Gender Pay Gap Report 2024

ZEGO

Opening Narrative

"We want to build a diverse team and an inclusive culture, where different characteristics and backgrounds come together in pursuit of our goals. To be successful, we need to create a sense of belonging by listening to our people and providing an environment where Zegons can collaborate, innovate and be their best"

This is Zego's gender pay gap report and is another milestone on our diversity and inclusion (D&I) journey.

We continue to proud of our global teams achievements, and the steps we have taken so far to nurture a diverse and inclusive workplace.

Whilst we have made progress in this area, there is still work to be done, as shown in our 2023 gender pay gap results. At Zego, we are committed to continuous improvement in this space.

The gender pay gap is a measure of the difference in the mean and median pay of men and women, regardless of the nature of their work, across the entire UK organisation.

The gender pay gap does not measure equal pay. Equal pay relates to what women and men are paid for the same or similar jobs or work of equal value. Conversely, the gender pay gap typically reflects the proportion of men and women at different job levels and/or role types within an organisation.

Opening Narrative

At Zego, our gender pay gap is driven by more men within often higher-paying technology and engineering positions.

We continue to hold balance on our Executive Leadership Team (levels 7 & 8), with women occupying 50% within this team. Our Director level population is 53% men and 47% women, however, men continue to hold about 70% of positions at the next two most senior job levels in the UK (levels 4 and 5), which is broadly the same as last year.

The market drives different pay for different functions, and engineering is a higher paying area with fewer women at all job levels. This, combined with women making up a slightly higher proportion of our entry level roles, explains our gender pay gap results.

Our lead figures for this year's gender pay gap report are a **mean pay gap of 26.7%** and a **median pay gap of 40.7%**. Our mean bonus gap is **22.3%** and our median bonus gap is **56%.** These figures are based on pay information from April 2022. Our full results are disclosed within this report.

We continue to be committed to removing barriers for women to enter and progress through our organisation, and to support broader change across our industry. To that end, we're building on the steps we've taken so far with a new set of actions for 2024, aimed at driving measurable and sustainable progress over the long term.

Progress so far

Balance on our executive leadership team with women now occupying 50% of our leadership team

An open and conversational company culture with many channels available for listening and responding to feedback from our people. Things like regular engagement surveys and open Q&As with our CEO and leadership teams.

A flexible approach to work including financial support to help our people manage their work-life balance.

Above market family leave offering our team six months fully paid maternity and adoption leave, and six weeks fully paid paternity leave.

Pregnancy loss and child bereavement policies including additional paid time off for any team member dealing with such an event.

Transgender transitioning policy with paid time off following transitioning medical treatment and unlimited company-funded therapy sessions for an initial six months.

Inclusive approach to talent acquisition including gender-mixed recruitment panels wherever possible, use of D&I-focused job sites and software to promote gender neutral advertisements.

Focus areas achieve greater gender balance

- Talent Development
  - Introduced consideration of growth trajectory into talent conversations which enables us to identify opportunities to grow individuals and thus support succession plans which should aid pipeline of women into senior positions.
  - Implement career paths enabling people to more easily plan and navigate their careers at Zego.
  - Education sessions for all leaders as part of our talent review sessions.
- Recruitment
  - Actively using tools and sites which will increase our reach to women in tech. We are actively reaching out to women to increase our pipelines for open roles rather than relying on direct applications, enabling us to reach a wider pool of candidates.
- Mentoring
  - Investing into mentoring of women across the business as well as reverse mentoring to ensure that teams, where there is less balanced, are able to gain diversity of thought via a different channel.
  -
- Reward
  - Continue to undertake an equal pay audit to ensure that post salary reviews annually we validate our approach to equal pay.

Closing Narrative

Ultimately, changing our gender imbalance will not be immediate. But we believe that the initiatives we've implemented so far, and the new actions we've committed to this year, will stimulate measurable and sustainable change over the long term. The gender pay gap is important and we also recognise that it's crucial that our approach and culture to inclusion and equity goes further and we will seize all opportunities we can to drive towards inclusivity and opportunities for all.

I confirm the gender pay gap data in this report is accurate.

Caroline Scott
Vice President, People

What is the gender pay gap?

