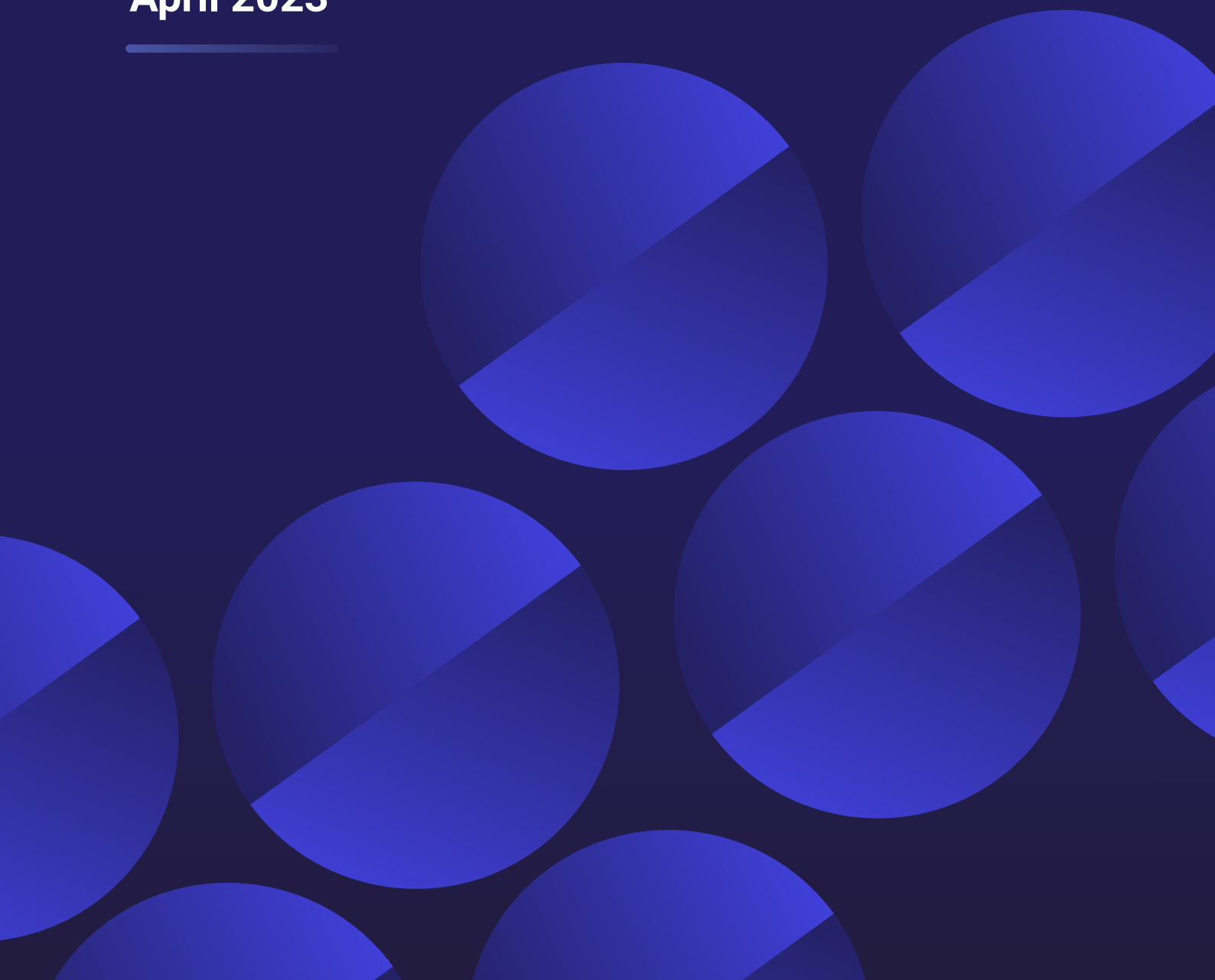


Gender pay gap report

April 2023



Introduction

As the CHRO of a fast-growing and socially responsible company, I proudly support and endorse all initiatives that promote greater fairness, equality, and inclusiveness in the workplace. The gender pay gap is an enduring challenge that must be addressed proactively and holistically in order to create truly equitable workplaces. By laying the groundwork for a more inclusive environment, we not only promote gender equality, but also foster healthier, more productive workforces. We are focused on a working environment and relationship with all employees where everyone can be their best self regardless of age, race, sexual orientation or gender.

