Hewlett Packard
Enterprise

GENDER PAY GAP 2019

FOREWORD

MARC WATERS
Managing Director of
Hewlett Packard Enterprise, UK,
Ireland, Middle East & Africa

One of my core business values is that ultimately it is people who make the difference. This thinking runs through every aspect of Hewlett Packard Enterprise (HPE). The business benefit from our Inspire Culture programme has shown up in our financial performance and employee engagement index. Inspire is about talent development, inclusion and recognition. Our culture has grown through committed senior leaders and fantastic role models at all levels who are fully aligned with our plan and values. Our gender diversity at both an executive level and across our sales force continues to show sustainable improvement. HPE is a superb company where talented people can build skills, knowledge and a fulfilling long term career in an inclusive and positive environment. We believe in our core purpose, to advance the way people live and work, and we are confident in what we can achieve.

At HPE our focus and commitment to Inclusion and diversity remains unwavering. Achieving greater gender balance across our organisation remains a priority for our entire leadership team. We understand the importance of operating within a fully inclusive and diverse environment is critical in order for our organisation to thrive and grow successfully, our focus and commitment to this remains steadfast. I believe wholeheartedly in our strategy and approach but there are no quick fixes. Whilst our efforts have resulted in some successes over the last year, we understand there is a still a great deal of work to do in order to reach our goal.

KIM FIELD
HR Director of
Hewlett Packard Enterprise, UK,
Ireland, Middle East & Africa

WHAT IS THE GENDER PAY GAP (GPG)?

The GPG is the difference between the average earnings of men and women, expressed relative to men's earnings. It analyses the total average hourly rate for female employees versus male employees throughout the entire organisation. UK regulation requires employers with 250 or more employees to report their gender pay gap and our 2019 report is based on data as at 5th April 2019.

HOW DOES THE GENDER PAY GAP DIFFER FROM AN EQUAL PAY GAP?

The Equality Act 2010 requires that men and women be paid the same for carrying out the same job or work of equal value for the same employer and an equal pay gap refers to a pay difference between individual men and women who carry out the same job or work of equal value. The gender pay gap, however, shows the difference in the average earnings between all men and women in a workforce. It does not measure the pay difference between men and women at the same pay grade, in the same role, or with the same working arrangements.

WHY IS THERE A GENDER PAY GAP?

A higher gender pay gap may indicate an issue of gender imbalance. In industries such as IT, employment in specific occupations or levels can be heavily skewed towards men. Different rates of career progression can also have an impact. This creates an occupational segregation with lower female representation in the higher paid engineering, sales and senior management positions. While men and women may earn roughly the same amount in the same jobs, a larger number of men in senior or higher paying roles will result in a higher average pay for men than for women.

Our median 2019 Gender Pay Gap (GPG) has reduced to 27.2%. This represents a marginal drop from 2017 and 2018 respectively, largely because of similarly sized increases in the median hourly rate figures for males and females.

Our greatest challenge in addressing the GPG in the short term, is the Tech labour market in which we work, with women making up only 16.4% of the workforce in 2019 (WISE campaign). The skew towards men is more acute at the executive level where female talent is in high demand. This has had a direct impact on the increase in our mean GPG. The mean GPG is driven by 2 main factors. Higher hourly rates, which in 2019 were mostly influenced by Incentives, coupled with a higher percentage of men in our most senior Executive levels and 72% of our sales force being male.

The proportion of females receiving a bonus is equal to the proportion of men who receive one, and we have seen an increasing trend in the number of females receiving a bonus across our early to mid-career levels. However, this is not enough to drive a noticeable improvement in our overall Gender Bonus Gap figures because of lower female representation in senior and technical roles which often have higher bonus targets.

