

# Google UK: 2020/21 Binary Gender Pay Gap Report

Google's mission is to organize the world's information and make it universally accessible and useful. Over 5,000 people work at Google in the UK today and while we are all from different backgrounds with diverse talents, we all share this same mission. We are focused on building tools to help people in their daily lives. We believe these same tools can also help ensure a sustainable, inclusive economic recovery in the UK.

Between 2019 and 2020, almost 700 people joined Google in the UK. As we grow our business, we are making significant efforts to improve the representation of our workforce. In particular, we are focused on increasing the number of women in technical and leadership roles, as well as addressing the importance of intersectionality. We know that it will take time for these measures to result in tangible change to the UK gender pay data. We have seen some small, incremental improvements in some of the key metrics, but we know this is not enough and that we have more to do to make meaningful progress.

## Our approach to ensuring equitable and fair compensation

Fairness is critical to everything we do at Google, and that extends to our people. Googlers' experiences – of things like compensation, performance ratings, and promotion – should be based on what they do, not who they are. In order to calculate employee pay, we consider variables such as the market rate for their job, their level within the company, their location, promotion history, and their performance rating.

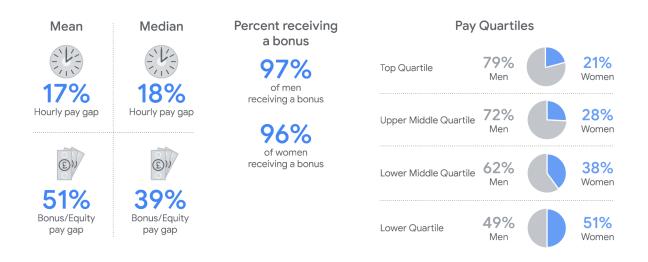
While we design compensation to be fair from the outset, because these are human processes, in order to be truly equitable, we also look for unexplained pay differences and make upward pay adjustments where necessary before employees' compensation goes into effect. Our most recent global pay equity analysis was in December 2020, where we increased compensation for 2 percent of employees, totalling \$4.4 million across different demographic groups.

Ensuring fairness is a never-ending process, and our pay equity analysis is just one part of a larger effort to improve our diversity and inclusion at Google.

## 2020/21 UK binary gender pay gap at Google

The UK Government requires organisations with 250 or more employees to publish and report specific figures about their binary gender pay gap. The gender pay gap is the difference between the average earnings of those that identify as men and those that identify as women, expressed relative to men's earnings. Transparency, accountability and fairness remain a top priority for us and in accordance with the UK Gender Pay Gap Reporting Regulations, we are sharing our 2020/21 figures in the chart below.

We calculated the difference in the average hourly pay rate between women and men at Google, expressed as a percentage of the average male earnings and found that: our median hourly gender pay gap is 18 percent and our mean hourly pay gap is 17 percent, both in favour of men. The chart below shows the proportion of women Googlers in each pay quartile; there is a 39 percent median and 51 percent mean difference in bonus and equity pay in favour of men.



While our global pay equity analysis ensures that we have no significant pay differences between individuals based on gender (when accounting for role, performance and other factors); the percentage gaps we are seeing in the UK continue to be driven by a lack of representation of women in both senior leadership, long-tenured roles, and in engineering/technical at Google. We have more men than women in these roles, who are paid more based on the market rates for such roles and their time in role.

We are seeing this in our bonus results as well; while men and women at Google have an equal opportunity to earn a bonus, those in senior leadership roles with a longer tenure get more equity than others. Additionally, employees in technical roles typically receive more equity than those in non-technical roles because the market for their technological expertise is so competitive. Our lack of women in senior leadership and technical roles, combined with these equity models, contribute to our bonus pay gap.

# Increasing and retaining women in technical and leadership roles

We've seen a small reduction in our hourly pay gap i.e. in 2019/20, our median gender pay gap was 19 percent in favour of men, and our mean gap was 18 percent, but this progress is still not enough, nor is it reflective of the high standards we hold ourselves to. And while we acknowledge that the lack of representation of women in technical/engineering as well as senior leadership roles is a systemic and industry problem, we can and should do better.

Across Google globally, we're focused on improving representation and creating a more inclusive culture for everyone during the employee lifecycle. Google's Diversity, Equity & Inclusion (DEI) strategy is delivered around these core priorities: representation in hiring; progression; retention; and promoting an inclusive and equitable culture.

