# Unity UK binary gender pay gap report for 2022

At Unity, we believe the world is a better place with more successful creators in it. We are at the forefront of innovation, as we drive exciting technological advancements in gaming, entertainment, film, automotive, architecture, engineering, construction, and more – all made possible by the most widely-used real-time 3D development platform. Seventeen years ago, three people created Unity. Today, we are a company of more than 7,000 individuals, all committed to helping creators around the world achieve their dreams.

Unity is dedicated to building an equitable and inclusive workplace, which includes compensating our employees fairly and competitively.

Gender pay gap, as measured by the UK, is a reflection of both representation and pay parity. Representation examines how people are distributed among high-paying roles, while pay parity explains how people doing similar work are paid for those roles. In 2022, Unity's median UK gender hourly pay gap was 17%, which is a reflection of lower representation of women in senior, higher paying roles in the UK with no statistically significant difference in base pay by gender.

We have made steady progress over the past 12 months. Our mean and median pay gaps have decreased from 17.1% to 16.8% and 19.4% to 17.3%, respectively. The upper quartile of our hourly pay is now comprised of more women, increasing 3 percentage points (from 18% in 2021 to 21% in 2022).

We have seen the mean bonus gap decrease from 47.8% to 44.3% although there was a slight increase in our median bonus gap which moved from 27.1% to 28.5%. More women received a bonus this year, increasing from 60.4% to 68.9%.

In compliance with UK law, this report presents Unity's data and findings regarding gender pay gap analysis in our UK employee population. By UK law, we are specifically required to report on binary genders only (using data from Workday). It is unfortunate that laws do not move at the speed of our values and I acknowledge that this report does not reflect the diversity of our employee population.

Since our last report, our UK employee population has increased by 140 employees. The UK reporting requirements define gender pay gaps as "the difference between the

average earnings of men and women across a UK workforce." Our calculations are based on the following:

As required by the UK Government, hourly pay is calculated for anyone employed in the UK on April 5, 2022, who received their whole month's salary (635 employees), and the data includes the month of April only. This value includes 1) base pay, 2) allowances (such as Cost of Living Adjustment, car allowances, and shift premium), and 3) bonuses paid. All calculations are made after salary sacrifice for pension.

Bonuses are calculated for anyone employed in the UK on April 5, 2022 (648 employees), and the data includes the 12-month period prior to April 5, 2022. A "bonus" is defined as: performance-based, incentive, commission, and long service awards with a monetary value (cash, vouchers or securities). Non-consolidated (one-off, non-pensionable) bonuses are also included. The value of vested RSUs and options exercised during the reporting period are included.

## What we found

Although we have made progress in increasing the representation of women in leadership roles across Unity and our UK mean pay gap is similar to other tech companies in the market, we know we have work to do to increase diverse representation of leaders in the UK.

The results are presented below.

#### Hourly pay results

Metric	Mean	Median
Percent gap in hourly pay	16.8 (-0.3% <sup>1</sup> )	17.3 (-2.2%)

For our UK staff, which represented just over 11% of global headcount, the mean gap in hourly pay was 16.8% and the median gap was 17.3%. Both of these gaps favored men, and were primarily driven by lower representation of women in more senior, higher-paying roles.

<sup>&</sup>lt;sup>1</sup> All changes in percentages are as compared to 2021

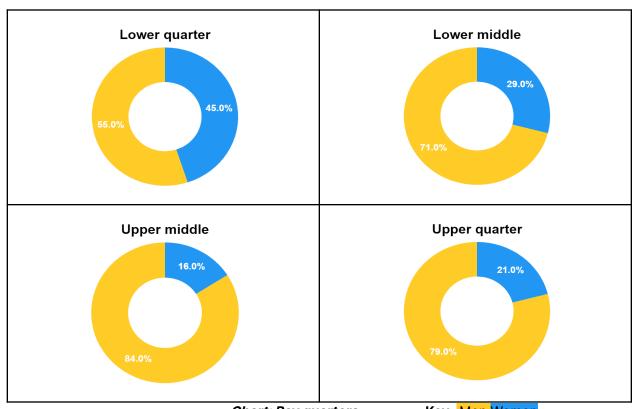


Chart: Pay quarters Key: Men Women

Women make up 45% of the lowest-paid quarter, and 21% of the upper quarter.

### Bonus pay results

Metric	Mean	Median
Percent gap in bonus pay	44.3% (-3.5%*)	28.5% (+1.4%*)

Our figures in the UK show we have a higher bonus gap, which is driven by a combination of factors, including a lack of representation of women in senior leadership roles. The mean gap in bonus pay was 44.3% and the median gap was 28.5%, both of which also favored men.

In Unity's case, "bonus" includes exercised stock options that have increased in value or vested RSUs during the report period due to Unity going public in September 2020.