Dotdigital, like many businesses, recognises the importance of addressing the gender pay gap and ensuring an inclusive, diverse and individual team of employees. This year, we are pleased that we have made progress in reducing our gender pay gap and all levels of our business including the Board, Leadership team, senior managers and all our employees remain fully committed to continuing our journey. The enthusiasm and determination demonstrated by everyone in the organization is truly commendable and inspiring.

It is evident that Dotdigital has placed a strong emphasis on promoting gender equality within the organisation. With full commitment and support from the business, employees are encouraged to actively participate in initiatives that strive to eliminate gender imbalance and ensure equal opportunities for all. This level of dedication from the company's leadership is crucial in driving the change towards a more equitable workplace culture.

Through a long term commitment, persistence and the willingness to adapt and refine initiatives, Dotdigital is well-positioned to create an equal and inclusive environment that benefits all employees and we encourage and embrace everything that makes us individual. Achieving greater gender pay balance is an investment in a company's future success and helps cultivate a reputation as an employer of choice.



David Aldrich
CHRO

I am pleased to share with you a comprehensive report that not only highlights our recent progress in addressing the gender pay gap at Dotdigital but also outlines our ongoing and future plans to ensure equal opportunities for all our employees. At Dotdigital, we believe that every individual deserves fair treatment, recognition, and compensation regardless of gender, race, or ethnicity.

Over the past few years, we have made a clear commitment to addressing gender equality at Dotdigital, focusing on key areas such as education, recruitment, employee retention, and career development. Our report describes the measures we have implemented in detail, sharing the outcomes and impacts of these efforts.

The gender pay gap has demonstrated improvement over the past year, narrowing from 29% to 21%. We recognise that there is still more work to be done. As we move forward, we are committed to implementing innovative strategies to further reduce the gender pay gap and create an inclusive environment where everyone can thrive.

Our Diversity, Equity, and Inclusion (DEI) plan that we will be implementing across the organisation includes key elements such as strengthening our hiring efforts by collaborating with community organisations and implementing diverse recruitment channels to attract a wide range of talent, enhancing employee experience and development by offering equitable opportunities and resources for professional growth, mentorship and networking. We also have been promoting a culture of inclusivity by organising awareness campaigns, training programs, and events to facilitate open dialogues and foster understanding among our employees. Important governance activities include conducting regular pay audits to identify potential areas of pay disparity and address them promptly and setting clear diversity and inclusion metrics to evaluate our progress and continuously refine our approach.

At Dotdigital, we are dedicated to cultivating a vibrant, inclusive, and equitable workplace driven by our commitment to diversity and equal opportunity for all. I strongly encourage you to thoroughly read the report and join us in our mission to create a more diverse, equitable, and empowering environment for everyone at Dotdigital.



Nicky Penkov

Human Resources Director

Who are we?

Dotdigital is an all-in-one customer experience and data platform (CXDP) that empowers marketing teams to exceed customer expectations with highly personalized cross-channel journeys. With Dotdigital, marketers can seamlessly unify, enrich, and segment customer data. Breaking down data siloes, Dotdigital streamlines decision-making and paves the way for marketing creativity that delivers customer engagement at scale. With powerful AI capabilities, Dotdigital makes it easy to automate deeply personalized experiences across web, email, SMS, WhatsApp, chat, push, social, ads, and more.

