

Google UK: Binary Gender Pay Gap Report 2023/24

At Google UK we build sustainable, responsible and impactful technology to help people achieve their ambitions, big and small. Whether it's Search or YouTube or Google Cloud, people are using AI and digital tools to learn new things, connect with new audiences, reduce their carbon footprints and boost their productivity. We believe technology works best when everyone has a chance to help create and shape it, and when the makeup of our workforce reflects the diverse world around us.

Currently, women at Google are underrepresented at senior levels and in technical roles, and that's why we're committed to increasing representation of women in tech. We have a number of long-term initiatives in place to support the progression of women at Google, including mentorship and sponsorship programmes. Externally, we partner 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 have helped drive an overall long-term downwards trend in our gender pay gap data over the past few years, alongside our focus on equitable hiring and equal pay.

Ensuring fairness in pay is one part of our broader ongoing effort to increase representation for women across Google.

We also continue evolving our benefits to ensure that Googlers from all backgrounds have access to industry-leading support and resources. In 2022, we launched a student loan repayment programme, to address the fact that women and communities of colour are disproportionately impacted by student loan debt. Throughout 2024 we'll be investing in the expansion of our family-building benefits, knowing this can have a significant impact on women and Googlers from underrepresented communities.

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, meaning same pay for work of equal value.

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. 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 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. Transparency, accountability and fairness continue to be top priorities for us. In accordance with the UK Gender Pay Gap Reporting Regulations, we are sharing our 2023 figures. 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; our DEI initiatives focus on representation of all underrepresented communities, with a focus on intersectionality.

In the UK, our **mean gender hourly pay gap is 13%** (down from 16% last year) and the **median gender hourly pay gap is 12%** (down from 16% last year). This annual reduction in hourly pay gap is consistent with the trend we have seen over the last five years and we are committed to closing the gap 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 and upper middle pay quartiles continuing to increase, and the

proportion of women in the lower quartile continuing to decrease. While an equal percentage of men and women receive a bonus, there is a 43% mean and 38% median difference in bonus and equity pay in favour of men.



The percentage gaps we see in the UK continue to be driven by a lack of representation of women in senior leadership 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. Whilst the mean and median hourly pay gaps continue to decrease, there is more to do to address this challenge across 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. Each year we also have a UK DEI plan that ensures progress against local priorities. Each of our UK leaders are accountable for their team's DEI progress and have their performance measured on the steps they're taking to attract, promote and retain women and other Googlers from underrepresented groups. Site leadership drives site-wide engagement, regularly reviews progress, and helps drive accountability throughout the business. We continue seeing an increase of women in leadership due to our focused efforts, and are invested in localised retention efforts to maintain this progress.

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

As soon as Googlers begin their careers at the company, we focus on the Noogler (new Googler) community with events that drive networking and sponsorship, building connections across our community and helping women integrate into the company. Throughout Googlers' careers, we take a rigorous and systematic approach to performance evaluation, promotion and progression to ensure equity is at the heart of all of our processes. And we hold managers and leaders accountable through Manager Responsibilities, embedded expectations in our performance management process to make equitable hiring and talent decisions, build and facilitate a culture of belonging and inclusion, and model Google values.

Increasing the pipeline of women in our hiring efforts

We have a dedicated DEI recruiting team for EMEA, whose remit is to increase representation for women in tech and Black women in particular. Our efforts to recruit and retain talent 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 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.

The UK recruiting team has also been effective in introducing up-skilling programmes like DEI Learning Circles for Recruiters and Inclusive Hiring Steps for hiring managers to help reduce bias in every stage of the recruiting process. Recruiters have dedicated sourcing tools that enable them to find diverse talent from external and internal talent sources. We help candidates prepare with mock interviews and have a strong monitoring and governance framework to address talent pipeline gaps in real-time. We work 1-1 with hiring managers to support them in recruiting representative teams. We're making good progress to create equity in every stage of the candidate's hiring process, leading to a more equitable hiring outcome.

Fostering a truly inclusive culture

We're passionate about creating an inclusive culture where women can thrive, and we know that our internal culture is a key driver of this. Each year we set goals for our inclusive learning and development offerings. We know awareness and education is key, and last year we expanded the region-wide pilot called Men Advocating for Real Change (MARC) for managers and leaders.

Our Googlers engage with extensive coaching programs and mentorship programs; women's empowerment events and initiatives, sponsorship and more. Moreover our dedicated employee resource group (ERG), Women@Google, supports the development of an inclusive culture for women through a lens of intersectionality to thrive at Google and beyond. The network promotes programmes that amplify women's voices and equip them with the tools they need to support their development and own their careers. Furthermore, given our focus on intersectionality, all of our ERGs collaborate and support each other to drive impactful work to uplift the voices of women with overlapping marginalised identities.

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 diversity.google.com.

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