

UK Gender Pay Gap

# Report 2023

#MyMatillion

# Introduction

## Matthew Scullion, CEO

Dear Reader,

Last year was our first publication of Matillion's Gender Pay Gap report, and we're excited to share the progress we've made as we review the results of our most recent submission. We're working through solutions to look at compensation more holistically in the larger context of pay equity and transparency, and it's important for us to acknowledge that an average mean of all salaries is one way to assess the differences in pay between our employee populations. The Gender Pay Gap exercise proves to be a valuable measure for us to reflect on and learn from as a starting point in the discussion, and we continue to set goals as an organisation to keep moving up and to the right on the gap assessment, as well as additional pay equity and transparency measures.

At Matillion, we pride ourselves on practising a values-driven culture. We continuously strive to make ourselves better, and believe that 'no product, process or individual is ever complete.' As we mature our programs and policies around talent attraction and retention, compensation, and benefits, we must constantly revisit our core value of 'innovating and demanding quality' to hold ourselves to account on the progress made in the larger context of diversity and inclusion.

Between April 2022 and April 2023, Matillion has halved both our mean and median gender pay gap. There is still a lot of work to be done to close the gender pay gap as measured, and this level of year-over-year progress gives us hope that our practises are having tangible, relevant outcomes across the company. Throughout this report, we hope to highlight our results and the hard work our teams are committing to focus on employee wellbeing, diversity, equity, inclusion, and belonging efforts.

Thank you for coming along on this journey with us.

Sincerely,

*Matthew*



# Chief People Officer

Tamar Elan

Dear Reader,

I'm excited and impassioned to see the results of our most recent Gender Pay Gap report, and am proud of our team's progress since our prior submission. A large focus for our team has always been prioritising our employees' wellbeing, and our journey around equitable compensation practices is rooted in this stance. With a strategic hire for our Compensation & Benefits function joining in April 2023, we've added foundational programs built on job architecture and market-based role evaluation, and we've established consistent processes to execute annual salary review and promotional cycles. You'll see more details throughout our report.

Our 2023 engagement survey results show us that our Matillioners value their direct managers, scoring as one of our highest factors. As we lean into our people leadership enablement in 2024, we are set up for success to continue to elevate our practices around compensation and bringing the entire employee population on this journey with us.

In partnership with our leadership team, I'm hopeful that we'll continue to see our efforts working towards reducing the gender pay gap result in progress each year moving forward.

Sincerely,



# About Matillion

This report looks at the gender pay gap across our 376 full pay relevant team members in the UK, as of 5 April 2023. This is Matillion's second submission of gender pay data, with the number of total people employed globally in all of our locations at 631 team members in this snapshot period.

**In April 2023,  
26% of our entire  
team in the UK  
was female.**

The data used in this report  
is from 5 April 2023.

Matillion Ltd. is headquartered in Manchester, England and has representation across EMEA and APAC including Ireland, France, Spain, and Australia.

Matillion Inc. is headquartered in Denver, Colorado and we have 220 team members in the United States in total, with additional representation in Canada as well.



# Understanding the Gender Pay Gap

Foundationally, it's important to note that Matillion recognises that the government assessment of Gender Pay Gap does not holistically include those who identify with neither gender or sex, doesn't clarify the concept of gender identity compared to sex assigned at birth, and leaves no room for the very important designations of transgender, intersex, genderqueer, or non-binary individuals. The use of binary language in this sense has significance, and reference to gender differences and data outcomes throughout the remainder of this summary are noted in the statutory reporting context only.

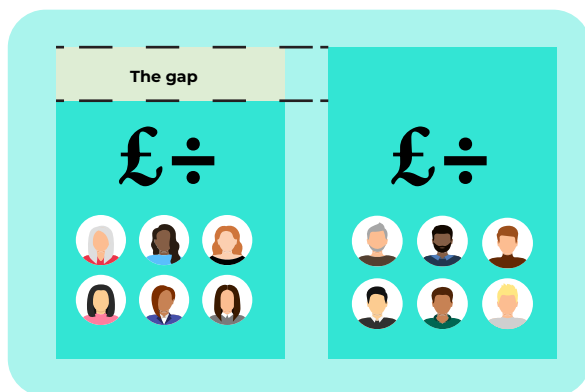
The UK Gender Pay Gap reporting is a different concept from equal pay, and the two should not be conflated. Equal pay assesses pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. As an organisation that practises role-based pricing (sometimes referred to as market-based pricing) for each unique job and the level of these roles, it's critical that each employee's position in their appropriate pay range is assessed.