The gender pay gap is a measure of the difference in the mean and median pay of men and women, **regardless of the nature of their work**, across our UK organisation.

The gender pay gap **does not measure equal pay**. Equal pay relates to what women and men are paid for the same or similar jobs or work of equal value

In the UK, it has been illegal to pay women and men unequally for 50 years. We review our pay practices to safeguard that **issues with equal pay are not encountered**

Legislative requirements

All UK companies with 250 employees or more on 5 April 2023 are required to report the following gender pay data by **5 April 2024**:

- The **difference in mean and median pay** between male and female employees (based on hourly rates of pay as of 5 April 2023)

- The **difference in mean and median bonus pay** between male and female employees (based on bonus pay received in the 12 months preceding 5 April 2023)

- The **proportion of male and female employees who received bonus pay**

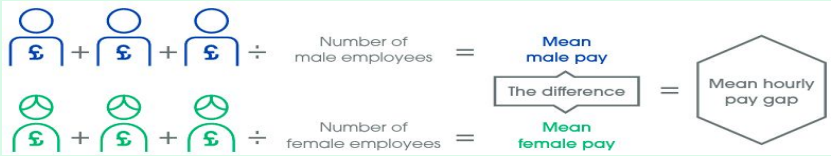
- The proportion of male and female employees across four **proportional pay bands**

We must publish our data on the Gov.uk website and host the report on our external and internal website by 5 April 2024

Understanding the stats

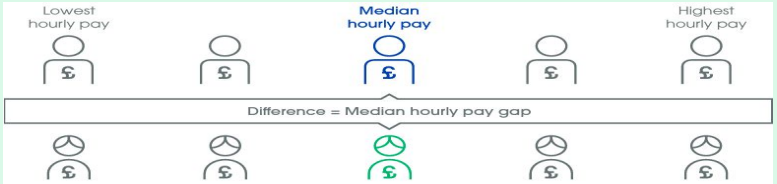
What is the mean?

The mean is the average of all the numbers in a set. It is calculated by adding all of the numbers together then dividing by how many numbers in total there are.



What is the median?

The median is the middle of a sorted list of numbers. It is calculated by placing all of the numbers in a value-order and finding the middle.

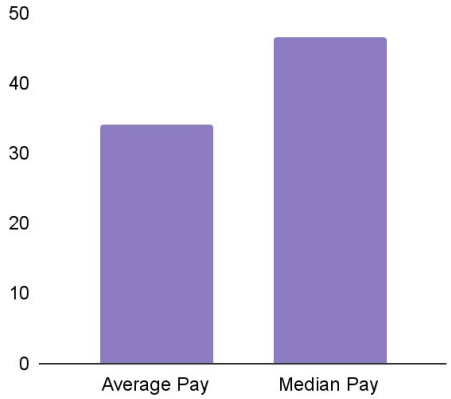


Our 2024 Gender Pay Gap Results

Mean & median pay gap

Women earn **66p for every £1** that men earn when comparing mean pay.

This is 7p less than our reported ratio in 2023 and 17p less than 2022.



Mean & median bonus gap

Women earn **59p for every £1** that men earn when comparing mean bonus pay. This is 19p less than our reported ratio in 2023.

Although, **67% of women** received a bonus in the 12 months to March 2023 compared with **50% of men**

