

NICE UK

GENDER PAY GAP REPORT

2023



NICE

Introduction

NICE UK submits this report in accordance with the mandatory gender pay gap reporting regulations for companies with at least 250 employees in England, Wales and Scotland.

The report contains summary statistics using a snapshot date of 5th April 2022 for NICE Systems UK Limited. The gender pay gap has been determined by calculating the average and difference in hourly pay and bonus pay between male and female employees of NICE UK.

About NICE

NICE Ltd. (NASDAQ: NICE) software products are used by 25,000+ global businesses, including 85 of the Fortune 100 corporations, to deliver extraordinary customer experiences, fight financial crime and ensure public safety. Every day, NICE solutions manage more than 120 million customer interactions and monitor 3+ billion financial transactions.

Known as an innovation powerhouse that excels in AI, cloud and digital, NICE is consistently recognized as the market leader in its domains, with over 8,500 employees across 30+ countries.

At NICE UK, we have 267 employees in total as at the snapshot date. Of these, female employees represent 28%, and a total of 29% of our management positions in UK are held by female employees. Last year, 36% of new hires were female, 35% of employee promotions were for females, and 25% of those females promoted moved into management positions.

Our 2022 Gender Pay Gap Results

The figures presented in this report are the average percentages taken across job families and job levels regardless of role, length of service, experience, performance and any other factors that can affect base salary.

Explanation of terminology:

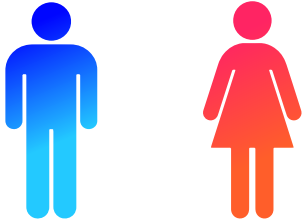
- **Mean hourly pay gap:** Difference between average hourly earnings of males and females
- **Median hourly pay gap:** Difference between median hourly earnings of males and females
- **Bonus participation gap:** Proportion of male and female employees receiving bonuses within the 12 month period
- **Mean bonus gap:** Difference between average bonus earnings of males and females
- **Median bonus gap:** Difference between median bonus earnings of males and females
- **Pay quartiles:** Ranges of salaries categorised from lowest to highest divided into four bands

2022 Mean and Median Hourly Pay Gap

Shows the difference between the average pay of all male and female employees. It does not take into account employees' specific roles or seniority, or how these impact pay.

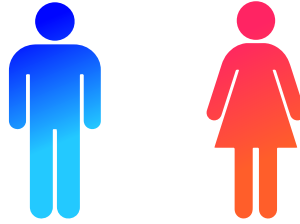
Mean Hourly Pay Difference

+12.42%



Median Hourly Pay Difference

+14.30%



The mean hourly pay currently favours male employees by 12.42%. This is below the national mean of 13.9% favouring males, according to the Office for National Statistics, 2022. It's important to recognise the size of our UK organisation, given our relatively small headcount of just over 260 employees and the impact that one individual can have on overall gender pay metrics. The mean and median gaps are predominantly due to the higher representation of males in more senior leadership roles which attract higher levels of remuneration. Moreover, 32% of our UK employees are in sales related roles, which generally have higher remuneration, and of this group, 72% are male employees.

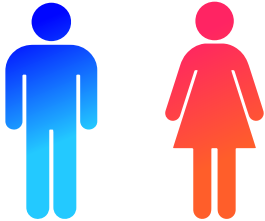
The above figures present the gender difference overall in our total UK workforce. They do not take into consideration the differences in skills, experience and professional abilities of the employees, as well as the market conditions specific to each role.

2022 Bonus Participation and Pay Gap

Shows the difference between the average bonus pay of all male and female employees.

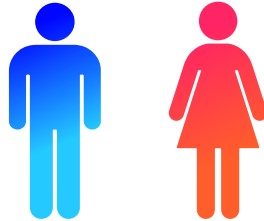
Mean Bonus Pay Difference

+46.71%



Median Bonus Pay Difference

+9.14%



The bonus gap at NICE currently favours male employees by 46.71% (mean) and favours females by 9.14% (median). It is important to note that the definition of “bonus” includes both sales incentive plans (commission) and non-sales roles which are eligible for a discretionary annual bonus. The opportunity for a “bonus” for a sales employee differs based on market and customer purchases while employees eligible for a (non-sales) bonus may receive an annual bonus dependent on company and individual performance.

The underlying reason for these gaps is predominantly due to a large variation in bonus amounts driven by our male-dominated sales force (32% of employees participating in the bonus scheme are sales employees, and 72% of those 32% are male employees). The compensation package earned by our sales employees comprises base pay and variable payment, and the variable payment holds significant weight in regard to the total compensation. On the other hand, the non-sales population has a totally different pay structure with a lower target bonus, as per market standard and company philosophy, and therefore the mean bonus pay difference can be misleading.

Our gender analysis of non-sales bonus plan employees shows closer results and a less pronounced bonus gap. Analysis of non-sales employees only results in a mean difference of 16.2% favouring male employees, and a median difference of 1.2%, favouring female employees.

