

# Redgate's 2021 gender pay gap

## Introduction

Under the Equality Act 2010 and the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, all UK employers with 250 or more employees must publish statutory calculations that show the pay difference in average earnings between men and women.

At the start of this year, members of the Finance and People teams analysed the pay data of 276 UK Redgate employees to create our Gender Pay Gap report. This report gives a snapshot of our employees at a specified date (in this case, 5<sup>th</sup> April 2021) and measures the average earnings of male and female employees across Redgate, regardless of their role.

The Gender Pay reporting process only recognises the legally recognised 'male' and 'female' gender options. Whilst we are aware that not all our employees identify with their birth sex, or with the binary gender options offered by gender pay gap reporting, the current framing of the gender pay gap legislation constrains our ability to reflect this.

Whilst the scope of metrics and calculations used for UK Gender Pay Gap reporting are currently limited, Redgate supports the importance of Gender Pay reporting and believes it will help us to continue to focus on this important topic.

## What is a Gender Pay Gap?

Whilst they sound similar, a Gender Pay gap and an equal pay gap are very different things.

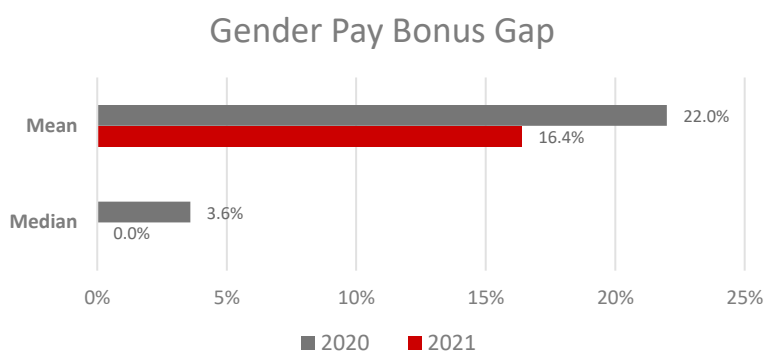
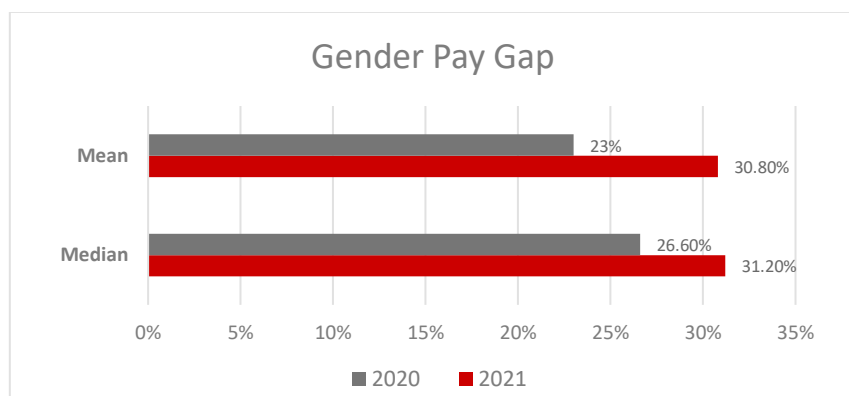
Equal Pay measures whether male and female employees are paid equally for carrying out essentially the same role, or work of equal value. Legislation surrounding this has been in existence in the UK since the 1970's.

Gender Pay measures a completely different metric. What it measures is whether there is an unequal representation of men and women at all pay levels of the organisation. A skew towards one gender in the most senior/ highly paid roles will result in a gender pay gap.