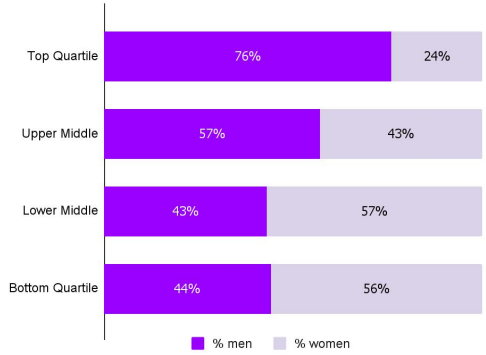


Pay quartiles

Women occupy **24% of the highest paid** jobs and **56**% of the lowest paid

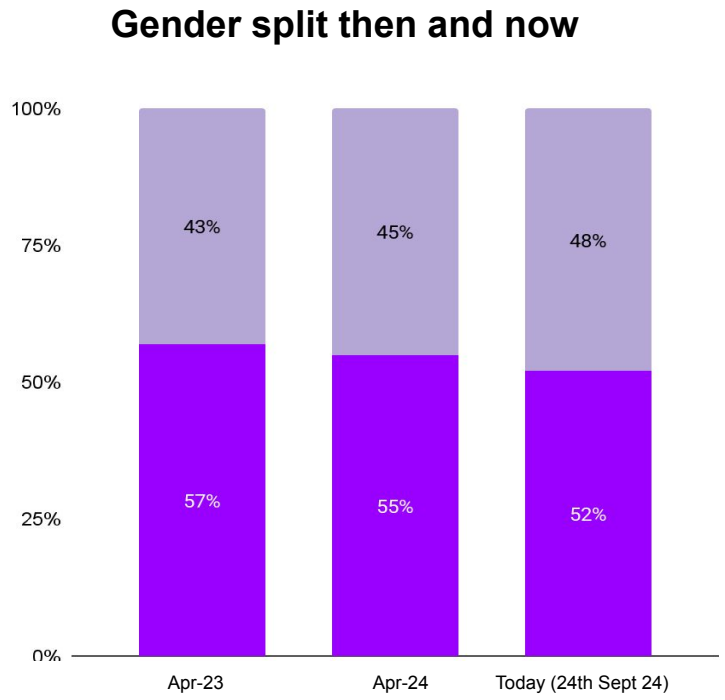
For our highest paid jobs, this is 6% less than our reported ratio in 2023

For our lowest paid jobs, this is 7% more than our reported ratio in 2023



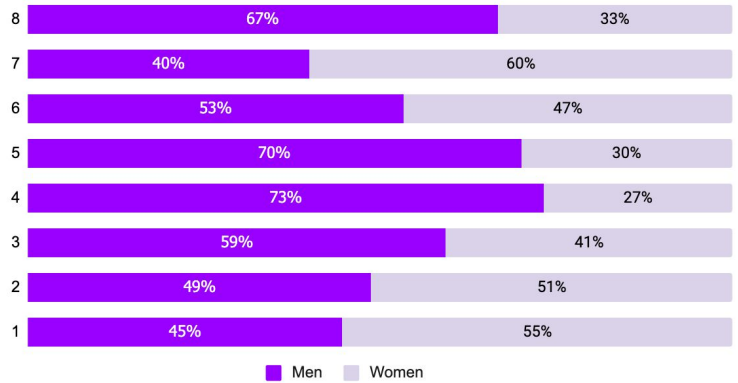
What does our UK team look like today?

We have 2% more women in our workforce as at 24th Sep 2024, compared to April 2024

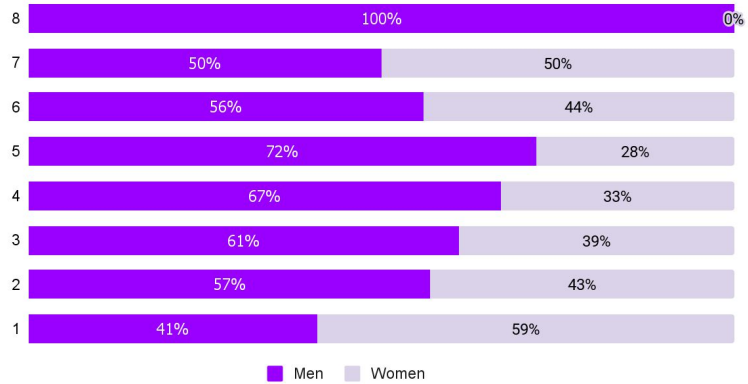


What does our UK team look like today?