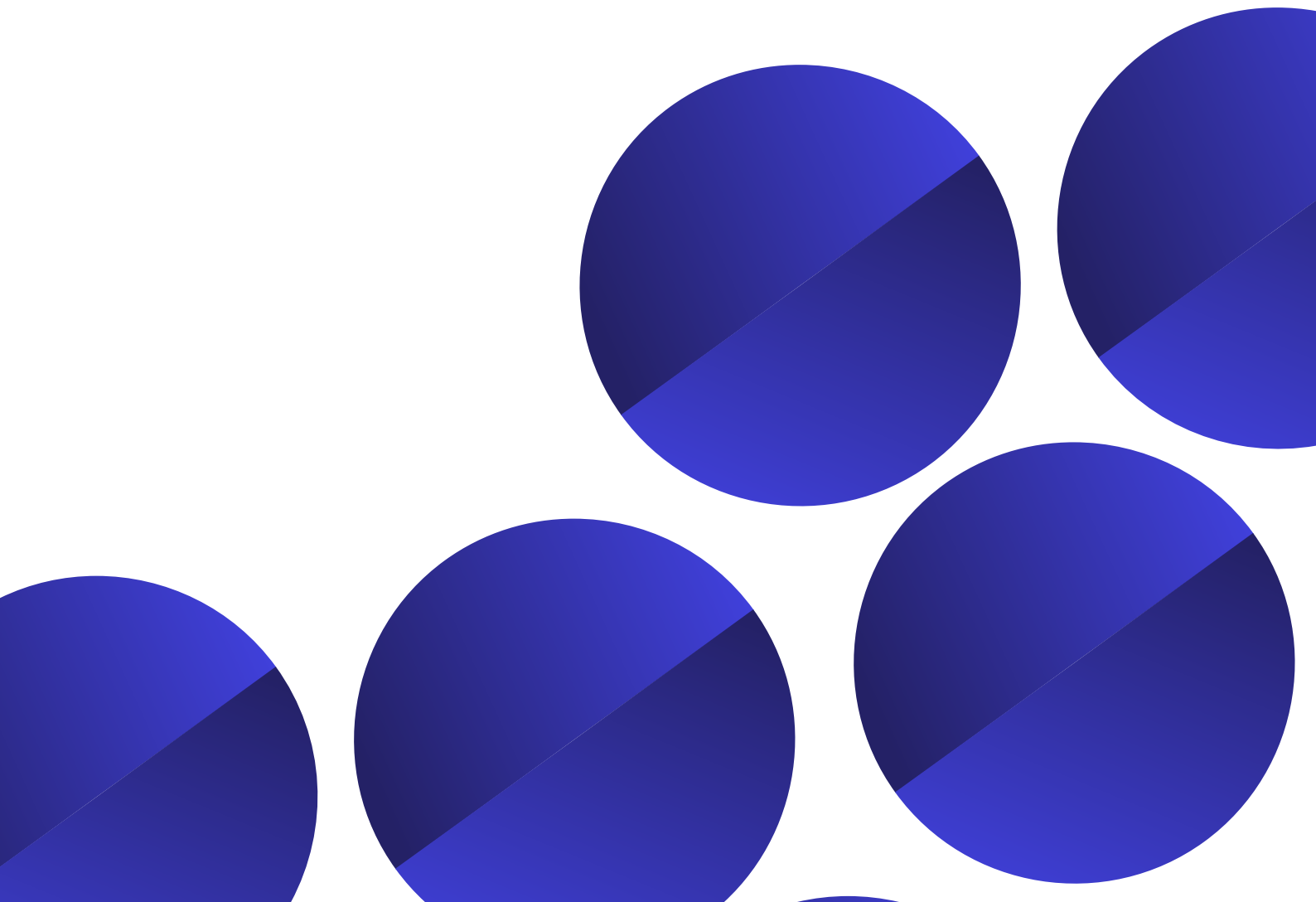
Dotdigital's 450+ employees serve mid-market and enterprise companies around the world and across industries. We aspire to inspire responsible marketing and are committed to sustainability, privacy & security. Dotdigital is proud to be the world's first carbon-neutral, ISO14001, ISO 27701 & ISO27001 certified marketing automation platform.



Equal pay at Dotdigital

The format of the gender pay gap measures the differences between the average pay of all male and all female employees, irrespective of their job role or seniority. It does not check and measure fair and equal pay for those completing the same job. Therefore, fair and equal pay is very different. We're confident that we pay fairly across the business regardless of gender. We have rigorous processes and complete an annual audit to confirm that pay is equitable for all positions across the business.

Dotdigital recognizes the benefits of a diverse workforce and we are committed to providing a working environment that is free from discrimination and encourages openness, support and opportunity for all employees. We promote the principles of equality and diversity in all our dealings. Specifically, we aim to ensure that no employee or job applicant is subject to unlawful discrimination, either directly or indirectly, on any grounds including gender. This commitment applies to all aspects of employment.



Our work to close the gender pay gap

This year, our HR Director, Nicky Penkov, continues in the role as Diversity Lead, with the support of our Diversity Champion, and is responsible for developing and driving our diversity strategy and collaborating closely with key stakeholders across the business. Our diversity, equality, and inclusion (DEI) employee resource group, DotDEI, also remains committed to guiding and supporting our actions for change.