2019 HPE GENDER PAY GAP

HEWLETT-PACKARD LTD – HEWLETT PACKARD ENTERPRISE'S EMPLOYING ENTITY IN THE UK

The **mean** gender pay gap at HEWLETT-PACKARD LTD is

30.1%

The **median** gender pay gap at HEWLETT-PACKARD LTD is

27.2%

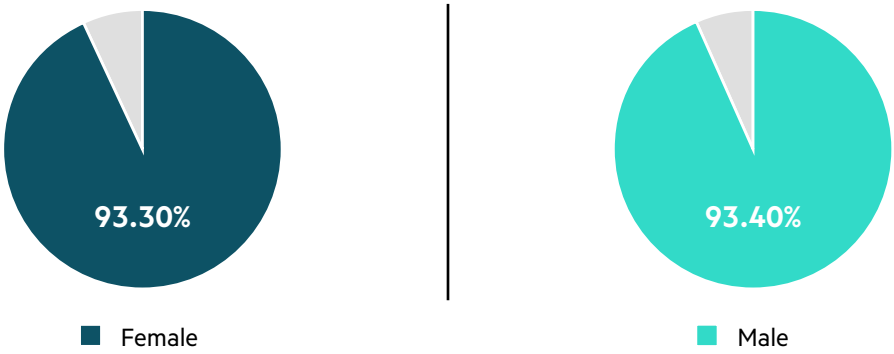
The **mean** gender bonus gap at HEWLETT-PACKARD LTD is

44.8%

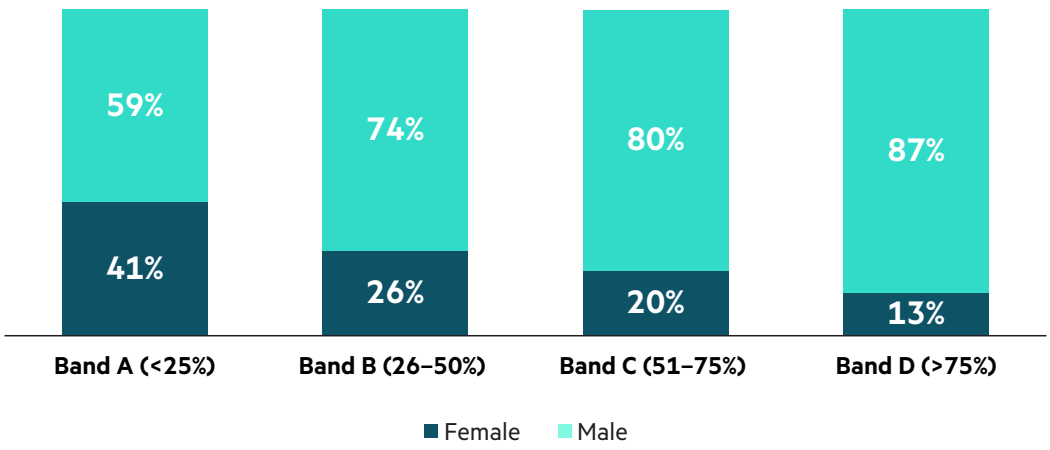
The **median** gender bonus gap at HEWLETT-PACKARD LTD is

52.0%

PROPORTION OF BONUS RECIPIENTS



PERCENTAGE OF MEN AND WOMEN PER PAY QUARTILE



SMALL THINGS MAKE A DIFFERENCE

At HPE we recognise the moral and business benefits of engendering a culture of equality and removing gender difference in the workplace. Our GPG results are not where we aspire to be. That said, we believe we are taking the necessary actions to move the needle in the right direction and acknowledge it will take time before the results are reflected in future reports.

Following a significant reorganisation within HPE in 2015, the UK leadership team have driven a culture change programme – **Inspire**. As a direct result of those efforts we have achieved a **12 point increase in our Employee Engagement Index** to 78% within the last 12 months alone. Our aspirations are higher, but we believe this demonstrates a desire to not only drive change but achieve tangible results.

There are many external factors that influence the results within our GPG. As previously cited, the scarcity of technical female executives and women in technical sales roles within our IT sector is a key dynamic. Despite that challenge we were delighted that Sue Preston chose to join HPE to lead our HPE Pointnext Services business at the end of 2019.

