# Google

### Google UK: Binary Gender Pay Gap Report 2022/2023

At Google UK, we're focused on building sustainable, responsible and impactful technology to help people achieve their ambitions, be they big or small. We believe that technology works best when everyone is given a chance to help create and shape it. That's why we're committed to increasing representation of women in tech.

We're most successful when our teams at all levels reflect the world around us, but currently women at Google are underrepresented in senior levels and in technical roles. We've put a number of long-term initiatives in place to help increase the proportion of women in our senior leadership and technical teams. Internally, we've offered mentorship programmes and sponsorship opportunities to help empower women at Google. Externally, we've partnered with organisations across our sector to help drive initiatives that help to address this industry-wide challenge, and create the conditions for a more diverse and representative talent pipeline.

These initiatives, alongside our focus on equitable hiring and equal pay, have helped to drive a reduction in our gender pay gap over the past few years. However, this year the figures have not followed that trend and the numbers are not where we want them to be. We know our efforts to narrow the pay gap will take time and we commit to working hard to do better.

Ensuring fairness in pay is one part of our broader ongoing effort to increase representation for women across Google. When it comes to building on our progress, we recognise both the opportunity and the responsibility to do more.

#### Compensation at Google

Fair compensation is part of our commitment to improve diversity, equality and inclusion (DEI). It's important to be clear that the binary gender pay gap – the difference between men and women's average pay – is not the same as equal pay where everyone who does a job of equal value must earn the same pay.

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 equitable. We search for any unexplained discrepancies by gender. 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 ensure 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 such as role and performance.

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

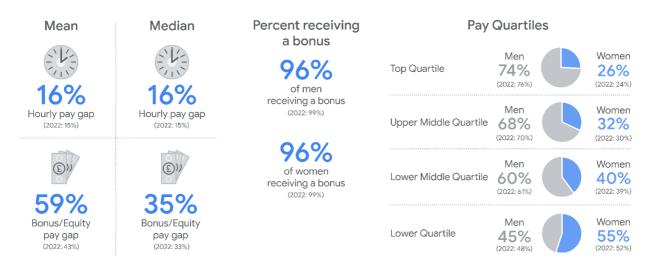
#### UK Binary Gender Pay Gap Reporting

The UK Government requires organisations with 250 or more employees to publish and report specific figures about their binary gender pay gap. The binary 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. We recognise that by focusing exclusively on employees that identify as men or women, the binary gender pay gap report is unable to include all of our employees at Google. Transparency, accountability and fairness remain top priorities for us. In accordance with the UK Gender Pay Gap Reporting Regulations, we are sharing our 2022 figures.

In the UK, our mean and median gender hourly pay gap are both 16% (up from 15% last year). While the hourly gap between men and women has increased marginally in favour of men for the 2022 report, we have seen the gap reduce over the past several years and are committed to trending that way in the long term.

The chart below shows the proportion of men and women Googlers in each pay quartile, with the proportion of women in the top pay quartiles continuing to increase. While an equal percentage of men and women receive a bonus, there is a 35% median and 59% mean difference in bonus and equity pay in favour of men. The increase in the mean bonus pay gap is reflective of one-off non-recurring M&A-related payments, and we expect the mean bonus pay gap to revert to the levels of prior years in next year's report.

## What does our latest UK Government report show?



The percentage gaps we see 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 roles and their experience levels. That's why we'll continue to do more to address this challenge which impacts the technology sector.

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

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

We recognise that much more progress needs to be made in this area. And we're taking active steps to ensure we move in the right direction. These steps take time.

Google's DEI strategy focuses on: increasing the representation of women in technical and leadership roles; ensuring equity is embedded in our people processes; investing in localised retention strategies for our top underrepresented talent; and promoting a culture of intersectional allyship and belonging across marginalised groups. 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.

We recognise that the binary gender pay gap is a systemic issue. That means engaging with the wider industry as we strive to effect meaningful, positive change. Partnering with initiatives such as <u>Women of Silicon Roundabout</u> and <u>Women Techmakers</u> provides invaluable insight and expertise, equipping women in tech with essential resources and encouraging our managers to foster inclusive teams and be active allies.

#### Progression and retention of women at Google UK

#### Mentoring

Mentoring schemes are one example of the programmes in place to positively impact women's career growth. In 2022, we successfully completed a year-long pilot sponsorship programme that paired experienced, high-potential women Googlers with executive sponsors. Our cohort was unanimous that the initiative – which aims to support visibility, advocacy and growth opportunities for women leaders – would have a lasting impact on their careers. The same was true for members of our 2022 Inclusive Perf workshop, on our internal performance review process, for senior leaders in the UK. Both examples illustrate how we're creating conditions to close gaps in representation at every level.

POWER is another example. This London-based mentoring programme empowers and helps advance women in the Google community. With close to 100 mentees, 2022 was the largest cohort on record. The programme has proven so impactful that, over the past year, we expanded it both internally and externally, extending the programme to new internal groups and launching our first external programme, engaging 60 clients across six markets. Which is why we're rolling the programme out to other industries in 2023.

#### Hiring

More immediate initiatives include establishing a dedicated DEI recruiting team for EMEA in 2021. In 2022, we expanded its remit to increase representation for women in tech and Black women in particular, recognising intersectionality is key to empowering marginalised groups. Together, these efforts have helped grow the number of women in leadership and tech roles over the past several years, and we're working hard to have a far greater impact over time.

Taking a long-term view, we're also working 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 also investing in long-term strategic partnerships to develop authentic relationships with future candidates from underrepresented backgrounds and build their confidence in applying for roles within the technology sector.

#### Fostering a truly inclusive culture

We're at our strongest when everyone's talents are recognised and celebrated. Fostering inclusive cultures, in which everyone can thrive, is vitally important to achieving that aim.

We offer dynamic global initiatives, such as #ItsUpToMe, to nurture inclusivity. For the third year, the program supported leaders, managers and Googlers to become proactive intersectional allies. Across the region, and in the UK, managers and leaders set #ItsUpToMe objectives to help turn DEI aims into tangible goals for their teams. In 2022, we began the UK Employee Resource Group (ERG) & Communities forum, bringing together Googlers from underrepresented groups and fostering intersectional allyship. Women@Google, our ERG for women in the UK, supports women's development through an inclusive and intersectional lens. International Women's Day is always a fantastic opportunity to celebrate inspiring women. The 2022 edition, on the theme of #BreakTheBias, was no exception. Nearly a thousand Googlers and allies came together for the celebration.

Empowering women to determine their own career development is crucial to advancing their progression through the technology sector. This past year, we've run dozens of events

with our Grow Your Career Your Way and Women@Tech programmes, ranging from interactive workshops to panel talks. These impactful initiatives have promoted community and boosted resilience, and reached hundreds of women Googlers. Last year, we also hosted the third annual State of Black Women Summit SOBW+ to help create a bespoke and inclusive experience for Black women Googlers. The event provided a forum to discuss topics pertinent to the Black Women+ community and opportunities for internal networking.

In 2023, we will roll out more sessions for specific communities as part of our broader allyship education and activation programming.

#### Looking forward

The work we've done so far has aimed to help create an environment in which everyone feels they belong, but we know that more needs to be done to drive the lasting change that we're keen to see in this area. We'll continue working to address the binary gender pay gap, increase women's representation in Google at all levels and support their progression over the coming year. To learn more about our efforts to promote diversity, equity and inclusion, head over to <u>diversity.google.com</u>.

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Debbie Weinstein, Vice President of Google and Managing Director of Google UK & Ireland I confirm that the data reported here is accurate.