A thorough and thoughtful analysis of gender pay equality or equity would include a variety of compensable factors for pay, including job level, internally-established compensation ranges for each unique job and job family, niche skill sets and experiences, individual performance and deliverables, role value to the organisation, and more.

In contrast, the Gender Pay Gap measures the difference between the average earnings of women and men across the business, shown as a percentage of men's earnings, regardless of the work they do or the level of their role.

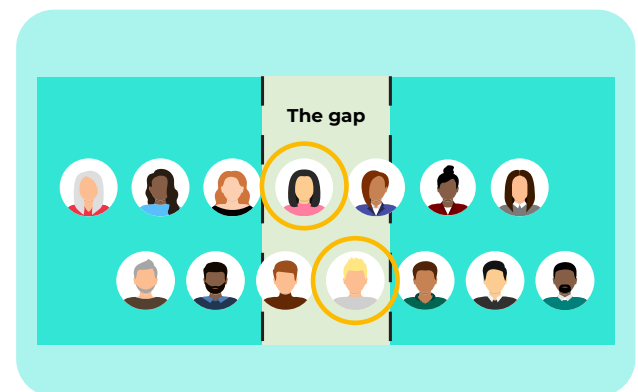
This is shown by reporting the differences in mean and median earnings between women and men calculated on the basis of hourly rates. The proportion of men and women awarded bonus pay over the same 12 month period is also reported.

The Gender Pay Gap is the difference in all pay received by men and women in the previous 12 months, and includes bonus and sales commission payments.



## Mean

The mean is calculated by adding up the total pay of employees and dividing by the number of employees in the list. The calculation is completed separately for men and women and the totals compared.



## Median

The median is the middle number of a ranking of pay from lowest to highest and gives us the best view of 'typical' pay.

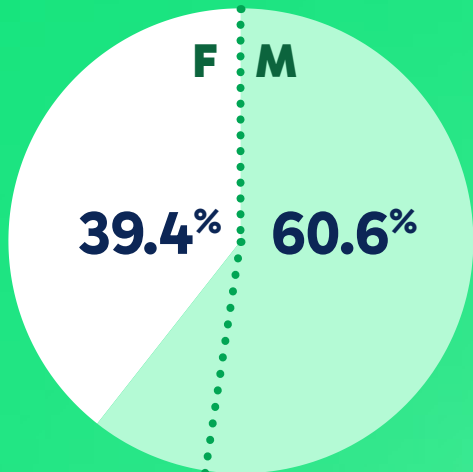


# Matillion Gender Pay Summary

	2022	2023	Year over year change
<b>Base Pay Gap</b> Mean Gender Pay Gap	<b>37.4%</b>	<b>18.5%</b>	-18.9
<b>Base Pay Gap</b> Median Gender Pay Gap	<b>39.9%</b>	<b>20.0%</b>	-19.9
<b>Bonus Pay Gap</b> Mean Gender Pay Gap	<b>66.2%</b>	<b>71.8%</b>	+5.6
<b>Receiving a Bonus</b> % of Men Receiving Bonus	<b>24.2%</b>	<b>31.0%</b>	+6.8
<b>Receiving a Bonus</b> % of Women Receiving Bonus	<b>19.5%</b>	<b>19.4%</b>	-0.1