Talent Acquisition

Talent acquisition plays a crucial role in influencing the gender pay gap as it is the starting point of shaping an organisation's workforce. Hiring practices that are unbiased and supportive to ensure that individuals are selected based on merit and skills, rather than gender norms or stereotypes. This fosters a more balanced workforce, providing equal opportunities for career growth regardless of one's gender. In addition, diverse hiring enables equitable pay structures by setting fair compensation based on the value of the work itself, rather than perpetuating gender bias in salaries. With an equitable talent acquisition process, organisations can work towards reducing the gender pay gap and promoting a fairer work environment.

- Constant review of hiring processes to remove opportunities for discrimination
- Implementation of standardised global interview kits on Teamtailor (ATS)
- Teamtailor allows for anonymous applicants removing all unconscious bias when reviewing CVs
- We send a NPS feedback survey to all final interview candidates
- Team Talent new starter check ins after 60 days following their start date
- Our careers page and other employer branding activities are diversity focused
- We hosted a school careers day in our London office for secondary school girls as part of our partnership with The Girls' Network
- We have enhanced all our job adverts to attract diverse talent by creating an inclusivity-focused standard job advert template
- Being part of the Tech Talent Charter, we are frequently reviewing what we can implement from their findings

Education

Education is vital in influencing the gender pay gap as it promotes awareness and understanding of the systemic biases and discriminatory practices that contribute to the disparities in pay between men and women. By equipping individuals and organizations with the knowledge and tools needed to recognize and address these issues, education fosters a more inclusive work culture. This leads to more equitable opportunities for career growth and compensation for people of all genders, ultimately narrowing the gender pay gap.

- We have a confidential reporting portal known as “Your Voice” which is completely anonymous and creates a safe space for our employees to raise personal or general concerns about the workplace and in particular subjects such as DE&I or harassment.
- Our ERG, Dotvoice, play a crucial role in delivering against our DEI goals
- We are committed to supporting our staff at every stage of their career, that’s why we have signed up to the Menopause Workplace Pledge
- We are a Disability Confident Employer which ensures inclusive recruitment, promoting vacancies, interviewing disabled candidates, providing reasonable adjustments, supporting employees with disabilities, and initiating impactful activities.
- We continue to support and celebrate Pride Week each year
- We have published a DEI Guide providing detailed guidance to employees how to navigate certain situations following DEI best practices
- We have created a DEI training resource section on MYLO (our employee learning platform) for all employees to access educational material
- We hosted our second annual International Women’s Week, with a week-long program of global events, internal panels across our different regions, educational activities and learning opportunities
- Publishing articles including inspiring colleague stories

Career Development

Career development is crucial in influencing the gender pay gap as it shapes an individual's skills, knowledge, and experience, which directly enhances earning potential and helps to retain our top talent. When women have equal access to education, training, and professional opportunities, it empowers them to pursue high-paying jobs and leadership roles. In turn, this helps narrow the pay gap by fostering a more equitable workforce, where wages are based on merit rather than gender. Moreover, encouraging career development for women can break down stereotypes and unconscious biases that may contribute to pay discrepancies. A proactive approach to career development also promotes economic growth and enriches corporate culture by leveraging the full potential of both genders.

- Providing ongoing support to employees through development and internal promotion
- Ongoing flexible working support for working parents and carers
- Access to our learning platform MYLO with bespoke and off-the-shelf business training courses
- Annual employee engagement and quarterly NPS surveys to gather feedback
- Continued partnership with The Girls' Network, giving female employees the opportunity to mentor school-age girls
- Conducting exit interviews and reviewing the feedback to analyse the data when employees leave the business
- Continue to regularly review benefits offered to employees
- All positions are publicly announced to provide equal opportunities for career advancement



Spotlight

Two areas we want to focus on this year are our initiatives with The Girls' Network and the efforts of our employee resource groups (ERGs) within Dotvoice.

The Girls' Network:

We are incredibly proud to be a corporate partner of The Girls' Network! The Girls' Network aims to inspire and empower girls from the least advantaged communities by connecting them to a mentor and a network of professional role models who are women. We know that women are underrepresented in the tech industry, so we're incredibly excited to partner with such a fantastic charity to inspire the next generation of young women.