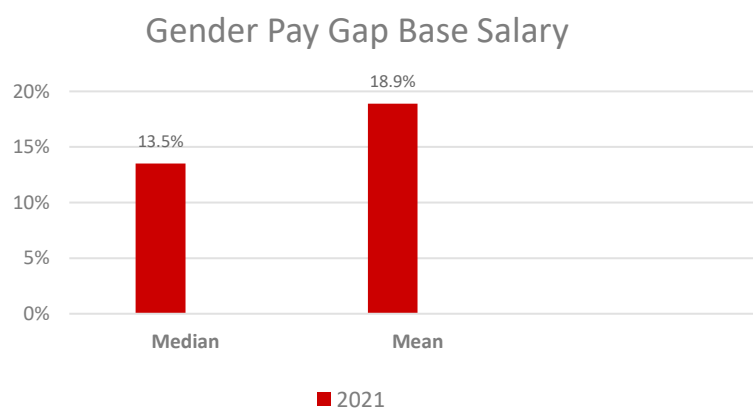


## Our figures

The table below shows Redgate's gender pay and bonus gap for 2021.

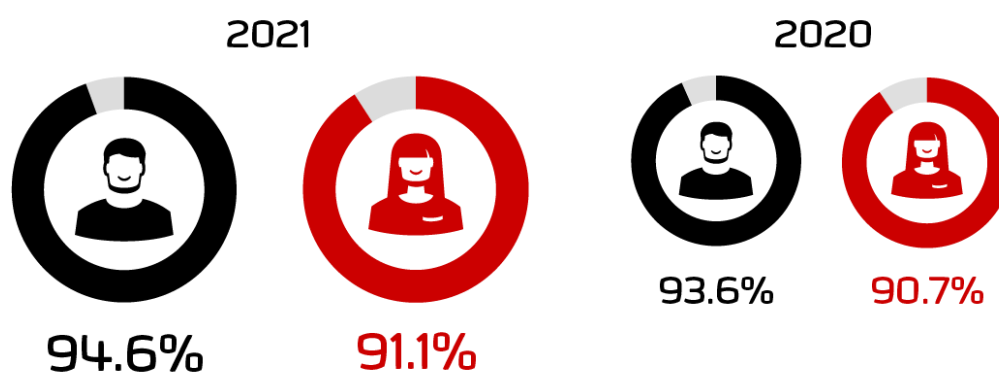


In addition to the statutory data, below is the gender pay gap calculated on base salaries only.

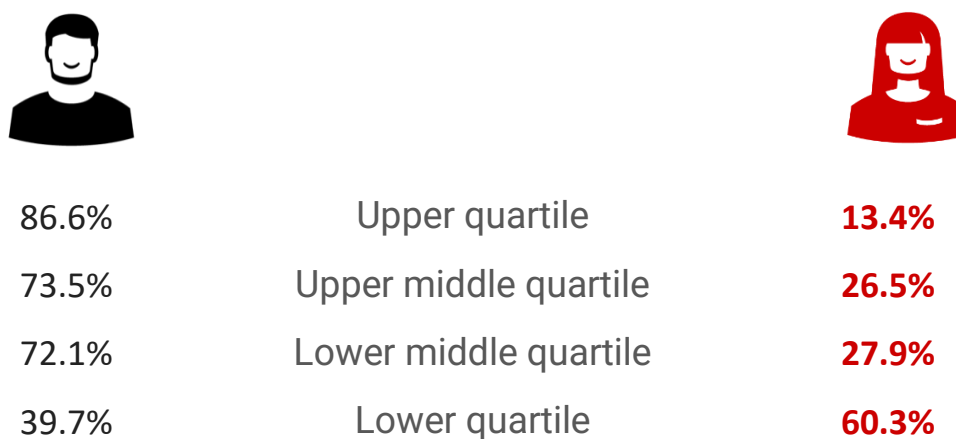


The figures below provide the further UK pay gap metrics required, including the percentage of each gender receiving bonuses and the percentage of men and women in each quartile of our pay structure.

### What proportion of UK employees received bonus pay?



### What proportion of UK employees do we have in each pay quartile in 2021?



# Understanding Redgate's Gender Pay Gap

Across Redgate, we're committed to being a company that welcomes and embraces both the differences and similarities between our people. A company where leadership fosters an environment which recognises that diversity increases productivity and is necessary for greater innovation and creativity; an environment where everyone can thrive with opportunities offered equally and on merit, allowing us to attract, recruit and develop talent to their full potential.

Our gender pay gap is driven mainly by the distribution of males and females across the business. The greatest proportion of Redgate's employees are in an engineering function, which represent 45% of our UK employees. The Product Division is 80% men with Core at a similar level at 70% men.