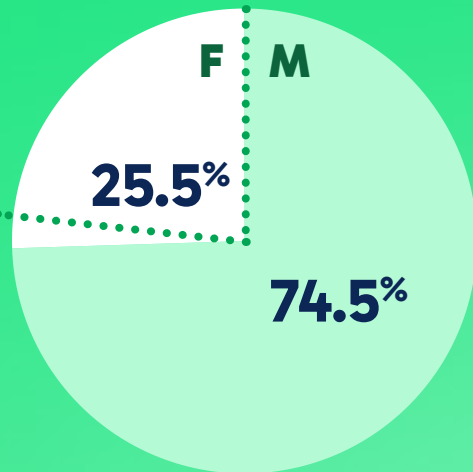
# Pay Quartiles

Lower Quartile



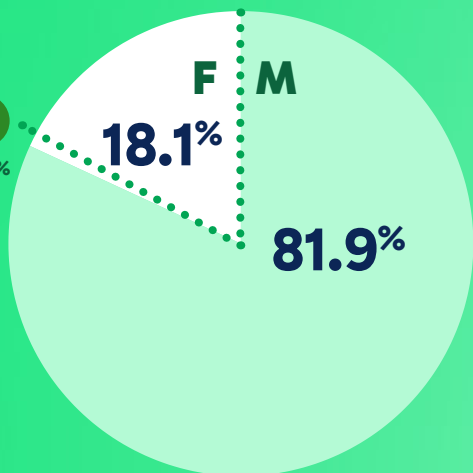
APR 2022  
F: 51.3% | M: 48.7%

Lower Middle Quartile



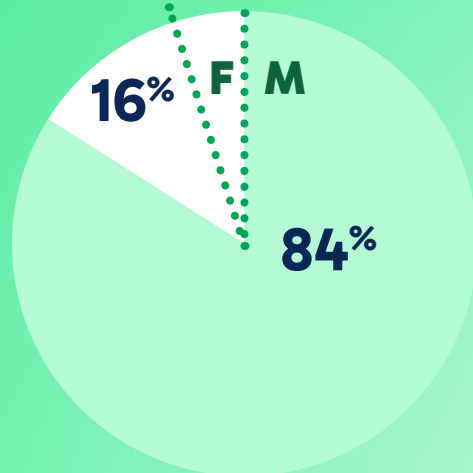
APR 2022  
F: 24.4% | M: 75.6%

Upper Middle Quartile



APR 2022  
F: 16.7% | M: 83.3%

Upper Quartile



APR 2022  
F: 5.1% | M: 94.9%



Each quartile represents 25% of our team; 94 people. ie, the 'lower quartile' image shows the Men : Women split among the 94 people with the lowest salaries in stack rank from low to high.

# Job Families and Functions

It's valuable to assess the impact that different teams and roles across the business have on our data set from April 2023.

You can see from the data in our summary that we have more men in the business receiving a bonus than women. Matillioners on our corporate bonus scheme are eligible to participate as Senior Director positions and above. Sales commission payments, which are also required to be classified as bonuses for the purposes of this report, are also included in these figures. We currently have more men in Senior Director and above positions, and similarly, more men on our sales teams. This heavily impacts the gender differences of these bonus payment outcomes.

Like in any company, specifically in the tech industry, the gender split in different teams will have an impact. Across these departments, you have varying levels and needs of skills and expertise to support a function. For example, a team of engineers with a critical job focus on Site Reliability Engineering likely employs more technical, deep subject matter experts than a generalist working on the People & Culture team.

Even within the same job level, a role-based pricing organisation like ours should and does value the contributions of a technical subject matter expert very differently than a similarly levelled general & administrative team member. The impact on the organisation and success of the business is tangibly different between these two roles, and both Matillion and the market value these roles differently.

Looking at our engineering department specifically, it's important to acknowledge that 'Tech' roles typically require higher salaries due to external market conditions. As a company that builds our internal compensation ranges from external market data, we see the relevant premium on these roles compared to other functions. To be successful as a software company, we need a large engineering team, and the cost of attracting, motivating, and retaining these skilled professionals is heavily tied to the larger talent density outside of Matillion. While this focus on technical roles doesn't justify any gender pay gap, it's important to recognise the current landscape and work towards progress consistently.





