

General

BRAZIL Gender Pay Equity Review

2024 Statement

01 Apr 2024

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Employer Statement

The benefits to all organisations of a diverse and inclusive workforce are now widely recognised. Therefore, we have collected relevant data to provide a better understanding of our current position and where we may improve.

To further reinforce its commitment to diversity, equity, and inclusion, BT has established priorities since the beginning of FY23/24, among them:

- Providing a range of initiatives to encourage greater female participation in the tech industry into roles which have traditionally been dominated by men, including cybersecurity.
- Increasing the number of women represented at all career levels in our organisation, and particularly at senior levels.
- Building a robust talent pipeline of future leaders from under-represented groups, particularly women.
- Further enhancing our inclusive and welcoming workplace to enable all our employees to thrive and grow.

Under Brazil's Pay Equity Law, all non-public sector employers that employ 100 or more employees are required to submit a Workplace Gender Equality survey annually starting this year. In addition, covered employers must publish a report prepared by the Brazilian Labour Ministry with company data collected via eSocial. This year's report, which reflects data collected in 2022, contains the following information:

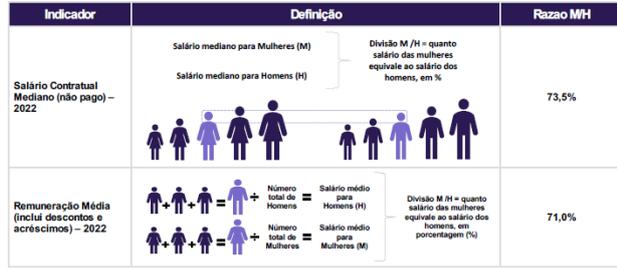
- The median contract salary for women vs. men and the average total compensation for women vs. men.
- Composition by master group CBO for the median contract salary and average total compensation for women vs. men.

To comply with local standards, we are sharing below the Transparency and Pay Equity Report generated by Local Authorities. Though we are pleased with the progress shown in the report, we recognize that this Report does not reflect all of the efforts we have made to reduce the gender gap not only in regards of pay but also in other diversity pillars.

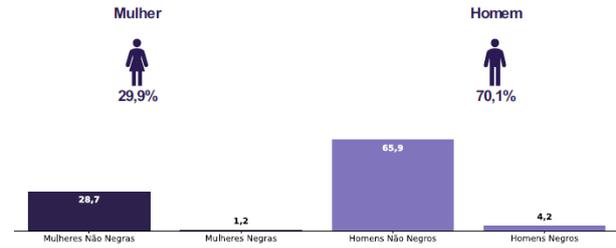
(The data published is as of December 2022, as reported through eSocial.)

Diferenças de salários entre mulheres e homens: O salário mediano das mulheres equivale a 73,5% do recebido pelos homens. Já o salário médio equivalia a 71,0%

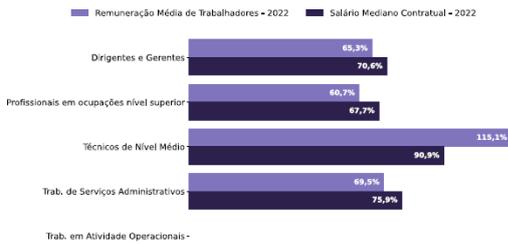
Elementos que podem explicar as diferenças verificadas:



a) Composição do total de empregados por sexo e etnia e raça



Por grande grupo de ocupação, a diferença (%) do salário das mulheres em comparação aos homens, aparece quando for maior ou menor que 100:



b) Critérios de remuneração e ações para garantir diversidade

| Critérios remuneratórios | 1º Sem 2024 |
|---|-------------|
| Plano de Cargos e Salários ou Plano de Carreira | Re |
| Cumprir metas de produção | Re |
| Disponibilidade para horas extras, reuniões com clientes e viagens | |
| Disponibilidade de pessoa em ocupações específicas | |
| Tempo de experiência profissional | Re |
| Capacidade de trabalho em equipe | Re |
| Proatividade, desenvolvimento de ideias e sugestões | |
| Ações para aumentar a diversidade | 1º Sem 2024 |
| Ações de apoio a compartilhamento de obrigações familiares para ambos os sexos | Re |
| Políticas de contratação de mulheres (negras, com deficiência, em situação de violência, chefes de família, LGBTQIA+) | |
| Políticas de promoção de mulheres para cargos de direção e gerência | Re |

Para cada grupo de ocupação que não apresenta cálculo da diferença, para salário de contratação ou para remuneração média, pode ter ocorrido um dos seis motivos: (1) por ter menos de três mulheres; (2) por ter menos de três homens; (3) por não ter mulheres; (4) por não ter homens; (5) por não ter três homens nem três mulheres naquele grupo ocupacional; (6) por não ter nem homens nem mulheres naquele grupo ocupacional.

