

## Google UK: Binary Gender Pay Gap Report 2021/2022

In 2021, Google's mission to organise the world's information and make it universally accessible and useful felt more relevant than ever. While we are all from different backgrounds with diverse talents, Googlers love to work together to solve problems. As the world responded and adapted to life during a global pandemic, our 6,500 colleagues at Google UK came together to build and share new tools and programmes to help people in their daily lives, and lead the UK towards a sustainable, inclusive economic recovery.

Since our last Gender Pay Gap Report, 770 more employees have joined our Google UK family, and we expect this to increase significantly in the future <u>as we expand our London sites</u>.

As we grow, and we transition to a new system of flexible, hybrid working, we remain firmly committed to improving representation in our workforce. We know that our best work happens when our teams reflect the world around us, and when we create a culture where everyone feels they belong. That's why we're focusing on recruiting talent from a range of backgrounds and engaging with local communities to drive meaningful change over the long-term.

These efforts are driving small but positive shifts in our UK gender pay data across every key metric: our binary gender pay gaps and binary gender bonus gaps are decreasing. The proportion of women Googlers receiving a bonus is equal to men. The representation of women at senior levels and top pay quartiles is increasing.

But of course there remains more to do. We recognise the opportunity and responsibility that we have to build on this progress and to increase the representation of women across Google.

#### Compensation at Google

We compensate Googlers based on what they do, not who they are. When we calculate employee pay, our teams consider variables such as the market rate for individual roles, their level within the company, promotion history, and their performance rating.

While our systems are designed to be fair, we add an extra layer of scrutiny to ensure we're being fully equitable. We search for any unexplained discrepancies by gender and if we find any, we make upward pay adjustments before employees' compensation goes into effect. This helps us to prevent pay disparity, remove bias from our rewards system, and make sure that remuneration packages accurately reflect the individual efforts of those working with us.

Our forensic approach means we can be confident there are no statistically significant pay differences between individuals based on gender, when accounting for factors like role and performance.

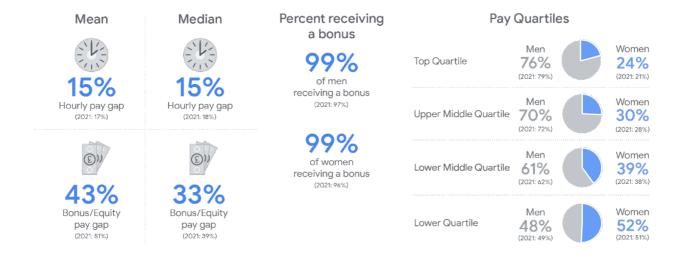
Our ongoing efforts to ensure pay equity are just one part of our wider efforts to improve diversity, equity and inclusion (DEI) at Google, and ensure that our company remains a rewarding place to work for all our colleagues.

## **UK Binary Gender Pay Gap Reporting**

The UK Government requires organisations with 250 or more employees to publish and report specific figures about their 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 continue to be top priorities for us and in accordance with the UK Gender Pay Gap Reporting Regulations, we are sharing our 2021 figures.

In the UK, our median gender hourly pay gap is 15% (down from 18% last year), and our mean gap is 15% (down from 17% last year). The hourly gap between men and women is reducing but remains in favour of men.

The chart below shows the proportion of men and women Googlers in each pay quartile, with the representation of women at all levels, including top pay quartiles, continuing to increase. While an equal proportion of men and women are now paid a bonus, there is a 33% median and 43% mean difference in bonus and equity pay in favour of men; these gaps have both decreased by 6% and 8% respectively year on year.



The percentage gaps we are seeing in the UK continue to be driven by a lack of representation of women in senior leadership, long-tenured roles, and engineering/technical roles. We have more men than women in these roles – and they are paid more based on the market rates for those kinds of roles and their experience levels.

We see the same picture in our bonus pay gap. Even though men and women have an equal opportunity to earn a bonus and equity, compensation at Google is highly incentivised and it increases across all forms of pay – base, bonus, and equity – as colleagues become more senior and move into leadership positions. Engineers also typically receive more equity than colleagues in non-tech roles because of the competitive market for their expertise.

# How we're working to increase the representation of women in technical and leadership roles

We're pleased to have made progress in every area we report on and that our binary gender pay gaps and binary gender bonus gaps are narrowing. But we're still working to increase the representation of women in technical and leadership roles.