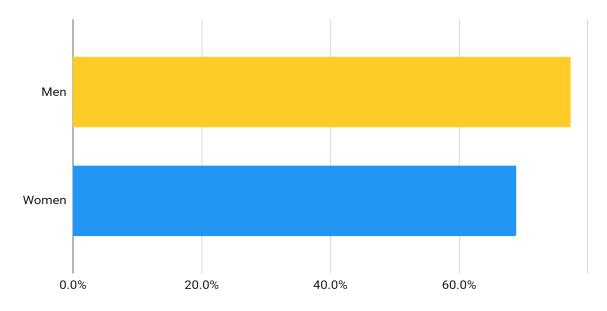


Chart: Percent receiving a bonus

The percentage of women who received a bonus was 68.9%, while the percentage of men who received a bonus was 77.3%. As a company we are in a fairly unique position in that we give equity to all employees regardless of role or level when they join Unity. The calculations only account for employees who have seen their equity vest, those employees who have received equity but have not yet reached the first vesting period (1 year) will not be included in these numbers.

While our UK mean and median pay gap is comparable to other tech companies in the market, Unity is committed to addressing the above gaps by mobilizing efforts around both representation and pay parity.

Representation is an important indicator of commitment and progress and an important metric to hold ourselves accountable. Through a number of schemes we proactively focused on improving representation at all levels.

At the end of 2022, women made up 28.3% of employees globally (down from 28.8% in 2021). Additionally, women made up 18.8% of tech roles and 26.1% of leadership roles. While representation for women in tech roles increased slightly from 18.6% to 18.8%, we saw a decrease for women in leadership roles from 28.3% to 26.1%. One note regarding

this measurement: In last year's report, "Leadership" included just the Director and above population. Since then, Unity has changed its "Leadership" definition to include both Individual Contributor and Management roles at level 9 and above.

# What we're doing

Creating a more diverse Unity aligns with our values. It includes increasing gender representation across the company and in higher-paying, leadership roles.

To honor our commitments to diversity and inclusion, we have implemented and enhanced several key initiatives for recruiting, retaining, and advancing diverse talent:

## Retaining and advancing diverse talent

• Supporting women from underrepresented groups. We launched the *A Seat at the Table*, a year-long sponsorship pilot to curb attrition and promote advancement of women from underrepresented racial and ethnic groups. Sponsors advocate for talent and can be a career gamechanger, but high performing women and people of color are less likely to have access to sponsors.

### Driving employee engagement in advancing a more inclusive Unity

- Mitigating bias through education. In October 2022, we rolled out company-wide inclusion training modules. All Unity employees now have access to three (3) self-paced, on-demand modules focused on Diversity Equity Inclusion (DEI) For the Workplace, Microaggressions, and Unconscious Bias. Through the training, we aim to build empathy and empower all employees to actively interrupt problematic habits and consider the benefits of becoming better allies.
- Building community through Employee Resource Groups.
  - As of December 2022, there are nine global Employee Resource Groups (ERGs) representing the Asian, Access, Black, Latinx, LGBTQ+, Muslim, Service Member, Women, and Caregiver communities. Each group is supported by at least one executive sponsor, with 24% of our VP+ population serving as ERG executive sponsors.
  - As of January 2023, approximately 18% of Unity employees engage with one or more of our ERGs. Specifically, the ERGs at Unity focus their support of employees in the areas of professional development, recruitment and retention, and community engagement, with the goal of driving continued growth of underrepresented groups (URGs) in higher levels of the

organization. Unity's ERGs published a <u>year-in-review blog post</u> highlighting various accomplishments in 2022 and plans for the future.

### **Diverse recruiting**

- Sourcing diverse talent: Increasing diversity in our senior ranks and across all levels of the organization begins at the talent-sourcing stage. Before a role is posted on our Careers page, the Recruiting team spends two weeks sourcing exclusively for underrepresented candidates. The two-week period of diversity outreach allows us to get ahead in building a diverse pipeline.
- **Reducing bias through technology:** Understanding that our biases can hinder our ability to achieve our diverse recruiting goals, we implement technology that increases fairness throughout the recruitment life cycle.
- Enabling recruiters, interviewers, and managers: We follow a structured interview process that leads to a competitive and more equitable recruitment process. In 2022, we launched enhanced inclusive interview training with inclusion resources tailored to Unity. We empower our recruiting team to track progress towards individual and team diversity recruiting goals with progress reports, live diversity recruiting dashboards, and an inclusion process review at the offer stage of every hire. We provide training and a monthly diversity recruiting newsletter to inform and update our recruiting team.

In 2023, company-wide organizational reviews are conducted to assess workplace inclusion and address gaps in the retention, engagement, and advancement of underrepresented talent. This year we are launching an annual Inclusion survey to deepen our assessment of these areas.

These initiatives are in addition to our existing and ongoing processes, such as Engagement Surveys and Internal Mobility. The success of our diversity initiatives will be measured and reported across the organization so that we remain accountable to our goals.

In addition to improving equity by increasing representation, we also work to ensure that employees are paid fairly for the role they are in.. Our approach includes changes to recruiting and compensation programs to systematically reduce inequities over time.

To truly live up to our value of being In It Together, we realize there is more work to do. Diversity is critical to our success as a business and who we are as a company; and we

are committed to increasing the representation of women and other URGs – at all levels and in all areas of our business.

# Scott Pitasky, Senior Vice President, Chief People Officer

I confirm that the data reported here is accurate.