



Gender Pay Report 2019

FRONTIER DEVELOPMENTS PLC

March 2020

Summary

This report provides the gender pay data for Frontier's staff for 2019, along with a commentary on the data and a summary of our commitment to continue to address the under representation of females within our industry.

Frontier's gender pay data for 2019 shows a variance of 17.8% (2018: 18.77%) between the median pay for male and female employees within the workforce, irrespective of the job that they do. Frontier's variance remains largely a result of the high percentage of males in senior leadership and technical programming roles, which generally command a higher salary. All employees who qualified for a bonus in financial year 18/19 received one regardless of gender.

The main challenge faced by UK companies when recruiting for technical programming roles is that the national talent pool is currently predominately male, so it is difficult to address this issue in the short term. However, Frontier is proud to have an inclusive recruitment process with equal opportunities available for all candidates as well as being committed to the principle of equal treatment for all employees, regardless of sex or any other protected characteristic.

Background

Since April 2017, under The Equality Act (Gender Pay Gap Information) Regulations 2016, employers with 250 or more employees are required to publish statutory gender pay gap calculations every year. Frontier is required to calculate the following gender pay data:

- Gender pay gap (mean and median averages)
- Gender bonus gap (mean and median averages)
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure.

The data is required to be published on Frontier's website and a government website by 4th April each year. Salary data is based on the snapshot date of 5th April 2019. The regulations also require employers to calculate and publish a separate gender bonus pay gap report that includes all bonus payments made in the 12 months up to and including the snapshot date of 5th April 2019.

The gender pay gap is the difference between the average hourly rate of pay received by all male and female employees across an organisation, irrespective of their role or seniority. This is distinct from Equal Pay Laws, which require men and women performing equal work to be paid equally.

Gender Pay gap reporting makes use of two types of averages:

Mean

The mean gender pay gap is the difference between the average hourly rate of pay for women compared with men. This is calculated by adding up the rate of pay for each gender and dividing it by the number of employees. The pay gap is reported as a percentage.

Median

The median gender pay gap is established by ranking the hourly rate of pay for each gender from lowest to highest. The middle number for both ranges is taken and the difference is calculated.

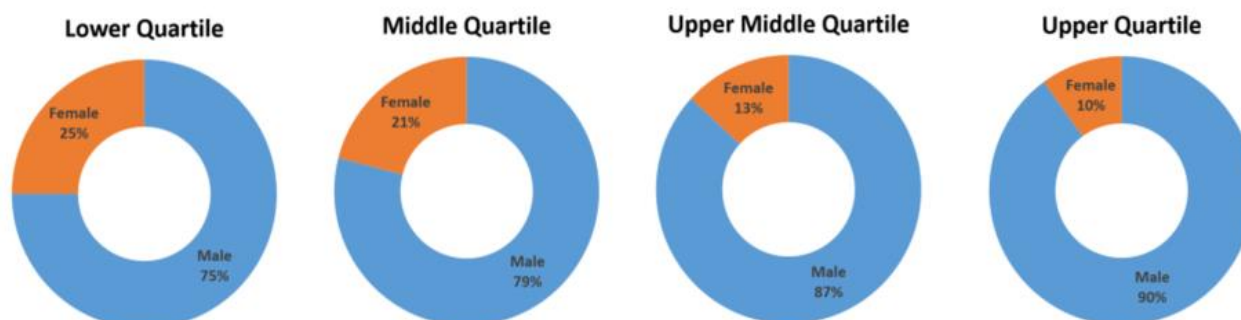
Frontier Developments plc – Pay Gap Results

The statistics below are based on a snapshot of data taken on 5th April 2019.

Gender Pay & Bonus Gap

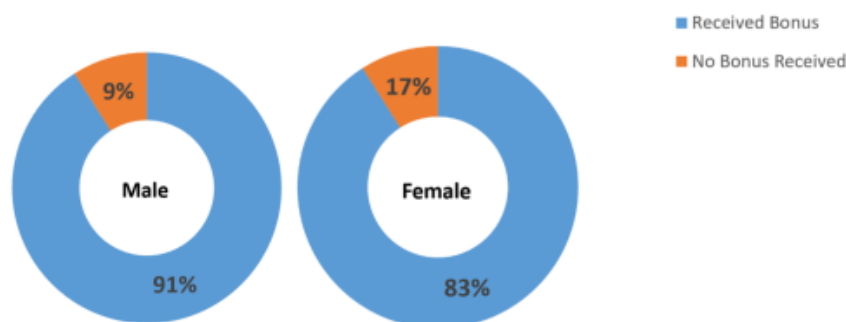
Difference between men and women	Mean	Median
Gender Pay Gap	23.6%	17.8%
Gender Bonus Gap	62%	40%

Pay quartiles across the workforce



Frontier’s employee population is 83% male and 17% female. Over the past two years Frontier have seen an increase in the percentage of females across all pay quartiles however the male/female imbalance is particularly evident within our most senior and technical programming roles. Currently 27% of Frontier’s workforce is within programming, of which 10% are female. This is a common trend not only across the videogames industry but within the UK economy as a whole. These positions naturally have higher salaries and bonuses, so the greater proportion of men to women has a significant impact on our overall gender pay and bonus gap.

Proportion of Employees Receiving 2019 Bonus



During the snapshot period a bonus payment was made to all eligible employees in December 2018 through an all-staff annual bonus scheme. Staff employed by Frontier at 5 April 2019 who joined after the December 2018 bonus payment would therefore be shown in the data as “No Bonus Received”, which is clearly misleading. All staff are eligible to participate in the all-staff annual bonus scheme.

Equal Pay

The gender pay gap is distinct from Equal Pay Laws, which have required men and woman performing equal work to be paid equally, Frontier are confident from our internal benchmarking and salary reviews that they do this.

Looking forward

Encouraging more females to pursue careers in programming is a significant challenge across the UK as many females still see gender stereotyping within schools as a barrier to the technology sector. Frontier are proud of the contribution that many of its team members already make to tackle such barriers and continues to support these initiatives of gender pay disparity in the games industry including:

- Supporting local children's code club that helps young people to learn to code from an early age.
- Having members of staff as Ambassadors for Women in Games, which supports a culture and community free of gender discrimination, where full equality of opportunity, treatment and conditions empowers all women to achieve their full potential.
- Donating time to serve on the Raspberry Pi Foundation board which has seen significant success with the Raspberry Pi Code Clubs that are attended by around 180,000 young people learning to code each week, of which 40% are female.
- Sitting on and chairing panels to discuss the subject of Women in Games.

Our aspiration is to increase and empower others across all diverse backgrounds to take the plunge into a brilliant industry filled with other like-minded and creative individuals.

Frontier will also continue to be aware of all aspects of potential inappropriate discrimination, including gender, sexual alignment, disability, and racial discrimination, and will continue to focus on ways to attract, retain and develop diverse talent and actively encourage more disadvantaged groups to pursue careers in the videogames industry. In addition, Frontier is committed to continuous support for new and ongoing initiatives to reduce the Gender Pay Gap over the coming years.



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