The underrepresentation of women in senior leadership and engineering roles is an industry-wide challenge and we've put in place a mix of internal and external initiatives to address it. Google's DEI strategy is anchored in four core priorities: increasing the representation of women in technical and leadership roles; ensuring all colleagues have equal opportunities to progress; boosting retention of top underrepresented talent; and promoting a culture of belonging. Each of our UK leaders is accountable for their team's DEI progress and has their performance measured on the steps they're taking to attract, promote and retain employees from underrepresented groups, and our DEI Leadership Council makes sure we all stay accountable.

### Recruitment, retention and progression

We take a rigorous and systematic approach to hiring, performance evaluation, promotion and progression to bake equity into all our processes.

In 2021, our Retention and Progression team doubled in size, meaning that every department has someone dedicated to supporting underrepresented Googlers. We will triple this investment by the end of 2022.

We've focused on equitable hiring to increase representation and equal access to higher paid roles. In recent years we've put in place measures to mitigate bias, drive inclusive hiring practices and help ensure a diverse talent pool. Today, all our hiring managers must take inclusive hiring and 'Culture Add' training, to understand the need to recruit candidates that add to team culture and diversity and not just those who 'fit' the current

makeup. We encourage those managers to play an active role in fostering diverse teams, by working with the wider industry and groups like <u>Women of Silicon Roundabout</u> and <u>Women Techmakers</u>.

In the past year, we've also built a recruitment team specifically focused on recruiting candidates from underrepresented communities in the UK and wider EMEA region, which includes a task force dedicated to Women in Tech. We've launched a year-long sponsorship programme for more experienced women Googlers, which provides visibility, advocacy and growth opportunities for leaders. Together, these efforts have already helped to incrementally grow the number of women in leadership roles to 30%, from 21% in 2021, and increase the number of women in tech roles to 25%, up from 24% in 2020. Overall, representation of women across Google UK has increased to 37%, up from 36% last year, and we're working hard to have a far greater impact over time.

Taking a long-term view, we're also working hard to help tackle the technology sector's systemic gender imbalance by investing heavily in our early careers approach. Our teams are diversifying the pipeline of new talent via our outreach programmes with women student groups. We're starting to see progress: for the first time in 2021 we had gender parity in our intern class and a 39% increase in the number of women in entry level roles, and we hope to see this trend continue.

### Fostering a truly inclusive culture

We're passionate about creating an inclusive culture where everyone can thrive.

We offer training and coaching programmes to empower and champion women Googlers and enable them to thrive. Our <u>#lamRemarkable</u> programme empowers underrepresented groups to speak openly about their accomplishments in the workplace and beyond, breaking modesty norms and glass ceilings. The initiative has proven so impactful that we're now offering it to external audiences and partners, and over 20,000 women from 109 cities have taken part.

As well as our sponsorship programme for senior women, we offer dedicated mentoring and coaching programmes for Black women. Our ELEVATE+ programme provides Black Googlers with a confidential place to invest in their career development, while Turning Point is our professional development summit for Black Google employees across the region. Both initiatives are part of Google's Racial Equity Manifesto on racial equity commitments in EMEA, and they aim to help foster a fair and inclusive experience for Black women and Googlers. These initiatives are part of our efforts to centre intersectionality across our work and encourage everyone to consider the connected nature of factors such as race, age and physical ability.

Our 16 global **Employee Resource Groups** (ERGs) have had a huge impact, connecting communities and their allies with supportive networks and helpful resources – particularly

over the past two years. One such group is Women@Google, a global support network that connects, develops and empowers all women at Google. The network promotes programmes such as 'HerSpace and HerStory', 'Grow Your Career Your Way' and 'POWER', that amplify women's voices and equip them with the tools they need to support their development and own their careers. This advocacy needs to come from our leadership as a whole. That is why in 2021, the UK was the first country in the region to take part in the global initiative, MARC (Men Advocating for Real Change) – a programme that invites men to leverage their influence to help fix structural issues and advocate for gender equity in the workplace.

Every year, International Women's Day is a moment to honour the resilience and accomplishments of women in tech. In 2021, we ran a month-long digital event series and held dedicated events for people in all stages of their careers, from a Women's Day Series for Students, to virtual roundtables for senior women across the Cloud industry to facilitate networking and career development.

### Looking to the future and making substantive progress

We are proud of our progress but we know we need to do more to address the structural issues that impact the gender pay gap. We'll keep working hard to help #breakthebias, support progression and encourage retention to increase the representation of women across Google.

To learn more about our efforts to promote diversity, equity and inclusion, head over to diversity.google.com.

Ronan Harris, Managing Director, UK and Ireland, Google. I confirm that the data reported here is accurate