Dotvoice:

Dotvoice is an employee led initiative focusing on 4 pillars - Dotcommunity, DotDEI, Dotgreen and Dotwellbeing. Dotvoice aims to empower employees to make a difference. It encourages employees to come together to discuss their experiences, passions and enlighten each other to make changes and start new initiatives both within Dotdigital or to have an impact on the wider community.

What are we going to do next

Our Dotvoice Initiatives

We will continue to run our annual **International Women's Week**. This is our week-long celebration dedicated to recognising and honoring the achievements and contributions of women across the globe. It serves as an opportunity to start discussions and highlight the progress made in women's rights and inspire ongoing action to address the remaining challenges faced by women in various aspects of life, including culturally, politically, socially, and economically. Another important celebration at Dotdigital is our **Pride week** in support of our LGBTQIA+ colleagues. These events typically consist of various activities, colleague stories, panel discussions and educational content designed to promote equality, empowerment, and social change.

We plan to run our first **Neurodiversity Awareness Day** which aims to raise awareness and understanding of neurological differences and focuses on promoting acceptance, inclusion, and equal opportunities for individuals who have diverse neurological profiles. Through various activities, discussions, workshops, and educational sessions, the event encourages people to appreciate and respect the unique thinking and behavior patterns of neurodiverse individuals, fostering a more compassionate and understanding workforce.

We will be introducing a new **ECHO week** this year to celebrate the wide-ranging ethnicity and cultural heritage origins of our employees. This new initiative will allow employees across all backgrounds to share their stories, celebrate their differences and educate colleagues which in turn will break down barriers and provide deeper understanding of other cultures.

We will be continuing our partnership with **The Girls' Network** that focuses on empowering and inspiring young women from disadvantaged backgrounds by connecting them with a network of positive, professional female role models. We will be looking at furthering our mentor relationship as well as hosting further events or workshops for them. We want to ensure we play our part in creating meaningful relationships between the mentors and mentees with a supportive environments where we can motivate and inspire these girls to pursue their ambitions by overcoming obstacles and hopefully providing them with the tools and guidance to succeed in life.

Returner Program

Our Returner Program is designed to help our employees reintegrate into the workforce after an extended period of absence. This program aims to ease the transition back into work for those returning from maternity leave, long periods of ill health and carers leave, ensuring that they feel valued, supported, and engaged.

Talent Acquisition

In our ongoing commitment to Diversity, Equity, and Inclusion (DEI) and talent acquisition, we are planning to focus on four key areas.

- Firstly, we aim to sponsor networking groups that foster connections and support for under-represented talent.
- In continuing with promoting transparency and reducing pay gaps, we are looking to include salary ranges in job adverts.
- In addition, we understand the importance of work-life balance and increasing accessibility to opportunities, and we can do this by offering part-time roles to our candidates.
- Finally, to ensure a fair and unbiased hiring process, we will provide interview training for hiring managers to eliminate any subconscious bias.

By concentrating on these measures, we aspire to create a more inclusive and diverse environment, and attract talented individuals from all walks of life.



Annual Equal Pay Audit

Our annual Equal Pay Audit is a comprehensive assessment of employee compensation conducted to ensure equal pay for equal work, regardless of gender or other demographic factors. Through transparent analysis, consistent monitoring, and potential salary adjustments, we actively maintain fairness in our workplace and foster an inclusive environment.

Mission & Values based culture

As the business continues to evolve, we recognise the importance of having a well defined company culture, that's why we've kick started a new project to define our company values that will be used as a benchmark to the behaviours and attributes we hold our employees inclusive of leadership too. This will be reflected in our people practices, business systems and tie into our overall employee value proposition.

Mentor Program

We are working towards launching our employee mentor programme to help support all our employees. We expect this programme to help support the career goals and aspirations of our employees and continue to attract, develop, and retain high performing individuals and teams.



