



Medallia

GENDER PAY GAP REPORT

2022-2023

Introduction and Quote from CPO

"At Medallia, we are committed to creating a workplace culture that values and rewards our employees equally, regardless of their gender. We believe that diversity and inclusion are not only morally right, but also essential to our success as an organisation.

We are pleased to announce that our overall pay gap has reduced compared to the previous year. This is a reflection of the progress we have made towards achieving our diversity and inclusion goals, with a particular focus on gender. However, we acknowledge that the results of this gender pay gap report remind us that we still have work to do in order to achieve true equity in our organisation.

Continuing to review our UK gender pay gap and take concrete steps to address any disparities we uncover is one step Medallia takes in our commitment to prioritise transparency, fairness, and diversity in all aspects of our business. We realise meaningful change will take time and it takes a long-term commitment to significantly change the make-up of our workforce, and we are resolute in this effort. We must work in partnership to make this happen; we are stronger together."

- Mary Ainsworth, Chief People Officer

With a core focus on equitable experiences, we believe in enabling a culture of listening, accountability, trust, and acting on feedback to continuously optimise employee experience. Medallia embraced new opportunities in 2021-22, including transitioning from a public company to a private equity-owned organisation, becoming a remote first

employer, enduring the period of great resignation, and welcomed three key large acquisitions to support our expansion. Throughout this time, Medallia has remained focused on its values and ethos by expanding our total reward packages to be more inclusive towards our employees' best interests.

Highlights from the last 12 months include:



Medallia was awarded Fair Pay Workplace (“FPW”) Certification for our effort to create sustainable fair pay in the workplace.



Enhancing parental leave entitlement for all new parents, with a global minimum of 24 weeks paid leave for birthing parents and at least 12 weeks of paid leave for non-birthing parents.



Commission Replacement Program for commission earning employees, reducing the financial impact of extended leaves.



Running a successful emERGe week celebrating our 10 officially chartered Employee Resource Groups.



Continuing to provide Global Mental Health days and extended time off during the holiday period to allow Medallians to allow time to focus on themselves and their families.



Comparably Award for best compensation program based on employee feedback period.

Although gender diversity remains a concern in the Sales profession and the Tech industry as a whole, we are delighted to report that our overall pay gap results have reduced over the previous year. Nevertheless, the bonus pay gap remains a work in progress. Our executive level female employee representation is **38.5%** which is greater than the average IT sector census. We publish our diversity data to provide awareness and transparency about where we are today, hold ourselves accountable to our representation goals, and inspire action into diversity and inclusion within Medallia and across the industry.

We want every employee to feel they are compensated fairly, and that they have equal opportunities for progression. We made our first public equal pay commitment in 2017 and we’ve made progress on this commitment with ongoing analysis following every compensation adjustment cycle. We commit to having no statistically significant differences by gender, race, or the intersection of gender and race, for employees doing substantially similar work. We will continue to challenge ourselves to ensure fairness and to remove barriers to progress for everyone.

However, we know this is only the first step. While we are committed to ensuring our workforce mirrors the makeup of society, there is much more work to do. Bringing these issues to the surface through initiatives like the UK gender pay gap reporting is crucial for making sure we continue to make progress in the right direction.

Defining Gender Pay Gap Reporting

The gender pay gap is not the same as equal pay

While the gender pay gap and equal pay analysis both deal with pay disparity at work, they are not the same issue.

The gender pay gap is a measure of the difference between men and women's average earnings across an organisation as a whole, over a fixed time period, regardless of role or seniority. Even if an employer has an effective equal pay policy, it could still have a gender pay gap, e.g. if the majority of women are employed in lower-paid jobs. Equal pay means that men and women

performing equal work, or work of equal value, must receive equal pay, contractual terms, benefits, bonuses, reward schemes, pension payments etc.

Medallia made our first public commitment to equal pay by signing the Glassdoor Equal Pay Pledge in 2017, and in 2022 achieved Fair Pay Workplace Certification. We commit to having no statistically significant differences by gender, race, or the intersection of gender and race for employees doing substantially similar work.