We have seen engineering salaries increase significantly during the last year, at a rate much higher than general wage inflation for non-technical roles. Rapid growth in the UK tech sector alongside associated increases in the number of engineering vacancies being advertised, has resulted in a highly competitive market, particularly for Software Engineer roles. To allow us to remain competitive and attract and retain talent, we have had to respond to the changes in the market. As we have more men than women working in engineering roles, when market forces drive up the pay of our engineers, it affects our gender pay gap.

Similarly, our Commercial function is predominately male with 76% men. Sales roles have higher levels of variable pay in the form of sales commission. When these individuals are achieving their sales targets, sizeable commission payments impact on Redgate's gender pay gap, as commission payments are included in the average pay calculations at the snapshot date every April. In Q1 2021 commission payments were more than double compared to Q1 2020 and this has contributed to an increase in the gender pay gap this year. When looking at salary

remuneration only, our mean gender pay gap reduces to 18.9% which sits in the middle of the range when looking at other local technology companies. Nationally 'Professional, scientific and tech' organisations are reporting a mean pay gap of 19.6% (2021 submissions received so far).

As of 5<sup>th</sup> April 2021, we have seen a 1% decrease to the number of men and a 6% increase to the number of women at Redgate compared to last year. Whilst our overall gender split has improved, female representation has continued to increase in the lower pay quartiles.

The proportion of both men and women who were paid a bonus in the twelve-month period preceding 5<sup>th</sup> April 2021 has slightly increased. Additionally, our bonus pay gap, based on the mean average bonus pay that male and female employees receive, has reduced by 5.6%. These figures show currently we have good levels of bonus parity driven largely by the annual profit share bonus. However, due to the proposed changes with the annual profit share, we anticipate that this may impact on our bonus pay gap in the future.

## What do we already have in place?

**Fair Remuneration** – Redgate's pay principles are to pay internally for people's skills, experience, responsibilities, and behaviours. We also aim to pay fairly against the external market. Annually as part of the salary review, we assess all current Redgaters salaries by benchmarking every single role vs external remuneration data and salary surveys whilst also calibrating internal pay parity. We also do the same for all new starter job offers. These processes create an objective framework for starting salaries, salary reviews and pay rise decisions, which we review using measures such as the % of men and women receiving above standard pay rises. In 2021 39.8% of Females and 41.9% Males got above standard rise.

**Objective recruitment principles** – all Redgate recruitment opportunities follow a consistent selection process for that role that is agreed by everyone involved in the hiring. Managers are trained to utilise a structured approach to recruitment & selection using skills-based assessments for interviewing to prevent unconscious bias by focusing on objective criteria. We make sure that detailed feedback is reviewed and shared with candidates at every stage of the process. In the UK we are also licenced

visa sponsors and all roles that qualify for a Skilled Worker Visa are open to applications from anywhere in the world. 36% of our new starters in 2021 were female and overall, we've had a 6% increase to the number of women at Redgate compared to last year

**Flexible hybrid working** – As a company, we have always believed it's really important to strike a balance between work and home life. People can generally work the hours that suit them around our core hours (depending on the role they're in) and in addition for most UK roles, Redgate now adopts a flexible-hybrid model which means that people will typically work flexibly between a remote and office environment. We are recruiting and retaining more women with the split between men and women at Redgate now 67% men and 33% women, which is a 4% change in 3 years from 71% men and 29% women. These evolving ways of working are key to helping Redgate to attract and retain a diverse workforce in the future, whilst also providing as much choice and flexibility as possible around childcare and caring responsibilities to help everyone balance work and family life.