Dotdigital gender pay gap

Snapshot taken on 5 April, 2023



Median hourly pay gap

At Dotdigital, women earn 79p for every £1 that men earn when comparing median hourly pay. Their median hourly pay is 21% lower than men's. (Was 29% in 2022)



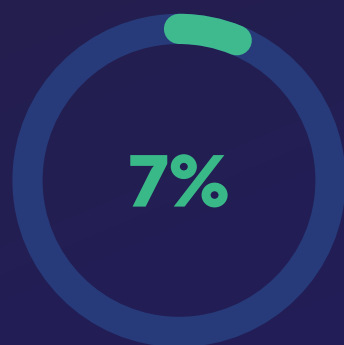
Mean hourly pay gap

When comparing mean (average) hourly pay, women's mean hourly pay is 24% lower than men's. (Was 29% in 2022)



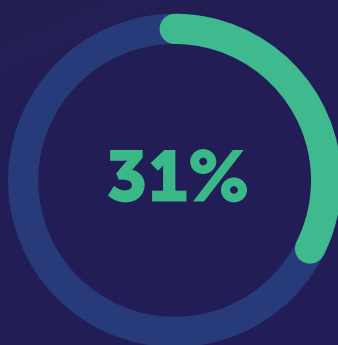
Bonus pay received

78% of women received bonus pay. (Was 76% in 2022)



Median bonus pay gap

Women earn 93p for every £1 that men earn when comparing median bonus pay. Their median bonus pay is 7% lower than men's. (Was 38% in 2022)



Mean bonus pay gap

When comparing mean (average) bonus pay, women's mean bonus pay is 31% lower than men's. (Was 56% in 2022)



Bonus pay received

83% of men received bonus pay. (Was 75% in 2022)

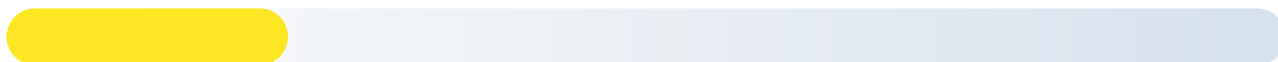
The percentage of women in each pay quarter

Women occupy 18% of the highest paid jobs and 45% of the lowest paid jobs.

(Was 15% of highest paid and 50% of lowest paid jobs in 2022)

Upper hourly pay quarter (highest paid)

18% of the upper hourly pay quarter (highest paid) are women



82% of the upper hourly pay quarter (highest paid) are men



Upper middle hourly pay quarter

27% of the upper middle hourly pay quarter are women

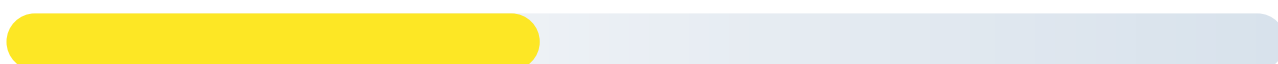


73% of the upper middle hourly pay quarter are men



Lower middle hourly pay quarter

44% of the lower middle hourly pay quarter are women

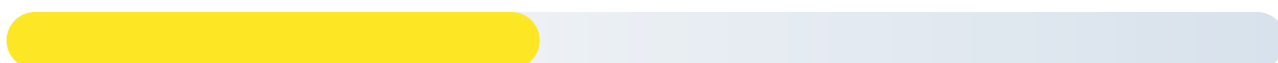


56% of the lower middle hourly pay quarter are men



Lower hourly pay quarter (lowest paid)