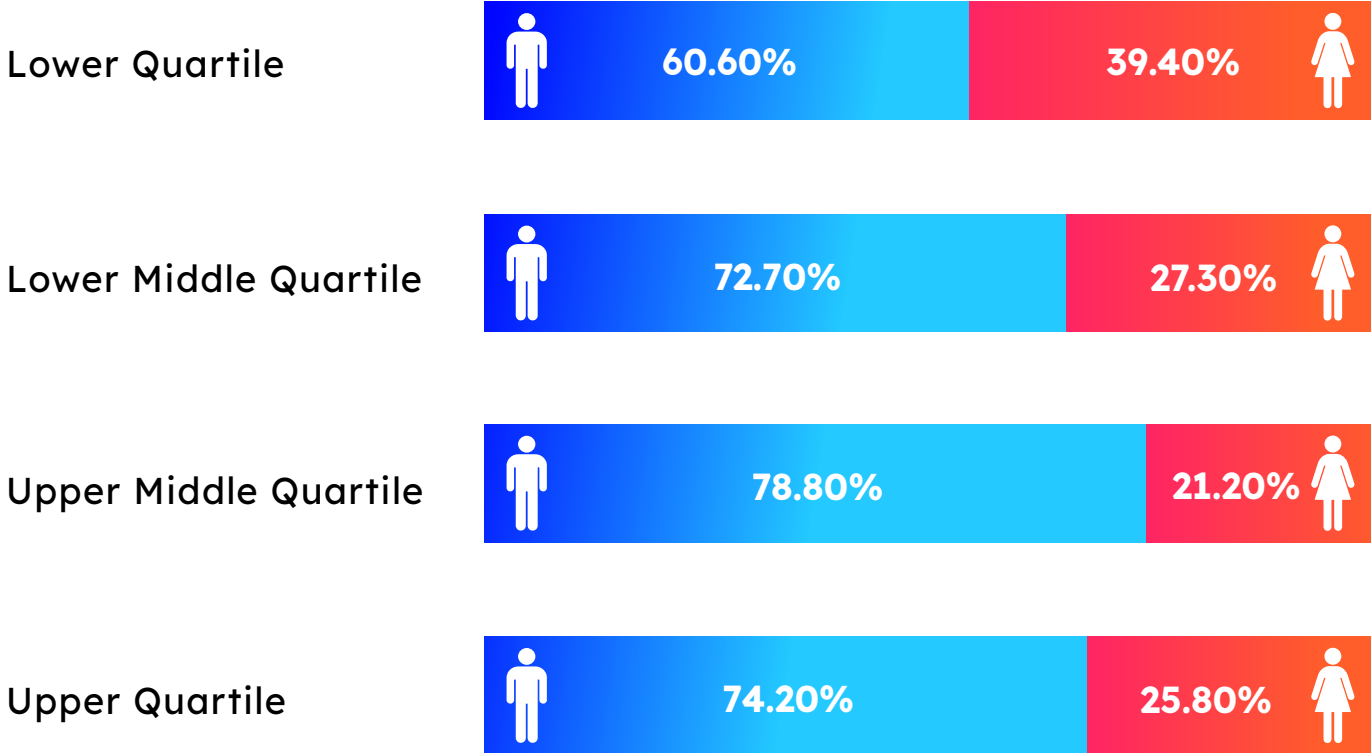
Bonus Participation



As for participation, all NICE employees are eligible for a variable component in their remuneration, either a bonus plan or commission. The above participation numbers, however, also include new joiners who are not yet eligible to earn a bonus under these plans.

Gender Distribution per Pay Quartile

This data shows the percentage split between males and females at each pay quartile. A pay quartile is the range of salaries from lowest to highest divided into four bands.



Our Pay Philosophy

Our compensation packages match the market benchmark, and they vary according to job families. They include among other things, bonus plans, equity plans and commissions. We ensure there is a direct connection between the remuneration package and relevant education background, previous work experience and the total skill set and competencies of our candidates. Furthermore, we ensure the variable elements of the remuneration package are directly correlated to the individual, business unit and company performance.

Advancing Women as a Focus Area

In the last year, we established a 'Women in Sales' Forum as well as a 'Women in Technology' Forum designed to engage females from across our workforce and ensure we support them and build up our community of women at NICE. We will continue supporting and encouraging our female employees to advance their careers at NICE, and thus move into more senior roles that have higher remuneration. Additionally, more women in sales roles will contribute to higher averages for women's pay and bonuses, also helping to reduce the gender gaps.

We operate in a hybrid work environment with 3 days of remote working and 2 days office based, which allows our employees more flexibility, and a good work-life balance. This is a very attractive model of working for women, and grants them much flexibility.

Finally, we are extremely proud of our global Code:Coda initiative that is now in its 4th year. Within our efforts to increase the number of women in tech roles, our best and brightest female engineers lead, inspire and mentor young girls in a full 2-year curriculum, with the objective of driving them into technology careers. We empower young girls with coding skills, a field in which women are under-represented. Indeed, by encouraging more girls to pursue science and technology studies, we can contribute to laying the foundations for greater gender equality.

We are committed to moving towards a more gender balanced workforce. We constantly develop and improve our policies and practices to encourage and promote the development and progression of our female and male employees. We will continue to leverage technology and our people data to help us identify areas of our organisation that need renewed focus to drive continuous improvement relating to gender equality.

Statutory Declaration

I confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Michal Samuel
VP, HR International
NICE Systems UK Limited

April 2023

