

virtusa

Engineering First

REPORT

Gender pay gap report

Virtusa Consulting & Services Limited

2023

Gender pay gap report 2023

Virtusa is a global provider of digital business strategy, digital engineering, and IT outsourcing services. We have conducted a gender pay gap review in line with the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and based on data as of 5 April 2023.

As an organisation we recognise that, in consideration of this review, there are gaps that need to be addressed. The company has a strong commitment to diversity, equity, and inclusion (DEI) and has implemented several initiatives to promote diversity and inclusion within the company.

“AT VIRTUSA WE TAKE GENDER PAY PARITY SERIOUSLY”

Our Commitment to Promoting Equality

One of Virtusa's key diversity initiatives is its "Equal Opportunity and Diversity Program," which is designed to ensure that the company's hiring and promotion processes are fair and equitable for all employees. The program includes a range of initiatives, such as unconscious bias training, diversity and inclusion training for managers, and the establishment of employee resource groups.

Virtusa has also established a Women's Leadership Council, which is focused on developing and promoting women leaders within the company. The council provides mentoring, training, and networking opportunities to help women advance in their careers.

In addition, Virtusa has a range of employee resource groups focused on promoting diversity and inclusion within the company, including groups focused on women, LGBTQ+ employees, and employees from different cultural backgrounds.

At Virtusa, we regularly review compensation policies and practices to identify any potential pay disparities. One of the key initiatives implemented by Virtusa to address gender pay parity is the use of objective, data-driven processes to determine compensation. The company has implemented a compensation philosophy that is based on market data and individual performance, rather than factors such as gender or ethnicity.

At Virtusa we take gender pay parity seriously. The company's commitment to using data-driven processes to determine compensation, conducting regular reviews of its compensation policies, and providing development opportunities for women are all positive steps towards achieving gender pay parity.

The 2023 Review

At the relevant time, Virtusa had 986 employees in total, 769 of which were male and 217 of which were female. The percentage split of our employees varies slightly across each quartile (from lowest to highest paid roles). Specifically:

Quartile	% of Male Employees	% of Female Employees
Lower Quartile (Q1)	61.5	38.5
Lower Middle Quartile (Q2)	74.1	25.9
Upper Middle Quartile (Q3)	89	11
Upper Quartile (Q4)	87.4	12.6
Total	78.0	22.0

The gap in the Lower Quartiles has slightly reduced since last year. The percentage of female employees in the Upper Quartiles are similar to the previous year and recognise that this is an area of focus for the business. We will continue to review our recruitment, promotion and training processes in order to address this.

Of those employees, we have calculated the hourly rate pay gap as follows:

	Mean* %	Median** %
Gender Pay Gap	16.20	13.89

* The mean pay gap is the average difference in the hourly pay rate

**The median pay gap is the difference between the middle range hourly pay rate.

The median pay gap has reduced since 2022 which shows a positive move towards reduced the pay gap across the organisation.

Bonus Pay

Virtusa operates a contractual bonus scheme for many of its employees but not all employees are entitled to earn bonus. Virtusa can and does exercise its discretion to award bonus pay to employees who are not contractually entitled to it. These discretionary payments can skew the overall bonus data as the range of bonus awarded is significantly increased.

Bonus, if payable, is awarded twice a year. It is calculated based on several factors including KPIs and performance and therefore can be variable depending on the individual.

In the applicable bonus year, 770 employees received bonus payments, of which 606 were male and 164 were female. The percentage of male and female employees who received bonus payments is:

	% of Male Employees	% of Female Employees
2022/2023 Bonus Pay Received	78.80	75.58

The overall number of employees receiving bonus in 2023 increased since the previous year. The percentage of male and female employees who received bonus pay remains reasonably balanced.

The bonus pay gap has been calculated as follows:

	Mean %	Median %
Bonus Pay Gap	41.08	5.16

As above, we consider these figures to be potentially skewed by the discretionary bonus payments. However, it is very positive that since 2022, both mean and median gaps have reduced. The median bonus pay gap has reduced significantly and indicates a balanced bonus pay allocation.

We continue to review our compensation policies and how bonus is awarded in order to reduce the mean bonus pay gap further.

We confirm that the information stated is accurate and that the data has been calculated in accordance with the relevant regulations.

On behalf of Virtusa Consulting & Services Limited.



Eranga Pathirage
Vice President – Human Resources