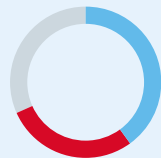
671 full time
35 part time

Gender Pay Gap



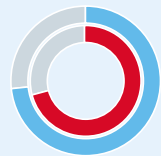
■ Median pay gap 18.9%
■ Mean pay gap 20.5%

Gender Bonus Pay Gap



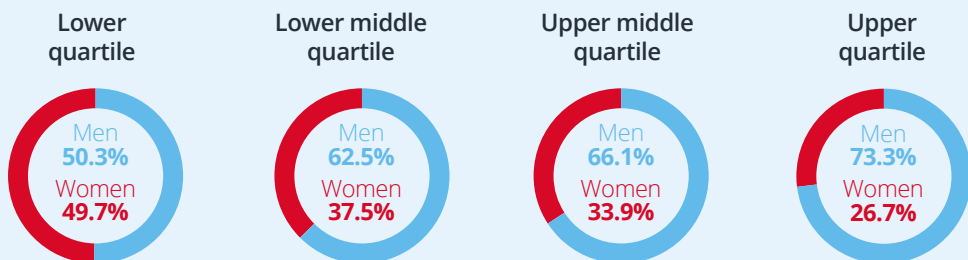
■ Median bonus gap 40%
■ Mean bonus gap 28.5%

Proportions of men and women receiving a bonus



■ Men 73.5%
■ Women 70.9%

Proportion of males and females in each quartile band



These figures are different from an equal pay comparison, which would involve a direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

The figures provided in the 2017 report are for IRIS Group Ltd. This year's report does not include more recent acquisitions; PS Financials, ParentMail, Results Squared or those people still employed under the Cascade entity, as they currently do not meet the threshold for reporting purposes. These businesses will be included in future reports.



Understanding the pay gap

Comparing the Median pay gap to industry

The Median pay gap is most frequently used and published, as it's closest to the experience of the typical man and the typical woman. According to figures from the Government website:

- ▶ The construction industry has an average gap of **24.6%**
- ▶ The gap for Financial Services is **24%**
- ▶ Information and communication industry has a gap of **17.7%**
- ▶ The National average was **9.4%** in 2016

"IRIS continues to take action to address any gaps and to make sure our policies and practices are fair."

Calculating the Median pay gap

To calculate the Median gender pay gap, we arrange the hourly pay rates of all male full-pay relevant employees from highest to lowest. The Median hourly rate of pay is in the middle of the range. The same calculation is run for females. The Median gender pay gap is the difference in pay between the women in the middle and the men in the middle.

IRIS Group Ltd's Median pay gap is 18.9%.

Calculating the Mean pay gap

To calculate the Mean gender pay gap, we add together the hourly pay rates of all the male full-pay relevant employees. This figure is then divided by the number of employees, which gives us an average of the hourly pay rate. We run the same calculation for females and the difference gives us the Mean pay gap between men and women.

IRIS Group Ltd's Mean pay gap is 20.5%.

Pay quartiles

IRIS Group Ltd is also required to publish the proportion of males and females in each quartile band. The bands are created by dividing hourly pay into equal pay quartiles. Each quartile contains approximately 177 employees.

Overall, women currently represent 36.97% of IRIS Group Ltd employees. Women are less well represented in the higher pay quartiles due to proportionally more men being in senior roles.

Increasing the number of women in our business and moving towards an equal distribution of men and women across all levels is important to us.



Understanding the pay gap

KEY FACTS

- ▶ IRIS serves more than **80,000** small and mid-sized businesses, corporations and payroll bureaus
- ▶ More than **four million** tax and accounts documents are filed annually using IRIS Accountancy solutions
- ▶ Nearly **620,000** employees are managed using IRIS HR solutions
- ▶ IRIS powers nearly **17,000** accountants in the UK
- ▶ **14%** of UK companies pay their employees using IRIS Payroll solutions

Why does IRIS have a gap?

The analysis of our pay and bonus gap shows two key factors: firstly, IRIS has more men in senior higher-paid roles; secondly, the number of part time opportunities across the business are mainly filled by women.

We recognise there is a lower proportion of women holding the company's most senior roles but are pleased to report women make up one third of our executive committee. As a comparison, there are less than 10% female executive director roles among FTSE350 companies.

IRIS Group Ltd is working to close all gaps as the company evolves from a traditional, conservative business to a 21st century software and services business. We are confident men and women are paid equally for doing equivalent jobs across our business.

We will continue our journey to ensure IRIS has an appropriate culture and working environment to support the business as this is critical to the success in addressing any gender equality.



Taking action: our commitments

Everyone in IRIS can develop their career at a pace suited to them while supporting a good work life balance. We also appreciate everyone has different requirements within their role and strive to help each person find their own niche. Our overall aim is to ensure people want to come to work, do a good job and enjoy doing it.

"We are proud to say that men and women are paid equally for doing equivalent jobs across our business."

Performance reviews

IRIS works to make sure every employee has a clear purpose and career path regardless of gender. We foster a culture of trust and openness with regular performance conversations.

Coaching and mentoring

Throughout the business, we aim to unlock a person's potential and maximise their performance.

We encourage all employees to drive their own career development and support them with internal and external coaching.

Pay, reward and promotions

IRIS continually monitors market pay and reward structures to ensure fair and equal pay for all employees.

Any negotiated individual levels of pay are contained within pay bands. We have annual equal pay audits to check for gender bias and consider restricting discretion where this occurs.

Our promotions recognise the performance of individuals. IRIS managers show they offer roles and development opportunities to all staff with similar performance.

Taking action: our commitments



Flexible and family friendly

IRIS understands the challenges parents face and offers flexible work arrangements to make life easier. Our commitment includes additional leave for those with children under five years old and flexible working arrangements. We want every employee to be happy and focused whether working part time or returning to the business after maternity leave.



Culture and working environment

We recognise none of our actions will succeed without the right culture and working environment. We work to ensure there is a positive atmosphere, that employees feel energised and believe in the direction of the business. This effort pays off in many ways, not least in creating a fantastic, engaging workplace.

“Over one third of employees work flexible or part time hours to balance work and family life.”



Diversity in recruitment

All roles are initially offered internally which provides employees broader opportunities to progress across the business.

Our job adverts have gender-neutral language and to ensure there is gender balance across all roles, we recruit through a variety of channels including non-traditional sources and actively encourage people from all groups to apply.

To add to our talented workforce, IRIS has recently launched an apprenticeship programme which provides a two-year, high-quality training scheme structured to the needs of the business and the ability of the employee.



Welfare and wellbeing

We recognise our people work hard and in return we want to support their emotional and physical wellbeing.

Our external employee assistance programme helps anyone needing impartial advice on any matter affecting them, including personal and legal support.

IRIS also organises health days offering checks, flu jabs and wellbeing clinics.

“Our overall aim is to ensure people want to come to work, do a good job and enjoy doing it.”

With 39 years' experience, IRIS offers the greatest range of UK-only, specialist accountancy, financial, human resources, education, payroll and bookkeeping solutions.

These are provided as a choice of integrated on-premise, cloud-based and mobile applications, managed under the leading IRIS, PTP, KashFlow, Keytime, Cascade, 12pay, Earnie, Results Squared, PS Financials and ParentMail brands.

These solutions serve almost 17,000 accountancy practices and more than 80,000 small and mid-sized businesses, corporates, and payroll bureaus across a wide range of industry sectors.

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