Now in its second year, gender pay gap reporting is a legal requirement in the UK for all employers with more than 250 employees. While disclosing our data is an important step in addressing the gender disparities that exist in the technology sector, it is only one step. We are committed to creating hiring goals for women and underrepresented minorities in both technical and non-technical roles and implementing programmes that create a more inclusive work environment. Mimecast is in the process of developing a comprehensive strategy to help close the gap when it comes to diversity, equity, and inclusion (DEI), and this report helps hold us accountable.

Our aim at Mimecast is to create a workplace where all employees are empowered do their best work, their best teamwork and their greatest learning. To achieve parity, we need to gain a better understanding of our culture, eliminate any unconscious bias, and have tough conversations internally. While there is a shortage of women in technical roles industry wide, there are immediate opportunities for greater gender balance in our non-technical departments. We must be more proactive in hiring women into all areas and levels of our business.

Although the talent pool in the cybersecurity field remains limited, we are committed to working with the broader tech industry to encourage more women to enter careers in STEM (Science Technology Engineering and Maths). Recruiting and upskilling women as they enter the workforce remains a priority for Mimecast. The tech industry remains a male dominated profession. It is our duty to change this by investing in workforce development within our organisation and education initiatives among young women starting their careers.

Mimecast is still in the early stages of its DEI journey. Our approach is threefold:

• Firstly, we are investing in STEM education and tech workforce development. Through our Global Citizenship programme and our partnership with Arrival Education, we are focusing on young women and underrepresented minority students. Through workshops, mentoring sessions, and coaching relationships, we are hoping to inspire the next generation of tech leaders.

• Next, we are committed to diversifying our talent pipeline sources, pursuing gender-balanced candidate slates and setting hiring goals to ensure we are creating more pathways for diverse hires.

• Finally, we are focusing on our own culture to ensure inclusion. We are incorporating unconscious bias training into our learning and development programmes and engaging our executives in our Women at Mimecast employee resource group. The group is focused on creating opportunities for development, networking, and sponsorship for women across the business. This group will be increasingly important as we endeavor to shrink the gap.

We remain committed to recruiting the best talent and investing in their careers through adequate training, coaching and mentorship. We also understand that a more diverse and inclusive workforce is simply better for business and we will strive to be better.

Peter Bauer,
CEO, Mimecast
What does gender pay gap mean?

The gender pay gap is a snapshot of pay within an organisation showing the difference in the average pay between all men and all women employed in the same workforce. It exists because more men than women occupy senior positions which receive greater remuneration.

The Equality Act is a legal requirement that prevents employers paying people differently for carrying out comparable jobs on several protected characteristics, including gender.

A gender pay gap does not equate to the existence of an equal pay problem.

Our gender pay gap results:

The Mimecast gender pay gap analysis uses the government’s methodology, determining hourly rates of pay for the pay period April 2018, encompassing the snapshot date of 5th April 2018. The bonus gap calculations include bonuses paid and equity released in the 12 months prior.

Difference in Hourly Rate

Women’s mean hourly rate is **10.9%** lower than men’s
Women’s median hourly rate is **20.9%** lower than men’s

About mean and median:

The mean hourly rate is the average hourly wage across the entire organisation, so the mean gender pay gap is a measure of the difference between women’s mean hourly wage and men’s mean hourly wage.

The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid and taking the hourly wage of the person in the middle. So, the median gender pay gap is the difference between women’s median hourly wage (the middle paid woman) and men’s median hourly wage (the middle paid man).

Who Received Bonus Pay:

**54% of Women**
**53% of Men**

Difference in bonus pay Women’s mean bonus pay is **38.3%** lower than men’s
Women’s median bonus pay is **0.2% higher** than men’s
Proportion of women in each pay quartile

Top Quartile (Highest Paid)

- Women: 15%
- Men: 85%

Upper Middle Quartile

- Women: 14%
- Men: 86%

Lower Middle Quartile

- Women: 31%
- Men: 69%

Lower Quartile (Lowest Paid)

- Women: 38%
- Men: 62%

About quartiles

Pay quartiles are calculated by ranking all employees in an organisation from high to low based on their hourly rate of pay, splitting the list into four even groups and looking at the proportion of women and men in each quartile. This gives an indication of women’s representation at different levels of the organisation.