45% of the lower hourly pay quarter (lowest paid) are women



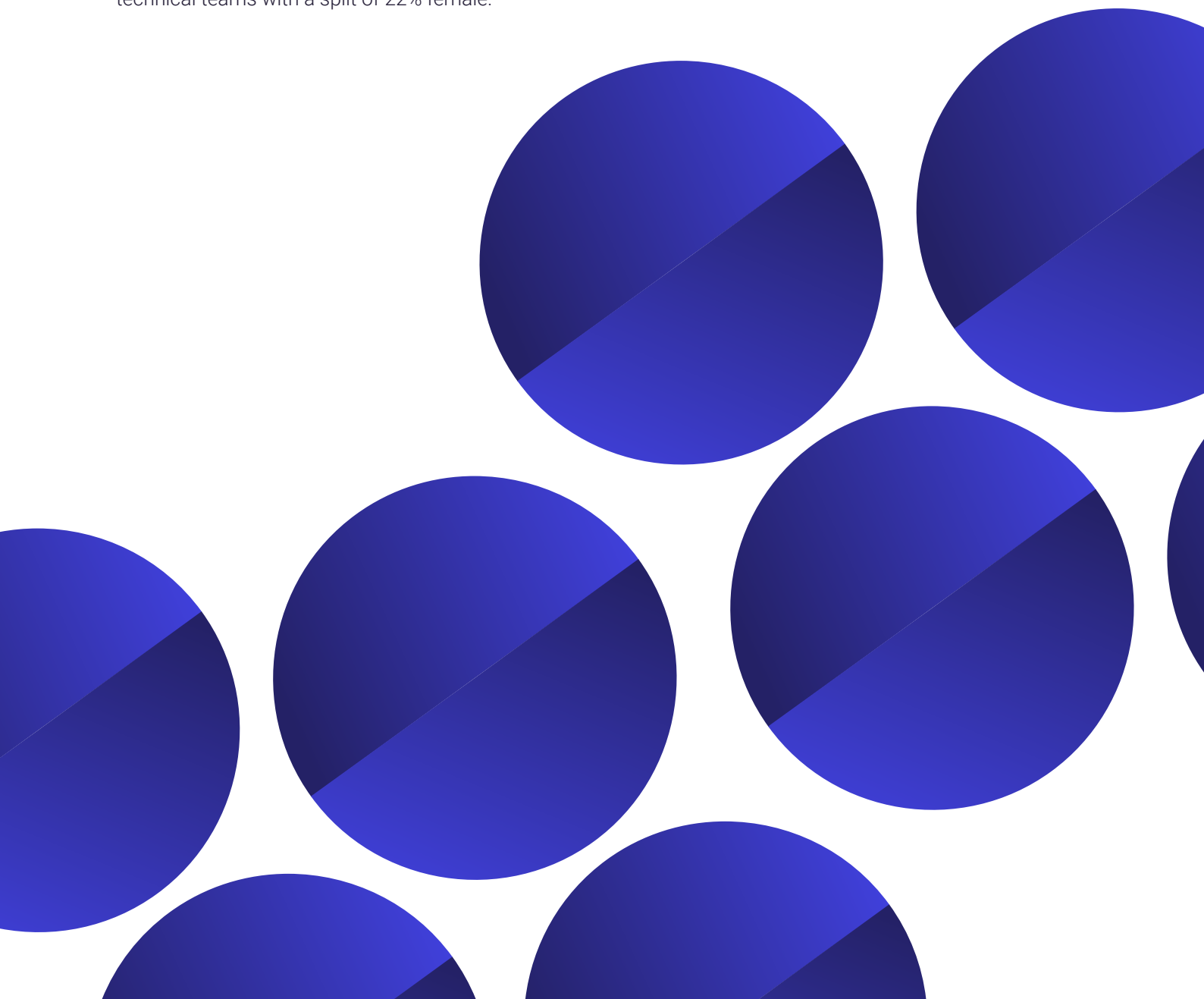
55% of the lower hourly pay quarter (lowest paid) are men



Why do we have a gender pay gap?

Our gender pay gap is a result of gender ratio imbalance in certain areas of the business. There is clearly work to be done to address this imbalance and we're committed to an action-led approach to improve the results.

In April 2023, 36% of Dotdigital employees were women an increase from 33% the year before, however, in certain areas of the business, this percentage is less. Roles that typically might offer a higher rate of pay are currently fulfilled by a smaller percentage of women, for example our senior leadership roles where the split is 22% female, and our technical teams with a split of 22% female.



Definitions

The median gender pay gap figure

This is the difference between the hourly pay of the median man and the hourly pay of the median woman. The median for each is the man or woman who is in the middle of a list of hourly pay ordered from highest to lowest paid.

A median involves listing all of the numbers in numerical order. If there is an odd number of results, the median is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

Medians are useful to indicate what the 'typical' situation is. They are not distorted by very high or low hourly pay (or bonuses). However, this means that not all gender pay gap issues will be picked up. They could also fail to pick up as effectively where the gender pay gap issues are most pronounced in the lowest paid or highest paid employees.

The mean (average) gender pay gap figure

The mean gender pay gap figure uses hourly pay of all employees to calculate the difference between the mean hourly pay of men, and the mean hourly pay of women.

A mean involves adding up all of the numbers and dividing the result by how many numbers were in the list.

Mean averages are useful because they place the same value on every number they use, giving a good overall indication of the gender pay gap. But very high or low hourly pay can 'dominate' and distort the figure.

(Source: Gov.uk: Gender pay gap service: <https://gender-pay-gap.service.gov.uk/>)