**Women in Leadership** – we have some great examples of women developing their careers at all levels across Redgate, which has contributed to the 13% year on year increase of the percentage of women in the upper middle pay quartile. Women also represent 50% of our Exec. Team in the upper pay quartile, each of whom have been promoted internally after progressing in their previous roles. Here's what some of our current female Redgater's have to say about their career development so far:



*"I joined RG 2 years ago as a Named Account Executive having worked in software and banking AE teams for over 25 years. I can honestly say that Redgate is the first organisation in those 25 years where I have felt an equal to the men in the teams both in terms of salary and role. Not the token female for stats or left out of team activities as I'm not interested in football."*



*Redgate have been nothing but supportive to me and my career aspirations. Since joining I have moved into the role of Business Development Sales Manager and supported in my wish to move forwards further in my management career. The training I have had here have been second to none and I've never felt overlooked or underdeveloped.*

*I am also a mum of 2 and this is the first company where I've not felt I've needed to hide my busy family life alongside my job. As most parents will know you have guilt to work and guilt to your family. Here I feel I finally have a balance, I can make those school assemblies, go and pick up my ill child, but then I'll put in the extra hours at other times.*

*At Redgate you are a person not a gender and judged on your skills and dedication not on who's in the company footy team. It really does breathe equal opportunities like nowhere else I've worked.* **"Steph Cook, Sales/Named Account Executive Manager"**

**Family Friendly workplace** – alongside flexible hybrid working, Redgate also offers enhanced paternity, maternity and shared parental pay. We offer additional support such as maternity coaching, where anyone going on maternity leave also receives support from an external coach before, during and after their leave. This helps us to retain talented female Redgater's once they have a family and it also supports our focus on employee wellbeing:



*"For me, approaching my 2<sup>nd</sup> maternity leave felt more daunting than ever. This is where the maternity coaching really became invaluable for me!*

*The coaching really helped to remove any anxiety I had with switching off from a busy role and transitioning into maternity leave. Being able to talk about any concerns was so easy and it felt good knowing I'd have the same coaching when returning to work.*

*The return-to-work coaching couldn't have come at a better time as it was mid pandemic and lockdown number 3, so I was even able to talk about the stresses of home-schooling my eldest. The maternity coaching was such a thoughtful and wonderful benefit to have in place"* **Jaime Doig, Facilities Manager.**



*"Before starting my maternity leave, my head was spinning with what I needed to do, things I needed to prepare, what would my return be like, how was I going to juggle becoming a mum and my job. I was so thankful that Redgate put me in touch with a maternity coach and offer this support. This made the whole process before, during and after my maternity leave much more manageable.*

*I had several sessions in-person and online throughout my pregnancy and after. We not only discussed things around work but also personally how I was managing. She offered coping mechanisms and it was great to talk to someone who was impartial and could coach me through all the changes. I honestly do not know what I would have done without having this support. It has made my return to work easier and given me confidence. **Victoria Kelly, Project Manager***

**Enhanced pension payments for women on maternity leave** – the gender pension gap begins with the gender pay gap. This is because the amount people save for a pension is usually a percentage of their salary. According to a Legal & General study in 2021, the average pension pot of a woman at retirement is less than half that of a man. Periods of time away from work on statutory or nil pay whilst on maternity leave compound this further, so at Redgate in the UK, we continue to pay the full pension contributions based on people's normal salary when they are off work on maternity leave, rather than a % of the reduced earnings.

**Women in our Engineering internships** - we partner with organisations such as She Can Code and Rate My Placement to help progress women in STEM careers. Our Software Engineering and Product Design internships are actively promoted as widely as possible to widen our reach, including all female STEM undergraduates registered with Rate My Placement (circa 5,000). In 2021, 25% of our engineering interns were women, up from an average of 17% in previous years.

## Redgate's commitment

Redgate is committed to:

- Ensuring that all our recruitment and development processes are objective, equitable and consistent, engendering a culture that supports getting the best out of people and attracting people regardless of gender
- Following our reward principles, ensuring internal equity is maintained via detailed compensation benchmarking and internal calibration within roles and across the business based on merit
- Attracting and retaining a diverse workforce aligned with our pledge to maintain a supportive and inclusive culture where everyone feels respected, can be themselves and is able to reach their full potential
- Educating and supporting our managers, reinforcing their responsibility in creating a positive, inclusive working environment for everyone
- Creating a flexible-hybrid workplace with a mixture of home and office working, making us accessible to a more diverse talent pool