When you look at the challenges reflected in our GPG, we have identified **3 key focus areas** that we believe will make a difference to our GPG results, to the overall employee experience and to the interactions we have with our customers and partners.

INCLUSION AND DIVERSITY

We know there is a direct correlation between creating a more inclusive workplace and reducing our GPG.

Inclusion and Diversity has always been a key pillar of our Inspire culture. Our new Inclusion Champion was appointed from within our leadership community and takes the lead on our UK&I I&D strategy and ensures that I&D is at the forefront of everything we do. We have 3 Employee Resource Groups that sit under our local I&D strategy – WoMen@hpe, Pride@hpe and Culture@hpe.

I&D is not exclusively on the agenda of leadership meetings. Our senior executives are responsible for holding business leaders personally accountable for not just supporting the I&D agenda, but meeting quantitative and qualitative goals towards improving inclusion in the workplace which we believe will in turn drive the retention and advancement of women.

LOUISE FOLLIOT
Future Compute Lead, UK

My HPE career spans 22 years, joining as a graduate and qualifying as a CIMA management accountant early on. Until last year I've always worked in finance – in a range of roles spanning both country and regional roles. Since returning to work from a second maternity break I reported to the UK&I finance director as a BU finance lead in the UK&I with a team of five analysts. My passion in this role was being a trusted adviser to management, sales, legal and operations.

Last year I moved out of finance into a new role in Business Development with the remit to build and implement the strategy for our emerging technologies and markets. Spurred by ambition to challenge myself and feel ownership for a vision, this role pushes me outside of my comfort zone but in a way that enables me to use my transferrable skills whilst quickly learning new ones. This career change has only be possible due to the sponsorship and support of my immediate manager and BU director. Both individuals are always available at the end of the phone and make themselves available for regular personal coaching sessions. I have had a technical mentor since taking on the role who has been invaluable for me to lean on, and a number of unofficial mentors who have boosted my confidence in moments of doubt. I have taken wrong decisions and made mistakes but am guided by the fail fast, learn quickly ethos in HPE.

The global Female Talent Programme enables me to hear from others going through similar transitions as well as senior leaders in the organisation and their top tips for success. The benefits of the programme for me are threefold; brilliant training and resources including ExecOnline and a leadership analysis; honest and frank observations from senior females on how to balance work and family, and the ability to network across various countries. The timing of the programme could not have been better and I am grateful to be part of it.

Our efforts have received some positive accolades. In 2017 HPE became a signatory of the **Tech Talent Charter** to work with others organisations to increase the diversity of the technology workforce in the UK. In April 2019 we joined **Stonewall's Global Diversity Champion's** programme. We are incredibly proud that Anna McMullen, who works within our HPE Pointnext Services organisation, won the Rising Star of Year award at the Scotland Women in Technology Awards 2019. Furthermore, in this calendar year HPE has not only been included in the **Bloomberg Gender Equality Index for 2020** – recognising our efforts to promote gender equity in the workplace – we have also been named for the 17th time one of the **Best Places to Work** by the Human Rights Campaign (HRC). We again received the top score of 100% on HRC's Corporate Equality Index – an in-depth analysis and rating of U.S. companies regarding their policies and practices pertinent to lesbian, gay, bisexual, and transgender (LGBTQ+) employees.

Last year we evolved our approach to talent attraction and sourcing in the UK. Job profiles are now composed with gender neutral terminology and unconscious bias has been addressed within our selection process ensuring more diverse interview panels and objective selection techniques.

We continue to actively tap into diverse talent pools. In particular we are looking at how we can invest better at the grass roots level. We are actively partnering with Apprentice providers who promote female talent into roles. Our Apprentice hiring has increased by 68% year on year, with a 16 point increase in the number of female apprentices in 2019.

HEATHER WALLS
HPE Intelligent Data Platform Specialist

After graduating from University I joined Hewlett Packard Limited's Graduate Scheme in 2012. I've been fortunate enough to hold a number of different roles in this time, including a Services Solution Architect working on large non-standard customer pursuits, a Business Manager with responsibility for a subset of our largest global customer's P&L and an FSI new acquisition Services Sales Principal. My current role has seen me move from an End-User role to that of a Sales a Specialist within the Channel Team supporting five of our National partners.