48.4%

**of our UK  
team works  
in engineering**

We know that the gender imbalance will continue to have a significant impact on our pay gap for the foreseeable future for reasons like this, however, we are working hard to attract and retain more women into our technical and STEM roles from graduate level right through to senior management

83.5%

of the engineering  
team were men on the  
day this snapshot data  
was taken

15.9%

of the engineering  
team were women

0.5%

of the  
engineering team  
were non-declared

# What Causes the Gender Pay Gap?

There is no one single issue that causes the pay gap. Like in any country, the working environment in the UK today is the result of many years of history — and despite recent progress, women are still more likely to:



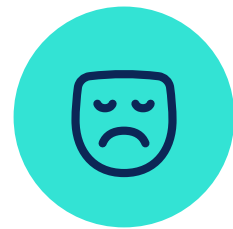
Be the primary carer for a child on parental leave



Take career breaks to raise children



Work in lower-paying jobs



Suffer from imposter syndrome

These problems are all interlinked, and they won't be solved overnight. We're taking practical steps at Matillion to try and address these including:

## Placement Student and Apprentice Programmes

We continue to invest in our early careers programme which includes providing industry placements and apprenticeships.

Every year we engage with a number of university students on 13 month industrial placements across all areas of our business. In 2023, we had 20 students join us in roles across Engineering, Product, Marketing, Finance & Operations, and People & Culture. Diversity and representation is important; we try to target an even split of women and men into these roles to help increase the number of women entering into graduate level positions. In 2023, our placement student cohort was made up of 45% women.

We are proud of our placement programme, and most of our placement students since 2018 have gone on to full time graduate level positions with us after their university course is complete.

We introduced our first data analyst apprenticeship program in 2023. We are thrilled to have welcomed two women to our data insights and data science teams, supporting them both to pivot their careers into the technology industry. We have further plans to expand the apprenticeship scheme across additional teams at Matillion, with the same commitment to achieve a 50:50 gender split as our placement programme.

## Springboard

In 2023, we had our second round of Springboard Development Programme cohorts following a successful inaugural 2022 season. These two cohorts supported 41 women Matillioners, an increase of 37% from the previous year. The Springboard

Consultancy helps organisations tackle their gender pay gap and work on key issues of diversity and inclusion by offering consultation as well as delivering training and development. The programme allows each participant four full days of training across a 12 week period. On completion of the programme, participants will also go on to choose a mentor to help them navigate their way and use their new skills and confidence effectively. We believe this investment in the programme works to address corporate imbalances and to give our female Matillioners the best opportunity to progress into more senior roles in the future.

### **DEI / Matillion Together**

We launched our DEIB (Diversity, Equity, Inclusion, and Belonging) working group, Matillion Together, in 2020. The initiative was born out of our value 'We Care' about our people and our community. We have continued to invest time to support the Matillioners who volunteer their schedules to support Matillion Together initiatives to make our workforce and culture more diverse and inclusive.

### **Inclusive Hiring Practices**

Our job postings have been updated to only reflect on the absolute necessary job skills, knowledge and experience needed – keeping these to a minimum where possible. We have plans in 2024 to pivot to a skills-based hiring approach to further enable us to engage with a wider and more diverse talent pool to meet our talent and diversity goals.

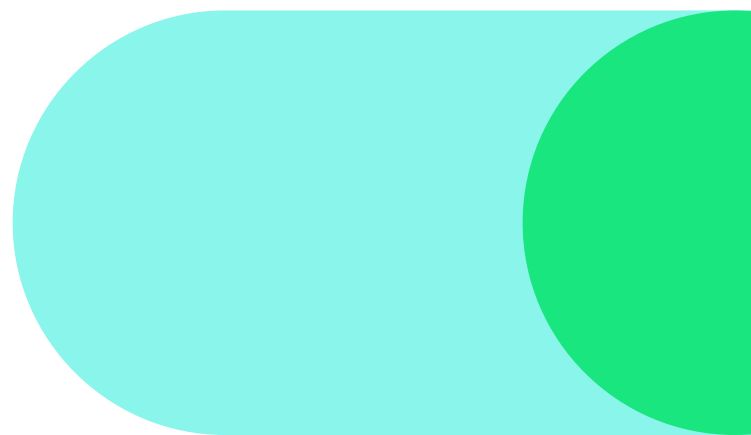
In addition, we are proud to have achieved compensation transparency for talent attraction. All of our job postings globally include the full compensation banding

and benefits package linked to the role. This level of transparency helps all parties involved in the hiring process to align on equitable practices for compensation, offering candidates an appropriate salary that's based on skills, competencies, experience, and internal equity with our current Matillioners, instead of decisions based on prior compensation history or other factors.