Gender split by job level
2023 vs 2024



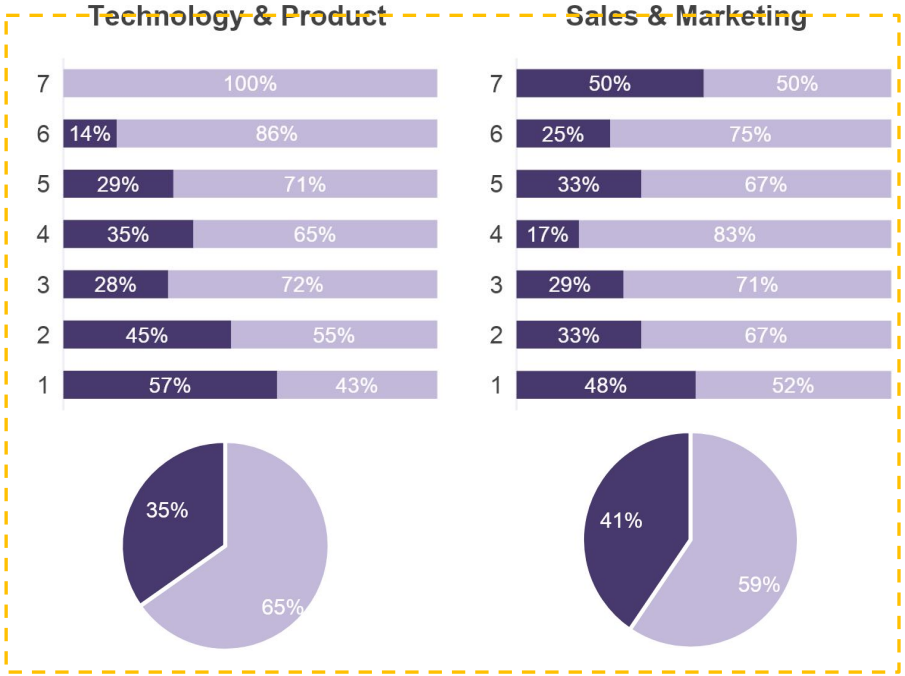
2023

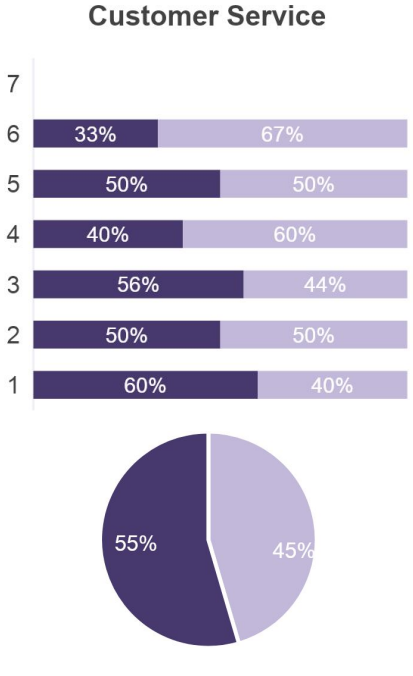


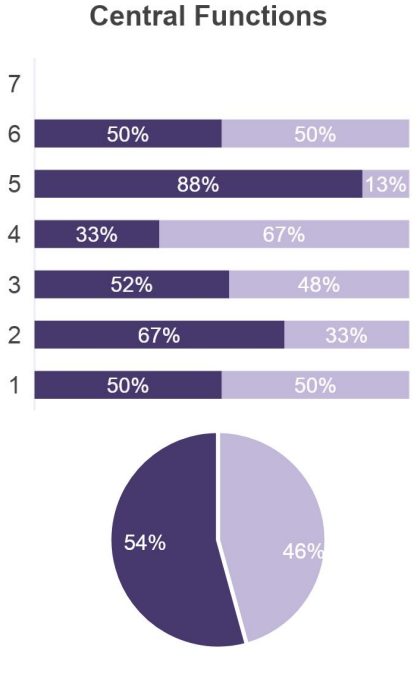
2024

OLD DATA do we have a gender pay gap?