These roles have enabled me to build skills in different focus areas and I've been passionate about providing excellent customer service in all aspects. HPE has a strong development emphasis and I've been lucky enough to have completed a number of courses including the Talent Management Programme and Sales School. In addition to this, I am currently completing the Future Leaders programme, alongside my day job, to support my next career step into leadership.

Throughout all of my roles, I've been lucky enough to work with great people who have challenged me to develop myself further. The breadth of HPE means there are always opportunities available to support an individual's development and career plan. I am personally enjoying mentoring colleagues on the Early Career programmes.

TALENT DEVELOPMENT

From an employee development perspective we are in the second year of our **Future Leaders** Programme – a unique programme that we have designed in the UK for high performing employees aspiring to move into leadership positions. The 14 month programme enables participants to gain a Level 5 CMI Diploma in First Line Management. Other elements of the programme include participants taking part in a business impact project, being assigned a mentor from the UK leadership team and being given opportunities to expand their internal network. With 38% of the participants female for this year's intake (a 5 point increase on last year), this initiative will create a strong bench of talent for future leadership positions

In addition to Future Leaders, 2019 saw the launch of 2 global tailor made Female Fast Track talent programmes which include participants from the UK. Participants receive executive coaching, access to external training and the opportunity to contribute to business impact projects. Being a global company, our employees at all levels can progress their career in different geographies. We are proud that we have retained some of our female talent by enabling them to pursue their career aspirations in the US, Australia and more recently Dubai.

Such programmes are underpinned by regular talent reviews with the Executive Leadership team and targeted 1:1 career development discussions with top and up-and-coming talent to ensure we are on the front foot in identifying development needs and planning career moves. There is also an established cadence between our HR Business partners and Talent and Acquisition team to regularly review talent who are ready for a move.

SUE PRESTON
VP, HPE Pointnext Services, UK&I

Personally I am passionate about Diversity & Inclusion and have been throughout my 25+ years working in the Technology Sector. If I specifically look at gender equality I was attracted to HPE based on the reputation and my observations of 'walking the talk' and the priorities Marc Waters and Kim Field were driving.

If we look at the new era of talent, HPE recognises that gender diversity should be front of mind when building our talent pool and being fully inclusive in the hiring process. We have implemented various programmes across the business and it is delightful to witness the commitment all up.

I have witnessed that D&I starts at the top and executive female role models are critical to coach and develop our female talent across the wider organisation. This enables women to identify role models and a path to leadership – simply because we have chartered the course before them.

Finally if we want to continually attract and retain female talent we need to stand by our policy on diversity and inclusivity and not just talk about it. This is a continual journey and I am proud to be a female Executive at HPE to support the wider organisation and build confidence in our female workforce.

WORKPLACE PRACTICES

At HPE we believe in parity and fairness to all our gender identities and in 2019 we launched our '**Work That Fits Your Life**' programme. We recognise that life is all about change. Sometimes our employees want to focus on their career; other times they need to prioritise personal matters. This new initiative gives our employees the flexibility to adjust when and how they work so that they can do more of what they love.

Our **Wellness Fridays** focus on enabling our employees to have a better work/life balance by allowing them to leave 3 hours early on a designated Friday each month to perhaps volunteer, focus on physical or emotional health, or spend time on personal or career development, how they spend that time is their choice.

We recognise that the arrival of a new child is a unique time in someone's life and we were proud to announce an enhancement of our paid Parental Leave policy in 2019. **New parents can now benefit from 26 weeks of paid leave, an increase of 24 weeks for fathers and 8 weeks for mothers**. This will not only help address the gender balance when it comes to paid parental leave, but it also supports women who are taking a full year out of work to ensure they are happy and confident to return. This benefit is all about choice, giving mothers and fathers the choice about how much time to take off together and when to return to work, all while having full support from a global technology company. Feedback has already been incredibly positive; several colleagues have approached us to suggest that the 'Work That Fits Your Life' programme is nothing less than life-changing.