We continue our focus on developing a pipeline of women into all roles across the business. We continue to have diverse gender-balanced interview panels and ensure we have women shortlisted in our processes where possible. To hold us to account on this, in 2024 we are implementing a voluntary and anonymous diversity survey to track and improve our efforts against our DEI commitments in our hiring process.

### **Comp and Benefits Leadership and Strategy**

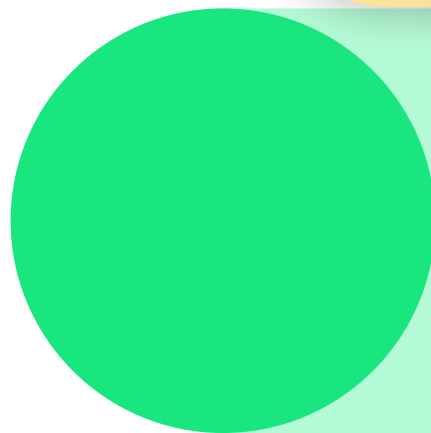
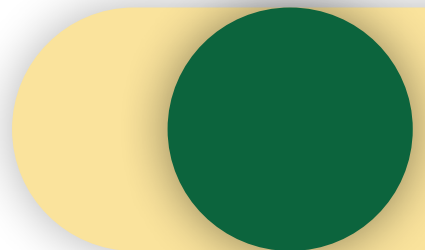
Matillion has hired its first head of Compensation and Benefits in 2023. This role is designed to add structure, rigour, and consistency behind our People & Culture processes that touch everything under the total rewards umbrella. We're excited about the programs we've already begun building with this newly aligned focus, and have a clear strategic direction moving forward around our compensation philosophy, data integrity, and commitment in hand with our most senior leaders.



## Consistency in Performance and Compensation Evaluation

Our newly implemented performance management process (People Performance Cycle), provides consistent windows in which our performance and compensation for Matillioners is reviewed. Coupled with solidifying our compensation philosophy, this has strengthened our commitment to promote pay equity by providing a structured framework for evaluating team members' contributions and performance. Clearly defined performance expectations connected to pay outcomes helps ensure that compensation is focused on Matillioners' merit and achievement. Arming leaders and decision makers with the right data like employee performance, recent pay change information, and full transparency of our internal comp ranges (and their employees' positions within these ranges) reduces the likelihood of pay disparities based on subjective practices, and promotes a higher standard of fairness and accountability.

This data-driven approach during a systematic cadence promotion and merit cycle enables us to pinpoint inequalities, so that efforts can be made to address any such disparities. Our linked pay philosophy helps mitigate biases that may influence pay decisions. Pay increases are tied to performance evaluations, so the company is incentivized to reward those who perform.



# 2024 Action Plan

In summary, we have a handful of action items in 2024 that will elevate our focus on gender and DEI initiatives:

- ✓ Set calendar of total rewards, with focal dates for promotion, cash, and equity compensation cycles
- ✓ Gender statistics and data analysis of merit/compensation outcomes following performance cycle conclusion in May 2024
- ✓ Leadership training and enablement on compensation decision-making
- ✓ Women in Tech employee resource group (ERG) revitalisation with Head of Legal and Chief People Officer support to increase gender diversity and inclusion efforts

Although these objectives in 2024 are well under way, the impact will take time to see progress in matters like our Gender Pay Gap reporting. We believe, based on our progress between our last submission and this year's, that we're moving in the right direction. We'll continue to monitor our traction and have these objectives hold us to our commitments to becoming an even more inclusive business.