To ensure that we make progress on these priorities, we set far-reaching goals to ensure that the hiring pipeline for every role and level is representative of the external talent pool. This is overseen by a DEI Leadership Council to drive accountability throughout the business. We also continue our work in education and university outreach programmes that focus on engaging with women student groups.

We are working hard to drive equity into every stage of the hiring process, from our initial candidate engagement, to monitoring each stage of the pipeline and giving guidance on inclusive hiring practices to managers. We have introduced 'Culture Add' training, which is designed to ensure that we focus on candidates who add to team culture and diversity of thought across the organisation, rather than those who "fit" the current makeup. We encourage leaders to connect with external markets and develop relationships ahead of open roles, advertise all senior roles externally and measure our progress. We have also introduced training for all members and facilitators of our hiring committees to ensure they are applying an equity lens in final hiring outcomes.

We know that it will take time for these measures to result in significant change, but we have started to see this investment reflect positively in our hiring. As a result of our efforts, the percentage of women at Google UK has increased from 35% to 37% between last year's report (April 2019/20) and this year's report (April 2020/21). Thirty five percent of leaders in non-tech roles are women and 21% of leaders in tech roles are women. We have seen an increase of women's representation from 21% (April 2019/20) to 25% (April 2020/21) across all technical and engineering roles.

#### Fostering a truly representative culture where women can thrive

To improve the pipeline of women candidates, we've increased our support and engagement with organisations that champion women in tech - particularly at the educational level. We'll continue with our work to introduce students to opportunities at Google, whether this be for our development programmes, internships, or full time roles. This work helps to connect people from all backgrounds to career opportunities at Google and we can see positive progress from our efforts in this space.

Conferences and events have always been an important part of talent outreach. During the Covid-19 crisis, we adapted to virtual events. For instance, we hosted our <u>Tech Elevate</u> development programme for software engineers looking to increase core technical skills with a dedicated focus on engaging people from communities and backgrounds that have been historically underrepresented in the tech industry. This programme featured 172 participants from over 30 countries and 73% of participants identified as women. We also sponsored <u>The Women in Tech World Series Online Festival</u> where over 7,500 women tech professionals and diversity advocates from across the globe united to discuss industry trends and celebrate diversity in tech. This resulted in us engaging directly with almost 800 attendees, and over 350 women professionals interested in staying connected to Google.

Over 3,000 women globally joined our first ever virtual Women in Cloud Summit - an interactive gathering to highlight the achievements of Women across Google Cloud, was attended by 668 women professionals from EMEA.

For International Women's Day, we held a fireside chat with Managing Director, Google Cloud, UK & Ireland, Pip White, to discuss how to create an environment where women can thrive - specifically by challenging the status quo and the importance of majority group allyship and advocacy for women in the workplace. This upcoming May will be the first time <u>Grace Hopper</u>, a conference centring women in computing, will extend to EMEA and we're currently planning and investing in our presence there.

Knowing the importance of intersectionality and addressing the concerns of marginalised groups, this year Google held our first global Women of Colour conference, Transcend, which was attended by over 20,000 people in Google from 109 cities (including London). Ninety one per cent said this experience made them feel included and proud to work at Google. The objectives of this conference were to build internal networks and community and to ensure visibility and connection to our senior leadership, such as CEO Sundar Pichai and CFO Ruth Porat.

We held a CV Workshop at the <u>Black Tech Fest</u> aimed at levelling the playing field for women by upskilling them in CV and confidence-building. We also hosted a Student Pride Week, which was a virtual three-day event designed to learn more about Google's LGBTQ+ Community. Three hundred and eighty people participated from EMEA and 45% identified as women.

### Looking to the future and making substantive progress

We know that we have a lot more work to do to reduce the gender pay gap even further and we are committed to this. As a company, we know that our best work happens when our workforce reflects the world around us, and when we create a culture at work where everyone feels they belong . We'll continue to hold true to these beliefs and increase representation across the company through our talent engagement and community outreach efforts. You can see our progress and learn more about our efforts to improve representation, hiring, and attrition at <a href="mailto:diversity.google.com">diversity.google.com</a>.

Ronan Harris, Vice President, UK and Ireland, Google.

I confirm that the data reported here is accurate.