

# Gender Pay Gap Report: 2021-22

## Introduction

At Six Degrees, everyone is welcome - we believe in harnessing a truly diverse and inclusive culture. Our goal is to create a culture where different perspectives and experiences are valued, diversity of thought is encouraged and there is fairness and equality of opportunity for all. To achieve this, we seek to embed diversity and inclusion in all our activities, and continuously monitor our processes and policies.

We continue to aim to challenge ourselves as an organisation with attraction of diverse talent and increase our female representation. Following the turbulent jobs market last year, as the world exited from lockdown, our goal was to maintain our previous 25% female demographic. We are pleased to share that our diversity and inclusion initiatives have resulted in our current female representation increasing to 29% across the company. Furthermore, our senior leadership and management roles have increased to 31% female, demonstrating the success of our recruitment and career development programmes.

We recognise there is still more we can do, and we continue to monitor and implement our Equality, Diversity and Inclusion action plan to address the gender imbalance within our organisation and attracting diverse talent and increasing female representation continues to be a key area of focus for FY24.

## About this report

This report details the Gender Pay Gap reporting requirements as per the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, which require companies with more than 250 employees to publish:

- Mean (average) and median (mid-point value) Gender Pay Gaps;
- Mean and median bonus Gender Pay Gaps;
- The proportion of males and females receiving a bonus; and
- The proportion of males and females in each pay quartile.

Note, however, that a Gender Pay Gap is not about equal pay: equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. A Gender Pay Gap is a measure of male versus female participation in the workplace across all levels, irrespective of their role or responsibilities.

## Our Gender Pay Gap

The Gender Pay Gap illustrates the difference in male versus female earnings across Six Degrees. In line with our commitment to attract and retain top talent, our overall gross hourly rate of pay increased for males and females compared to the year before.



Like many other organisations, we still have a Gender Pay Gap, but we are proud to say we have seen a large decrease in our mean and median difference from 25% (mean) and 22% (median) to 11%.

Mean and Median Gender Pay Gap		
	Mean (average)	Median (mid-point)
Gender Pay Gap	11%	11%

Our gender pay gap reflects our larger male population, particularly in senior, more highly remunerated roles. However, we continue to see females make up more of our senior leadership team and see a positive change towards a more evenly distributed population across our pay quartiles: we have a focus on internal progression and promotion and, in FY22, nearly half of female recruits were in the middle quartiles of the pay range, representing a material step forward on prior years.

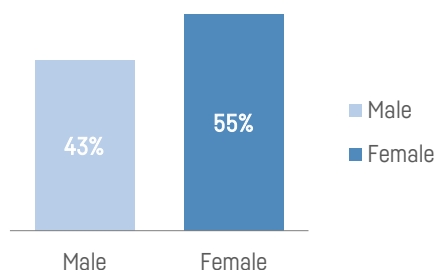
Six Degrees also continues to be committed to diversity and inclusion in all aspects of reward and pay. Salary increases for FY22 were in line with gender split, ensuring employees are treated fairly and are valued equally for their contribution.

## Our Bonus Pay Gap

Six Degrees continues to review and operate a range of reward schemes to recognise and reward individual, team and organisational achievement. The mean and median differences between male earnings and female earnings in the 12 months to 5 April 2022 were 67% and -8% respectively.

Bonus Gender Pay Gap		
	Mean (average)	Median (mid-point)
Bonus Pay Gap	67%	-8%

### Proportion of Employees Receiving a Bonus



Six Degrees has seen an increase in the proportion of employees receiving a bonus payment overall, slowly moving towards pre-pandemic numbers (70% of males and 64% of females in FY19).

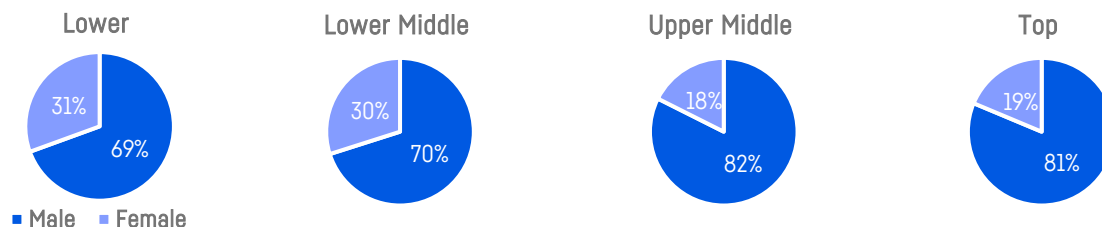
The majority of commission payments were to males, which is a significant driver behind the 67% mean bonus gap. Of bonus payments, however, 30% were awarded females. This is larger than our female headcount at the snapshot date (24%).