Fonte: eSocial. Rais 2022 e Portal Emprega Brasil mar.2024

The Report shows that in 2022 our workforce was composed of 29.9% women and 70.1% men. For 2023, the representation changed to 32% and 68%, respectively. If we consider new joiners, we have hired 9.09% more women than men in 2023.

The Report indicates that in 2022, the median contract salary for women was 26.5% lower than men's median contract salary. However, we note that using the same metric for 2023, the gap was reduced by more than 4% (down to 21.95%).

It is important to reiterate that the Company's pay assessments are based on each individual's skills, experience, and role responsibility, as well as the value the employee brings to the success of our business. We continually take the opportunity to review remuneration as part of our annual organisation-wide remuneration review process. In doing so, we benchmark our compensation profiles based on current market data. Our organisational reviews allow us to analyse like-for-like roles internally, compared to market data, and, importantly, without regard to gender or other protected characteristics.

The Report also compares average total earned/paid compensation for women vs. men and median contract salaries for women vs. men, by grouping employees in government-defined job categories. The Report does not consider the differences in pay relative to employee specialization/expertise or area, and does not reflect general market differentiation.

We are pleased with the progress that has been made to date, with an increase in the number of women employed in FY22/23 according to DIEESE¹ research considering BT Brazil business. This percentage increase is slightly high if compared with FY19/20 (pre-Covid), but we recognize that there is still more work to be done.

We understand that without an ongoing sustained effort in these areas, there may be a continued negative impact on the direction of our gender pay equity initiatives, particularly when considering the current low numbers of women in senior and high-tech roles within our workplace.

¹ Departamento Intersindical de Estatística e Estudos Socioeconômicos

We are encouraged by the positive progress to date and are committed to continuously addressing the underlying issues which may negatively impact gender pay equity. It will take time and persistence; however, it remains BT's focus to achieve equality and fairer outcomes for all our employees whilst ensuring we continue to provide the best possible outcomes for our clients.

Action Plan

Fundamental to our Manifesto we connect for good to be the world's most trusted connector of people, devices, and machines. In doing so we are aiming to accelerate growth through responsible, inclusive, and sustainable technology. Across BT, we are committed to embedding Inclusion, Equity and Diversity (IED) into our day-to-day work activities. Inclusion and diversity make up one of the three pillars of our Manifesto as we recognise a more diverse and inclusive workforce will help us drive productivity, innovation and growth for BT, in Latin America and beyond.

As noted, pay inequity in Brazil may be due, in part, to the low representation of women in our overall workforce (32% in 2023), though we proudly recognize that in Brazil, 40% of our senior roles are filled by women. This is a core issue facing all organisations in our industry, i.e. the current talent pool of women may be smaller than men. Therefore, this is an opportunity for BT to play a leading role in encouraging female participation in the industry and in doing so, attract a larger proportion of these women to join BT.

Following, are several of our key initiatives.

| Initiatives | What we are doing |
|--|---|
| Promoting workforce diversity ambition | In line with our 2030 workforce diversity ambitions, BT Group is introducing Diverse Shortlisting. Women from different backgrounds are shortlisted and interviewed for every role. |
| Inclusive hiring training for hiring managers | BT provides diversity, equity, and inclusion training to all employees with a particular module tailored for our hiring managers. This includes in-depth inclusive hiring training for mid-level and senior level management. |
| Salary Review | Reducing gender pay gap by continually conducting fair assessment in all annual pay reviews. |
| Inclusive Communications | All recruitment communication and advertising wording is reviewed to support an inclusive and gender-neutral environment. This includes reviewing all job descriptions to ensure balance and to remove any gender bias through using a gender decoder tool. There is also an ongoing review of each role as it is advertised to continually enhance inclusivity in how we position our adverts. |



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