JDA Software Group, Inc. provides the leading AI-driven supply chain management (SCM) platform. Our end-to-end solutions span supply chain and retail planning, execution, delivery and workforce management. Our mission is to empower companies to better predict, make and deliver exactly what their customers want – when, where and how they want it. We power free-flowing, connected global commerce – without wasted materials, energy, costs or time – to accelerate economic growth, sustainability and prosperity. JDA’s delivers a more Autonomous Supply Chain™ for 4,000 of the world’s leading companies including 75 of the top 100 retailers, 77 of the top 100 consumer goods companies and 8 of the top 10 global 3PLs.
What is the gender pay gap?

Under UK legislation, from 5th April 2017 all UK employers with 250 employees in any one entity are required to report their gender pay gap annually. This is the third consecutive year that Blue Yonder, formerly JDA Software UK Ltd has reported our results.

The results in this report represent the gender pay data for JDA Software UK Ltd as at 5th April 2019 and comply with the current regulations on Gender Pay Gap Reporting.

It is important to reiterate that equal pay differs from the gender pay gap. Pay gaps seek to highlight disparities in pay between different groups of employees. A gender pay gap shows the difference between the average earnings of men and women over a period, irrespective of their role or seniority and across the entire relevant employees. Results are expressed as a percentage of men's earnings. Equal pay is defined in the Equal Pay Act 1970 as men and women performing equal work and therefore receiving equal pay.

The legislation requires the reporting of:

- The mean gender pay gap
- The median gender pay gap
- The mean bonus gender pay gap
- The median bonus gender pay gap
- The proportion of females and males receiving a bonus payment
- The proportion of males and females in each quartile band

Gender Pay Gap

The average gender pay gap for smaller technology companies is 30% (Mercer 2017). JDA Software UK Ltd has a mean gender pay gap of 29.11% which is typical for our industry.

<table>
<thead>
<tr>
<th>Mean Pay Gap</th>
<th>Median Pay Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>29.11%</td>
<td>33.94%</td>
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</table>
Gender Bonus Pay Gap

JDA Software UK Ltd company bonus scheme is based on both individual and company performance. All current JDA UK Software Ltd employees are eligible to participate in the company corporate bonus or sales incentive plan.

As with previous year’s reports, some employees were not eligible for a bonus during the reporting period as they may have had an employment start date after the eligibility date of 1st October 2018, although they will be entitled to be participate in the scheme the following year. This was true for 12 males and 11 females, with a hire ratio of 1:1 male: female during the bonus reporting period.

Bonus payouts are pro-rated based on hire date and any changes of pay or position during the year. Employees must be actively employed at the time of the bonus payout to receive payment. Employees taking non-full pay/unpaid leave, such as maternity leave, long term sick leave and sabbatical leave will also receive a pro-rata bonus.

Employees not on the annual company bonus scheme but with a quota carrying role are on a commission plan and will have received commission payments throughout the relevant bonus period.

<table>
<thead>
<tr>
<th>Mean Bonus Pay Gap</th>
<th>Median Bonus Pay Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>68.46%</td>
<td>47.08%</td>
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</table>

At JDA Software UK Ltd, we recognize a higher representation of males in leadership and management positions across the business which reflects higher bonus targets. The higher male: female ratio in the upper pay quartiles is also typical across many sectors.

Proportion of Males and Females Receiving a bonus in each pay quartile:

The pay gaps identified in this report are partly a reflection of the demographics of JDA Software UK Ltd and our overall underrepresentation of women within the business, which is aligned to the national average male to female ratio is 6:4 (industry wide – source ONS). This is a 2.5% increase in female representation since the last reporting period and a male to female ratio of 7:3. Results demonstrate a positive shift with an increasing percentage of female representation in the two middle quartiles.
Managing the gender pay gap

The large percentage gender gaps can be explained by the following:

• Individual performance of employee: the company’s annual bonus scheme and corresponding payouts are based on an individual’s performance.
• Employees not on the annual company bonus scheme but instead have a quota carrying role: These employees will be on a commission plan and may have received large payments in the snapshot period and throughout the relevant bonus period.
• Bonus Scheme Eligibility: Employees who commenced employment with JDA after 1st October 2018 are not eligible for the annual company bonus being paid out in the relevant bonus period and those who joined within 2018 will have pro-rated bonus amounts.
• JDA acknowledge that there is an overall underrepresentation of women within the business, particularly at the more senior levels.

JDA continues to commit to:

• Endeavour that female candidates are presented for all job openings and that female employees are included in all hiring panels.
• Conducting regular global compensation benchmarking reviews with enhanced market data and review of our gender wage position.
• Embrace flexible working arrangements to help attract and retain top talent.
• In August 2014, JDA Software UK ltd established the Women’s Interest Network (WIN). WIN has a presence in all of our geographical regions with a vision to provide collaboration, mentoring, advocacy and development opportunities for women to realize their full potential at JDA. The network also works to bring visibility of talented women within the organization championing their development.
• Mentoring and sponsorship programmes to advance women at all levels of the organization.
• Annual intern and graduate programmes to encourage diversity from entry level upwards.

From these actions, we expect to see an impact over the next 5 years as we continue to monitor and reflect on the progress being made.
[Appendix]

Full Pay Relevant Employee
A full pay relevant employee is any employee who is employed on the snapshot date and who is paid their usual pay during that pay period. Those employees that receive a lower rate of pay due to being on leave are not a full pay relevant employee and are excluded from the gender pay gap calculations. Please note that those employees excluded from the gender pay gap calculations are included in the bonus calculations if applicable.

Ordinary Pay
Ordinary pay includes basic pay, allowances, pay for leave and shift premium pay. Pay related to overtime, redundancy, termination of employment, pay in lieu of annual leave or benefits in kind are not included in ordinary pay.

If the period for which a bonus was received is the same as the relevant pay period, the full amount should be included in ordinary pay. If the period for which a bonus was received differs to the pay period, full amount should be excluded. For example, commission payments paid in April 2019 but relating to quarter one have not been included as this differs to the relevant pay period.

Bonus
For the purpose of gender pay gap reporting, bonus includes anything that is related to productivity, performance and commission. Bonus does not include any pay which is related to overtime, termination of employment or redundancy and pay in lieu of annual leave.

Relevant bonus period
The preceding twelve months ending on the snapshot date of 5th April 2019. Therefore, for this report the relevant bonus period is any bonus paid from 6th April 2018 to 5th April 2019.

Mean
A mean average involves adding up all of the numbers and dividing the result by how many numbers were in the list.

Median
A median average involves listing all of the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.