We have also introduced an internal recognition program, recognising performance on a quarterly basis, with a limited number of cash awards available across the business. As 39% of these awards have been distributed to females, this has driven our median pay gap of -8%.



## Our Pay Quartiles

The charts below outline the proportion of males and females in each pay quartile.



The largest proportion of females is still in the lower two quartiles, however, nearly 1/5<sup>th</sup> (19%) of our females were in the highest paid bracket on the snapshot date. This is due to females joining the company in higher paid roles as well as progressing internally. We also continue to see a more even distribution of males across the pay brackets.

## Our Next Steps

Although we made great progress decreasing our gender pay gap in FY22, we recognise there is still more for us to do to further reduce our gender pay gap and remain focused on delivering key initiatives we believe will help us achieve this. This includes for example:

- *Talent Acquisition and Career Progression*

Six Degrees remains committed to advancing the careers of women in technology. Our job descriptions and adverts are reviewed for possible gender bias, in terms of language and content. All hiring managers are provided with access to a suite of online learning content, focussed on their responsibilities as a hiring manager and considerations to take to ensure an inclusive and equitable process. The recruitment process also ensures that there are multiple assessors from different perspectives and backgrounds, providing diversity of opinion and an opportunity for candidates to relate to different people at Six Degrees.

We remain committed to ensuring the progression of our employees is fundamental to our recruitment policy, fulfilling over one quarter of our vacant positions with people looking to take their next step in Six Degrees and particularly showcasing the achievements of our female employees. For current employees, we have mid and senior level manager development programmes available that aim to enable our females to progress into more senior roles.

Furthermore, we continue to focus on ensuring a diverse shortlist for consideration of our hiring managers, aiming for at least one female candidate on a shortlist, with a guaranteed interview for each. Our recruitment partners are also instructed on this basis and we are working to engage more widely with the community to support more women, and particularly future generations, into careers in technology.

- *Reward and Benefits*

We continue to review our benefits offering to ensure our employees feel valued and supported.

Six Degrees is a Real Living Wage employer, and overall committed to a fair and consistent pay review process. Recognising the challenges facing employees in the current economic climate, we also awarded all eligible employees an increase within the past year to support with the rising cost of living.

To further recognise individual performance, Six Degrees implemented an internal recognition program called 'Above and Beyond'. The scheme allows our people to nominate and recognise a colleague who has gone



'above and beyond' in their role every quarter, and 40% of the awards that were distributed in FY22 were to females.

Since launching our new Annual and Special Leave policy, we have seen employees benefitting from market-leading, 6 months paid Maternity, Adoption and Shared Parental Leave, additional Baby Days for those on paternity leave, up to three months' Sabbatical Leave, and a range of new and improved types of leave to better support their work life balance, such as paid Menopause leave. We also continue to operate in a hybrid environment, and our employees benefit from the flexibility offered through our agile working policy and (core) office hours.

- *A Culture of Diversity and Inclusion*

Our Women in Technology group has continued to take the lead in raising awareness of the challenges to women in the workplace and support their advancement within the business. Through their regular monthly meetings, the group looks to focus organisational attention towards key topics such as menopause, influencing our company benefits offering to all employees. In addition, they ensure external engagement with both speaking opportunities at schools and colleges, alongside speakers presenting internally with accounts from inspirational females working in the technology industry. Developing this further, the group and wider organisation has taken an active drive towards sharing thought leadership from our own experiences here at Six Degrees.

In addition, our work with Employers Network for Equality and Inclusion (ENEI) has again resulted in attaining our Bronze TIDE accreditation and we continue to work with them in our efforts to manage multi-cultural teams effectively. In March 2023, we were delighted to be nominated as finalists in the Women In Tech Employer Awards in 4 categories, with results to be announced in June 2023.

## Declaration

The Gender Pay Gap data contained in this report is accurate and has been produced in accordance with the regulations.

Simon Crawley-Trice    Lindsay Gallard

CEO

Chief People Officer