

# Pay Equality and Gender Pay at Personio: Ireland Pay Gap Report 2023

At Personio, we're focused on continuing to create a diverse, equitable and inclusive environment. We aim to embrace uniqueness, educate around individual needs and create a safe space where everyone can belong. This focus includes:

- **Diversity:** We embrace and value individual experiences amongst our employees, customers and communities.
- **Equity:** We design and operate our people processes with checks and balances to ensure they run fairly and equitably.
- **Inclusion:** We create an environment that welcomes people to share their point of view regardless of their identity.

This DEI focus, and in particular the element of equity, plays a fundamental role in the way we manage compensation and reward our people. We believe in providing equal pay for equal work, regardless of gender identity, race, sexual orientation, age, or any other social identity. One of the ways we ensure pay equity is through our annual Compensation Evaluation process, where each Personio's salary is reviewed against objective, benchmark market data and employee performance. This process has enabled us to create a fair and consistent approach to compensation and reward across our company.

## Gender Pay Gap and Pay Equity

It is important to understand the difference between pay equity and gender pay as we dive in.

**Gender pay** measures the difference in average pay between all men and women in the workforce, regardless of their job type or level. Gender pay is a group comparison that highlights any differences (a.k.a. the gap in 'gender pay gap') in the distribution of men and women across the workforce. Said another way, gender pay gaps look at the distribution of gender in higher-paying roles and lower-paying roles.

**Equal pay**, or pay equity, measures the difference in the pay of men and women performing the same role. It is an individual comparison that highlights any differences in pay, specific to gender.

It is possible for an employer to have a gender pay gap and pay equity at the same time. For example, if men and women are being paid the same salary, the equal pay analysis will show that there is equal pay. However, if there are fewer women in executive roles and more women in entry-level jobs, the overall average salary for women would be lower than that of men – causing a gender pay gap.

## Gender Pay Gap Information Act

In 2021, the Irish government introduced the Gender Pay Gap Information Act (“GPG Information Act”) to track the progression of women in an organization’s workforce into more senior roles. The act states that all Irish employers with 250 or more ‘relevant employees’ (employees who ordinarily work in Ireland and whose contracts are governed by Irish legislation) are required to annually report on their gender pay gap statistics.

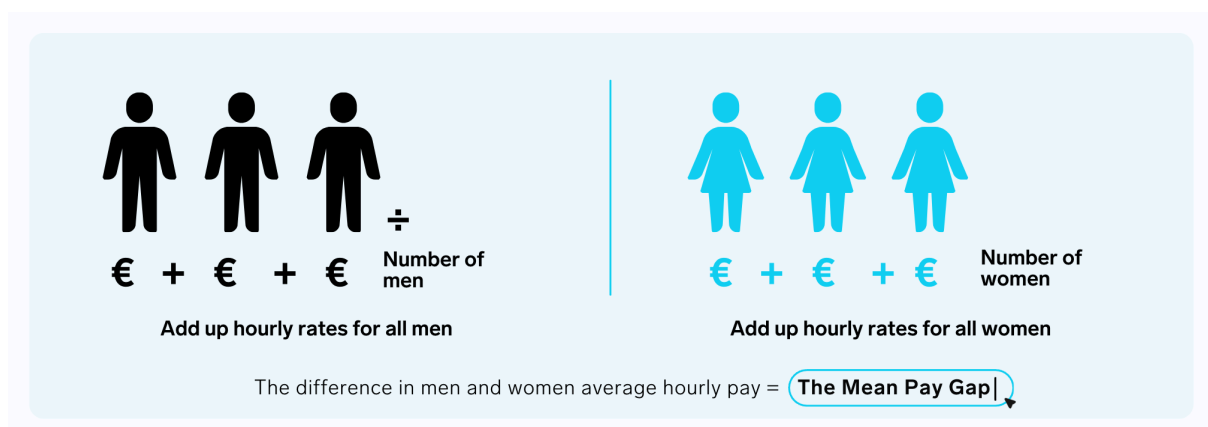
While we regularly track our movement towards our ongoing diversity and pay equity efforts internally, this marks the first time we’re publishing an external report. Continue reading to learn more about the numbers and how we’re addressing pay and DEI at Personio!

## Understanding Gender Pay Metrics

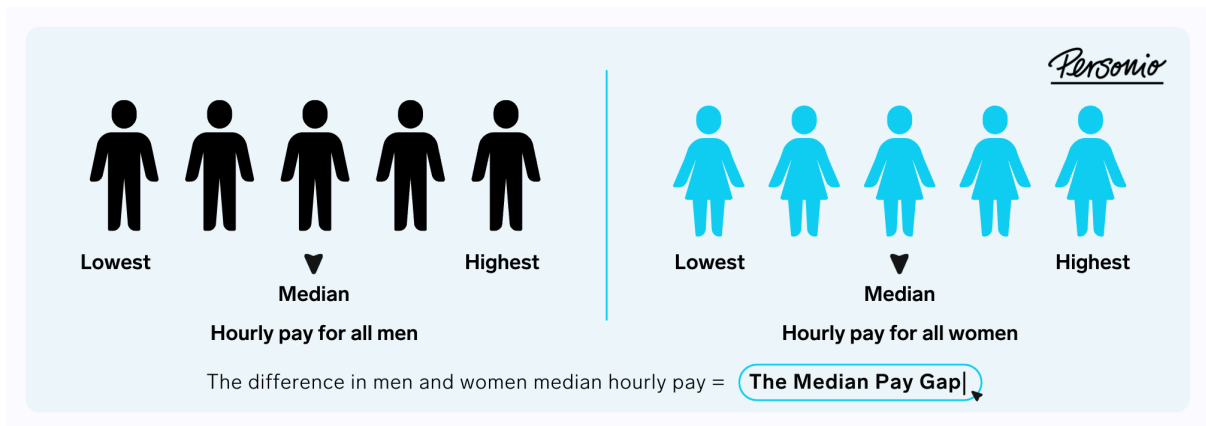
The GPG Information Act focuses on specific metrics, including the mean and median pay gaps and pay quartile breakdowns. We gathered and analyzed our data with the support of a third party consulting firm to ensure objectivity and accuracy of the analysis, and will define each metric below:

