

# OPEN by Default – 2022 UK Gender Pay Gap Reporting

At Finastra our purpose is 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, being inclusive in the way we speak and championing our COMMITMENT behaviors 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 balance and gender pay gap seriously and are committed to addressing them.

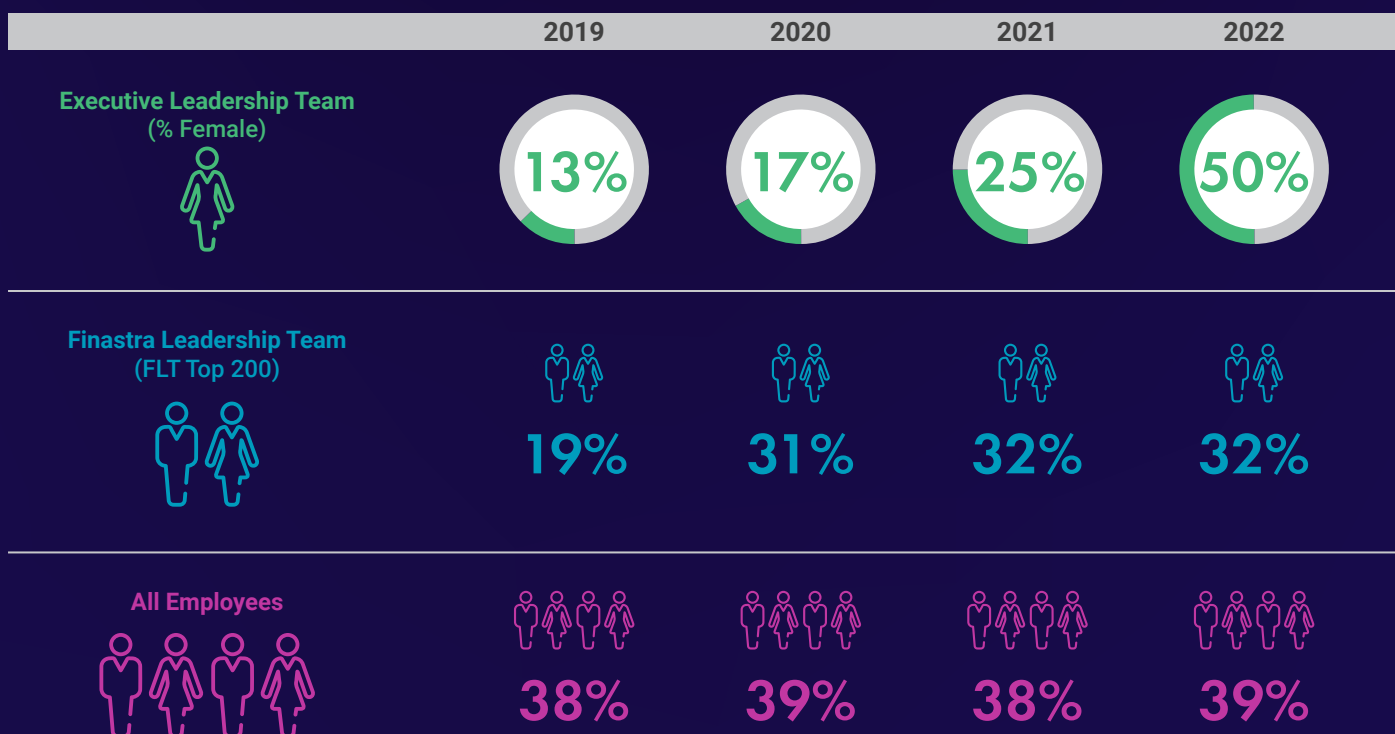
## An enterprise perspective

Finastra has made a 50:50 gender balance commitment across all of its teams by 2030. This includes increasing women in our leadership teams and technology roles. Our journey to date on an enterprise basis is:

This shows that we have achieved 50:50 gender balance across the Executive Leadership Team, but we have some inertia to overcome in respect of the next level of leadership and across all employees.

We do track our gender pay gap across our global organization. At 31 May 2022, Finastra's gender pay gap was 21.6%.

### Female representation across Finastra



## UK gender pay gap 2022

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 the remainder of this report is based only on our UK-based employees, as per the legal requirement. This comprised 436 UK based employees out of total enterprise workforce of ~8,000 employees.

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

The following data shows Finastra's UK gender pay gap as of 5 April 2022. The gender split of the 436 UK employees in April 2022 was 38% female and 62% male.

### Gender pay gap

Year	Mean %	Median %
2022	30.2%	24.2%
2021	25.6%	20.9%
2020	29.1%	20.6%
2019	35.8%	26.6%
2018	39.0%	25.2%

### Gender bonus gap

Year	Mean %	Median %
2022	55.3%	41.6%
2021	55.1%	36.0%
2020	68.9%	48.3%
2019	47.7%	35.3%
2018	79.0%	32.7%

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 %
2022	17.4%	82.6%	40.7%	59.3%	31.2%	68.8%	60.9%	39.1%
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%

For five years from 2017 to 2021, we were able to report a decreasing UK mean gender pay gap and a steady increase in the percentage of females in the upper quartiles. This was pleasing evidence of progress in our goal of having equal gender balance across Finastra. The 2022 UK data is a disappointment and is not consistent with the progress being made on an enterprise basis.

For example, we are proud that the Executive Leadership Team comprising 10 executives is now equally gender balanced. However, this is a global team of 10 executives and, as of April 2022, four were UK based and included in the UK analysis. Of these four, three were men and only one was a woman; this significantly impacts the UK gender pay gap compared to our enterprise gender pay gap.

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

### % of Employees receiving a Bonus

Year	Female %	Male %
2022	76.8%	78.3%
2021	81.4%	78.8%
2020	70.4%	78.7%
2019	84.9%	92.1%
2018	85.4%	80.6%

The 2022 bonus data above is based on the bonuses received between May 2021 and April 2022. For most employees this would have been the bonus paid in August 2021 in respect of the Finastra financial year ended on 31 May 2021. However, the population required to be reviewed in this analysis is the UK employees as of April 2022.

Consequently, the main reason why the numbers in the table are not 100% is that employees who have joined or left between March 2021 and April 2022 are not included in this analysis. The higher than normal levels of staff turnover during this time due to a very competitive recruitment market in software companies has resulted in more than 20% of our employees not being eligible to be paid a bonus.

The data also shows that the attrition rate has been higher for women than men at Finastra.

## Our actions are making a difference

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

We have made progress in meeting this goal at the highest level of the company and the lessons learned on achieving that are now being applied across all levels. The diversity, equity and inclusion agenda to recruit and progress females at all levels including the most senior and higher roles in the organization is being achieved.

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

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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

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We remain committed to having a more gender balanced organization and reducing our enterprise 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