Contributing Factors

More detailed analysis of Mimecast’s gender pay data clearly shows the following three areas of difference:

- **Seniority of employees** – Mimecast has more males within senior roles of the organisation. This is representative of wider global trends in cybersecurity but already changing in the industry. Globally, Mimecast has three females on a seven-member executive team. Mimecast is also employing more women in entry-level positions as young women slowly enter careers in technology. It will be a few years before they progress through the ranks and the number of senior roles occupied by women increases. This has the potential to widen the gap initially.

- **Bonuses, equity and commission** – the UK gender pay gap regulation requires that we include remuneration in the form of shares as part of the bonus calculations. Currently more men than women hold senior positions at Mimecast. As the senior roles typically receive larger bonuses and equity awards this can increase the gap beyond what it would be if only basic pay was included in the calculations. Additionally, the commission achieved by different members of the sales team could influence figures.

- **Engineering** – Mimecast rewards its high-skilled and specialist engineers to compete in a competitive and global talent economy. Engineering is typically a higher paid industry and Mimecast has found that significantly more males apply for each developer role.

Across the UK national workforce, the net gender pay gap for employees was 17.9% in 2018. (ONS)

Information technology and telecommunications professionals had a pay gap of 12.5% in 2018, with women holding 17% of these jobs (ONS).
“Mimecast remains committed to recruiting and developing an inclusive workforce. The cybersecurity industry is experiencing a major skills shortage, so investing in talent across the board is critical to address the skills gap and will benefit the entire sector. Through our CSR activities, we aim to help address this challenge. The gender gap in technology remains an issue and we have some work to do to close it. It’s up to organisations like us to help develop talent and encourage women to consider careers in the technology sector.

I confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.”

Sandra Hodgson, UK HR Director, Mimecast

Women at Mimecast

Employee Resource Groups at Mimecast provide a platform for employee ideas and projects and to foster interdepartmental networking, diversity and inclusion.

The mission of the Women at Mimecast group is to empower female employees to create and strengthen connections, as well as foster professional and personal growth, through forums focused on networking, information sharing, development, mentoring and speaker panels and volunteer opportunities.

Global Citizenship

In October 2018, we launched our Global Citizenship programme, which includes our partnership with Arrival Education in the UK. Arrival Education helps businesses recruit, retain and develop socially and ethnically diverse young talent and help the talent achieve career and life success. To date, more than 40 UK Mimecasters have participated in workshops to support education in socially disadvantaged communities. We have hosted four Success Skills Workshops with 16 and 17-year old students, helping to prepare them for tertiary education and the workplace. We also hosted a ‘Power Hour’ with our CEO Peter Bauer, where he spoke to attendees about his own background and the successes, failures and learnings he’s experienced in his career. Approximately 75% of the students attending these sessions were young women. We will also be partnering with Arrival Education on a mentoring initiative focused on encouraging young women to enter a career in tech.
Notes on the 2017 Numbers

The 2017 Reported figures included two errors in the calculations that resulted in discrepancies:

- The Hourly Pay figures were determined by using data from the 12 months preceding the snapshot date as opposed to only using the data relating to the pay period which encapsulated the snapshot date. The pay periods for Mimecast in the UK are monthly.

- The percentages for the gaps were calculated by dividing the difference between male and female pay by the female pay. The correct approach is to divide the difference between male and female pay by the male pay.

Recalculated 2017 Numbers

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<tr>
<th>Metric</th>
<th>2017 Reported</th>
<th>2017 Recalculated</th>
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<tbody>
<tr>
<td>Hourly Pay - Mean GPG - Hourly Pay</td>
<td>43.4%</td>
<td>-12.3%</td>
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<tr>
<td>Hourly Pay - Media GPG - Hourly Pay</td>
<td>31.5%</td>
<td>17.9%</td>
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<tr>
<td>Bonus Pay - Mean GPG</td>
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<tr>
<td>Bonus Pay - Media GPG</td>
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<td>Bonus - % Females receiving a bonus</td>
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<td>46.0%</td>
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<tr>
<td>Bonus % Males receiving a bonus</td>
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<td>44.0%</td>
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</table>

<table>
<thead>
<tr>
<th>Hourly Pay Quartile</th>
<th>2017 Reported Female</th>
<th>Male</th>
<th>2017 Recalculated Female</th>
<th>Male</th>
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<tbody>
<tr>
<td>Upper</td>
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<td>80%</td>
<td>19%</td>
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<td>Upper Middle</td>
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</tr>
<tr>
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<td>26%</td>
<td>74%</td>
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<tr>
<td>Lower</td>
<td>28%</td>
<td>72%</td>
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