### Mean Pay Gap

The *mean* pay gap is the difference between the average hourly rates of pay for men, compared to the average hourly rates of pay for women. When this metric is higher than zero, it means that men are paid more than women. When it is lower than zero, it means that women are paid more than men in that company.



## Median Pay Gap



If we rank all employees from highest to lowest pay, the value in the middle is referred to as the median. This means that there would be one half of employees above that value and another half of employees below that value. In this case, the median pay gap refers to the difference between men’s median pay vs women’s median pay.

Like in the case of the mean pay gap metric, when the median pay gap shows a percentage higher than zero, that means that the median of men is higher than women and vice versa.

## Pay Quartiles

To find the gender distribution across the range of hourly pay rates, we rank all employees by pay rates from highest to lowest, and split the ranges into four equally-sized groups. Employees are then positioned in the quartile with respect to pay, regardless of gender. We then measure the proportion of men and women in each quartile.

## 2023 Ireland Gender Pay Gap Results

### Measuring our Pay Gap

	Mean	Median
Hourly Pay Gap - All Employees (*)	11.2 %	23.2 %
Bonus Gap	-6.1%	5.3 %

(\*) Due to a small sample size of part-time and temporary employees in Ireland, and in an effort to protect confidentiality, we have not reported separately on the hourly pay for these groups, and were instead included in the overall numbers. In line with standard practice, we only report on a group with a minimum of ten employees, where that group has at least three men and three women.

## Pay Quartiles by Gender

Quartile	Women	Men
Upper (those with the highest hourly pay)	20.6 %	79.4 %
Upper middle	25.4 %	74.6 %
Lower middle	39.7%	60.3 %
Lower (those with the lowest hourly pay)	58.7 %	41.3 %

	Women	Men
Percentage of employees receiving a bonus	44.0 %	36.0 %
Percentage of employees receiving benefit in kind	85.7 %	87.0 %

## Understanding our results

When following the methodology determined by the Gender Pay Gap Information Act – which does not account for differences in jobs or performance – we see that there is a 11.2% mean gap and 23.3% median gap across our Ireland-based Personios. For bonus pay, there is a -6.1% mean gap and 5.3% median gap.

A primary driving factor of our gender pay gap is that we have a larger representation of men in technical roles. These roles typically command higher market salaries, and therefore contribute significantly to a gap in the overall metrics.

Another factor is the lower representation of women in leadership roles in Personio Ireland. While three of the six most senior Personios in Ireland are women, there is a larger representation of men in leadership roles when we look at all leadership roles in this location.

The representation of women in both tech and leadership roles in Personio Ireland, while similar to other tech companies, is an area where we continue to invest our hiring efforts, with the goal of moving ahead of the tech industry averages.

## How we're reducing our Gender Pay Gap

A gender pay gap is typically related to a lower representation of women in higher-paying jobs. Therefore, one of the biggest levers we can pull to shift our gender pay gap in the right direction is to support and uplift women in tech. This has been a key focus in 2023, and will continue to be as we move into 2024.

So what are we doing to enact meaningful change? We have multiple initiatives and programs designed to support the women currently working Personio:

- **Lift Mentorship Program:** This internal program is designed to help Personios across all levels and departments – especially women – learn, grow, and develop their skills together. Within this program, 75% of mentors and 85% of mentees are women, and the program is sponsored by our CRO, Geraldine MacCarthy (based in Ireland), and our CFO, Birgit Haderer.
- **Career Coaching for Women:** In addition to the Lift program, we also create opportunities for women to advance their careers through external coaching programs. This includes transitioning into managerial roles with confidence or understanding how to prevent burnout and build strong mental wellbeing.
- **Empower Bite Sessions:** We host regular meetups that enable our women to connect and upskill each other on the things that matter most to them. Some Bites topics so far have included public speaking, personal branding, how to leverage AI, core tech skills and the benefits of international volunteering.

As well as supporting existing Personios, we're also focused on continuing to move towards our Diversity, Equity, and Inclusion goals:

- Analyzing **Engagement Survey and People Programs data**, and input from our employee resource groups to measure and maintain an equitable experience and equal opportunities for all employees regardless of their gender.
- Our **Compensation Evaluation** cycle enables us to regularly review employees' compensation (using objective market data from third-party vendors) and provide annual increases based on performance. We also conduct annual pay equity analysis, offer compensation training for managers, and share our compensation practices in our internal knowledge management system for a transparent approach.
- **Diverse hiring panels, equitable processes and awareness training** helps us reduce unconscious bias throughout our hiring practices.

- **Targeted sourcing initiatives** in partnership with Employee Resource Groups that identify specific recruitment events and channels so we can proactively reach and attract under-recognized groups to our company.

At Personio, we prioritize building a culture of diversity, equity, and inclusion, and providing a safe space where everyone can belong. But we know that we have more work to do, and this gender pay gap report is just one step we're taking to recognize our improvement opportunities and move in a positive direction to enact change.