

OPEN by Default – 2021 UK Gender Pay Gap Reporting

At Finastra we are on a mission to become the most loved and inclusive company in Fintech.

For all the negatives that COVID-19 brought about, it has given us the opportunity to change work-life balance for the better at Finastra. It cemented the belief we have in our people and energised our purpose to unlock the potential of people, businesses and communities everywhere.

To deliver on our purpose, we are committed to being OPEN by {Default}, and this means being open minded in the way we think, using inclusive language in the way we speak and championing our COMMITMENT behaviours in the way we act.

Our OPEN by {Default} philosophy will enable us to focus on diversity, equity and inclusion efforts across the full spectrum of diversity including gender, race, age, ethnicity, sexual orientation and socio-economic background. We believe this is a vital component for the long-term success of our company and importantly, helps us to reflect the views, beliefs and cultures of all our stakeholders. This is why we take our gender pay gap seriously and are committed to addressing it.

The gender pay gap reporting looks at the difference in the average hourly rate of pay (median and mean) between male and female employees.

The data presented in this report is based on our UK-based employees, as per the legal requirement. We also track and monitor the gender pay gap across our entire company.

The mean gap is a calculation of the average pay (hourly rate) and bonus respectively of male versus female employees in our organisation. The median gap is a calculation of the exact mid-point between the lowest and highest-paid male versus female employees in the organisation (in terms of pay and bonus respectively).

The report also includes gender distribution by pay quartile based on actual earnings, not by grade or level (the lower quartile represents the lowest 25% of earnings, whereas upper quartile represents the highest 25% of earnings).

The gender pay gap should not be confused with equal pay, which is covered in the Equal Pay Act 1970. This legislation prohibits less favourable treatment between men and women in relation to their terms and conditions of employment. Equal pay is the difference in pay between men and women who carry out the same or similar jobs of equal value, whereas the gender pay gap is the difference between average pay across all jobs.

UK gender pay gap 2021

Gender Pay Gap

Year	Mean %	Median %
2021	25.6%	20.9%
2020	29.1%	20.6%
2019	35.8%	26.6%
2018	39.0%	25.2%
2017	35.3%	31.8%

Gender Bonus Gap

Year	Mean %	Median %
2021	55.1%	36.0%
2020	68.9%	48.3%
2019	47.7%	35.3%
2018	79.0%	32.7%
2017	41.3%	36.6%

We are pleased that most of the 2021 numbers are lower than the prior year and, in particular, that our mean (average) gender pay gap has fallen for the last three years.

The following table shows the gender distribution by pay quartile.

Year	Upper		Middle Upper		Middle Lower		Lower	
	Female %	Male %	Female %	Male %	Female %	Male %	Female %	Male %
2021	28.2%	71.8%	34.5%	65.5%	34.5%	65.5%	58.6%	41.4%
2020	25.2%	74.8%	37.9%	62.1%	34.0%	66.0%	60.8%	39.2%
2019	21.4%	78.6%	28.9%	71.1%	37.1%	62.9%	59.2%	40.8%
2018	21.0%	79.0%	23.0%	77.0%	28.0%	72.0%	52.5%	47.5%
2017	19.3%	80.7%	22.0%	78.0%	29.4%	70.6%	58.7%	41.3%

Since April 2017, we have seen a steady increase in the percentage of females in the upper, middle upper and middle lower quartiles, which is evidence of our goal of having equal gender balance across Finastra.

The following table shows the proportion of proportion of men and women receiving a bonus payment.

The 2021 bonus data above is based on the bonuses received between May 2020 and April 2021. For most employees this would have been the bonus paid in August 2020 in respect of the Finastra financial year ended on 31 May 2020. However, the population to be reviewed in this analysis is the UK employees as of April 2021.

Consequently, the main reason why the numbers in the table are not 100% is that employees who have joined between March 2020 and April 2021 would not have been with Finastra to receive a bonus in respect of this prior financial year.

% of Employees receiving a Bonus

Year	Female %	Male %
2021	81.4%	78.8%
2020	70.4%	78.7%
2019	84.9%	92.1%
2018	85.4%	80.6%
2017	72.2%	82.1%

Our actions are making a difference

Finastra is committed to have 50:50 gender balance by 2030.

In general, our 2021 UK gender pay gap reporting results show that the actions we are making progress in meeting this goal. The diversity, equity and inclusion agenda to recruit and progress females to senior and higher roles in the organisation is being achieved.

Since 2018 we have been increasing the percentage of females in our global Finastra Leadership Team, comprising about 200 individuals. In 2018, 22% of global top 200 team were female, 29% in 2019, 32% in 2020 and 32% as at 31 May 2021. However, we acknowledge that we are not at 50% which is our goal.

To support this ambition, all members of Finastra's Executive Leadership Team have a bonus target to reduce Finastra's global gender pay gap.

We are also through our five key Employee Resource Groups (ERGs), (i) Women@Finastra; (ii) Proud@Finastra; (iii) Cultural Inclusion; (iv) Special Abilities & (v) Generational Inclusion forming a powerful movement of people in Finastra to create a working environment where everyone feels a sense of belonging and are motivated to be their self. We believe the change agenda and actions of these movements especially the Women@Finastra ERG will have a positive and measured impact in helping to reduce our gender pay gap across Finastra.

Women@Finastra ERG

The mission of the Women@Finastra ERG is to support Finastra in becoming the most loved, inclusive and diverse company in FinTech, by enabling and empowering women to achieve their professional and personal aspirations through the following actions:

- creating an environment where women feel safe and are comfortable speaking up, encouraging open dialogue and developing confidence to progress to senior leadership roles;
- embodying inclusivity, diversity, servant leadership, and intersectionality of women from different backgrounds;

- supporting to attract, hire, and give equal opportunity to a balanced pool of women and men, particularly for roles with limited female representation;
- building a network of allies to support, enable and nurture a pipeline of women; and
- encouraging unbiased decision-making during all phases of the employee life cycle to ensure equality and neutrality.

Conclusion

We remain committed to having a more gender balanced organisation and reducing our gender pay gap further in a sustainable and fair way. We will continue to take actions to attract and retain a diverse workforce, create an inclusive culture and ensure greater gender representation parity.

I confirm that the information contained in this report is accurate.

Dan Perrett
SVP, Global Reward