

Gender Pay Report 2021 FRONTIER DEVELOPMENTS PLC

March 2022



Introduction

Frontier believe that having a diverse workforce is key to the success of our games and business. Encouraging more females to pursue careers within the Games Industry, in particular 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 while some of these initiatives have been difficult to continue during COVID-19 such as supporting code clubs for young people, they have continued to have members of the team as Ambassadors for Women in Games and donate time to sitting on and chairing panels to discuss gender disparity within the Games Industry.

Frontier's aspiration is to increase and empower others across all diverse backgrounds to join our brilliant industry, filled with like-minded and creative individuals. We provide our hiring managers with interview training which also includes unconscious bias.

What is the Gender Pay Gap?

Since April 2017, under The Equality Act (Gender Pay Gap Information) Regulations 2016, employers with 250 or more employees are required to publish annual statutory Gender Pay Gap calculations. 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 2021. 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 leading up to and including the snapshot date of 5th April 2021. 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 utilises two types of averages:

Mean

The mean Gender Pay Gap is the difference between the average hourly rates of pay for females compared with males. This is calculated by adding the rate of pay for each gender and dividing it by the number of employees, which is then 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 then calculated.

Equal Pay

The Gender Pay Gap differs from Equal Pay Laws, which require men and women performing equal work to be paid equally. At Frontier, we are confident that employees are paid equally for equal work as a result of our internal benchmarking and annual salary reviews.



Our Data

The gender pay gap in this report is for the 'snapshot' date of 5th April 2021.

The median gender pay data for 2021 shows a variance of 9.93%, which is a 6.91% reduction from 2020. This decrease is consistent with a sustained trend of annual reductions since Frontier's first report in 2017.

Frontier's employee population is 83% male and 17% female including consideration of personal gender identification. A look at representation by quartile has shown an increase in female representation at the lower middle quartile, while the upper quartile has remained consistent. The male/female imbalance remain particularly evident within our most senior and technical programming roles.

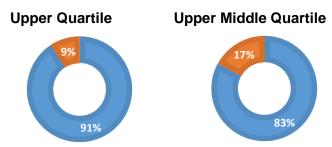
During the snapshot period, a bonus payment was made to all eligible employees in September 2020 through an all-staff annual bonus scheme. People employed by Frontier at 5th April 2021, who joined after the September bonus payment would therefore be represented in the data as "No Bonus Received". Therefore our data is impacted due to a higher number of female employees joining Frontier after the bonus period.

Gender & Bonus Pay Gap

	Mean	Median
Gender Pay Gap	18%	9.9%
Bonus Pay Gap	43.4%	11.5%

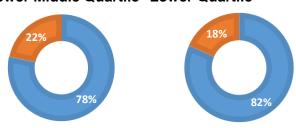
Pay Quartiles

Proportion of male & female Frontier employees in each pay quartile



■ Males ■ Females

Lower Middle Quartile Lower Quartile



Proportion of Employees Receiving a Bonus





Looking Forward

While Frontier have seen a reduction in the gender pay variance and an increase in the number of women joining the company, the gender imbalance within the software sector is, and has been a major challenge for many years. Frontier's CEO David Braben was one of the founders of the Raspberry Pi Foundation to help with education particularly of younger people, in Computer Science, and has achieved over 40% female attendance at its Code Clubs (primarily for children aged 9-13 yrs), though it will take around a decade for that cohort to begin to enter employment. Computer Science and games-related course attendance at University is sadly only 13% in the UK (STEM Women, Aug 2019), and this is the pool of people from which Frontier recruits many of its roles.

Frontier will continue to be aware of all aspects of potential direct and indirect discrimination, including gender, sexual alignment, disability, and racial discrimination. We will continue to focus on ways to attract, retain and develop diverse talent and actively encourage more minority 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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