The impact of having a higher number of men in senior roles is compounded by also having a **significantly higher proportion of men in generally higher paying Tech and Sales positions, increasingly so at senior job levels**. This data is for UK **as at the snapshot date of April 2022.**







OLD DATA Action planning discussion

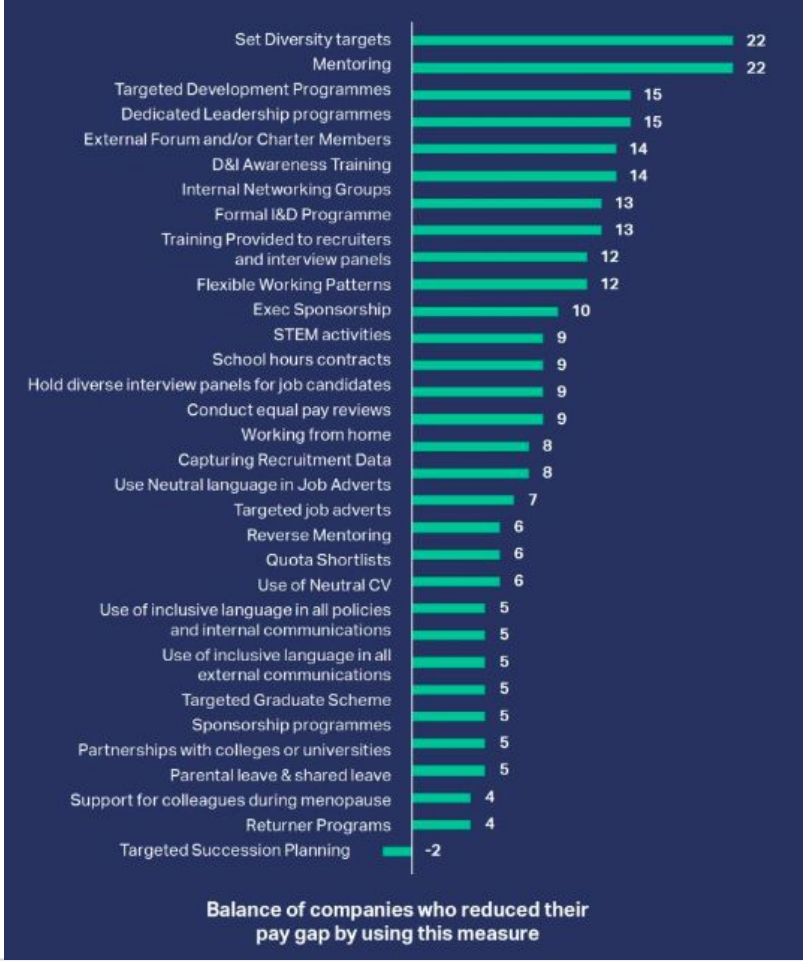
To aid our discussion on what actions are right for Zego, here is a recent study by **HR Data Hub** on the effectiveness of different actions taken to reduce the gender pay gap

In the study, they correlated the actions taken by FTSE 100 companies and their impact on reducing the gender pay gap since 2017 when the legislation was first introduced

As you can see, **setting D&I targets** and **actions aimed at progressing women to senior positions** make up the most impactful actions

Targeted succession planning is bottom which is an unexpected result, however this may be due to it taking time to make a real impact

Another key takeaway is that external forums and charters are high which shows the **importance of learning from external best practice**



Reflecting on our 2023 goals cont.

Talent acquisition

- ★ We will begin using female-focused recruitment sprints aimed at building strong female talent pools for vacancies in technology and leadership roles at the start of each process
- ★ We will continue to ebed gender-neutral advertisements using specialist software to help attract a diverse talent pipeline for roles
- ★ We will continue to use gender-mixed selection panels wherever possible to ensure diversity of thought in hiring decisions.

What have we achieved?

Reward

- ★ We will conduct an equal pay audit to validate our approach to equal pay
- ★ We will conduct a people policy review for an inclusivity perspective and implement any changes required.

What have we achieved?

Reflecting on our 2023 goals

Leadership

- ★ We will establish a group of senior leaders from across the company tasked with driving progress against these actions
- ★ We will implement a reverse mentoring programme to promote understanding and close knowledge gaps in gender and other diversity characteristics.

What have we achieved?

Training and development

- ★ We will design and implement a succession planning process aimed at ensuring a diverse pipeline of internal talent for senior roles across the company
- ★ We will design, implement, and embed career paths enabling employees to easily plan and navigate their careers across Zego
- ★ We will ensure a 50:50 split on leadership development programmes helping to develop female talent into senior roles.

What have we achieved?