Intrinsically linked to this is the issue of flexible working. The modern employee has evolved, wanting the flexibility to work when and where suits them. Unfortunately, there is still a stigma attached to the term, with many employers seeing it as a synonym for 'part time'. This is an extremely outdated view, and businesses must adapt their policies if they are to retain an engaged workforce and place more value on employee care. We have also put in place a **flexible work** arrangement policy that offers new parents the opportunity to work part time for up to 36 months after the birth or adoption of a child.

Policies such as these not only provide new mothers with an encouraging and supportive environment, but can also help improve employee morale more broadly by enhancing their work-life balance and reducing work-related stress. In the long term this helps us create a diverse and thriving workplace.

ZAF NOOR
Channel Partner Business Manager

Having previously worked at HP (now Hewlett Packard Enterprise) 4 years ago, I made the decision to return in September having heard that HPE had clear priorities when it came to people, culture and development. I'd seen prior to joining that HPE had introduced their 'Work That Fits Your Life Program' which resonated with me.

As a career focused and driven individual, the professional reasons for joining HPE were centred around technology, career progression, and HPE's reputation. In my first 6 months, it is very evident that HPE show innovation in the market and are genuinely focused around people, culture and development.

I have settled in well and enjoy the team culture. Joining HPE as a newlywed, whilst I was aware of the HPE Parental Policy, I did not expect to be a 'dad-to-be' quite so soon – I've been overwhelmed by the support I've had.

I'm really looking forward to becoming a father. The parental leave benefit will allows me to balance priorities of family life, supporting my wife in raising our first child in the important early stages whilst developing a successful long-term career. Friends and family have been really impressed with HPE's emphasis on balancing work-life, and leading the way in supporting equality in the workplace.

BE INCLUSIVE. BE DIVERSE. BE INSPIRED.

'INNOVATION IS OUR TOP PRIORITY AT HPE, AND THAT IS MADE POSSIBLE BY THE CULTURE WE BUILD'

– Antonio Neri, HPE CEO

At HPE we genuinely believe we are taking the appropriate steps to make a difference and that overtime these will be reflected in future GPG reports.

We remain committed to ensuring an inclusive approach to talent attraction, development and retention initiatives and continuing our investment in flexible working practices. Our mission in the UK will remain focused on creating a culture that inspires and develops exceptional people to create exceptional outcomes.

MAEVE CULLOTY
Managing Director, Ireland,
Hewlett Packard Enterprise

I joined Hewlett Packard Enterprise over 12 years ago and was appointed Managing Director of the Irish business in November 2019. It is an exciting time to lead a technology company, with the pace of change we are seeing in the market. My background as an accountant lent itself to looking broadly at a business and being able to deliver solutions to customers that make them successful. I continue to learn new things about our exciting company every day.

I've held a number of quite diverse positions including Head of Audit, Customer Delivery Manager, Business Development & Marketing Director and Worldwide Enterprise Segment Sales Leader. During my time at HPE I have been fortunate enough to participate in a number of worldwide projects, travel extensively throughout the world. I've had some excellent mentors and sponsors and was incredibly proud to have been shortlisted as Channel Female of the year by CRN Magazine.

What I relish most about this company is the never ending opportunities we have in our grasp to have an impact on our customers, employees and society through the medium of our technology. I've seen first-hand what HPE has done throughout the world in having an extremely positive impact on the environment and people's day to day lives.

I am living proof that anything can happen if you work hard, are true to your convictions and have a genuine appetite for growth. Throughout my career I have always felt my voice has been heard, that my opinion is valued and that I am truly able to contribute and influence the bottom line of the organisation. These are things I cannot compromise on and feel should not be overlooked or taken for granted.

'In any relationship trust is vital, to create it spend more time listening than talking, and when you say you will deliver, deliver!'

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