Medallia UK Pay Gap:

We see the requirement to report on Medallia's UK gender pay gap as an opportunity to go beyond the statutory requirements, and to understand the context for our gender representation and remuneration.

We are pleased to report that compared to 2020-21, our overall median and mean hourly pay gap in 2021-22 has decreased, while female representation has increased. The increasing percentage of women employed and promoted at all levels in 2022 contributed to narrowing the gender pay gap.

UK Pay Gap:

Shows the difference between the median and mean pay of all male and female employees. Does not take into account employees' specific roles or seniority, or how these impact pay.

Median Pay Gap
5.96%

Mean Pay Gap
23.43%

Medallia UK Bonus Pay Gap:

The bonus pay gap calculation is based on a variety of Medallia’s reward & incentive programs, the main three being:

- Commission plans for Medallians in the Sales ecosystem, offering additional compensation based on individual performance;
- Medallia’s Corporate Bonus Plan, a discretionary bonus for employees in non-commission earning roles, paid half yearly, subject to Company performance;

- An equity grant programme and employee Co-Investment plan.

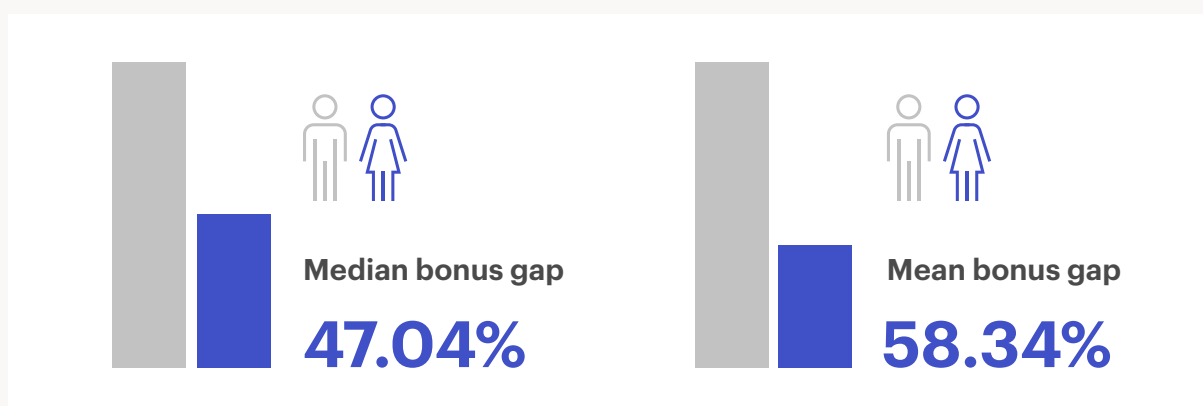
While proportionally more women than men received bonuses during the reporting period, with **98.9%** of women receiving a bonus compared to **63.7%** in 20/21, both Medallia’s median and mean bonus gaps are attributed to the higher number of men in the Sales organisation, and further influenced by a lower proportion of women in senior roles within the Sales organisation.

The total representation of women in the sales organisation has increased by 7% since the last report, with a 3% rise in the number of women in sales leadership roles. Additionally, we observed a decrease in the mean hourly pay gap, as well as the median hourly and bonus pay gaps.

In 2022, we enhanced support for sales professionals taking leave of absence by providing them 80% of their variable compensation target for up to 12 weeks while on leave to reduce the financial impact of extended leave. Furthermore, we implemented a structured ramp-up process upon return to integrate those who take leave more seamlessly back into the Sales organisation.

UK Bonus Gap:

Shows the difference between the median and mean bonus of all male and female employees.



Summary of Results

Pay Gap	2022	Dif. to 2021
Median	5.96%	↓ -9.5pp
Mean	23.43%	↓ -3.72pp

2022 Quartiles	Female	Dif. in female to 2021	Male
Upper	32.79%	↑ +8.99pp	67.21%
Upper Middle	40.98%	↑ +3.48pp	59.02%
Lower Middle	31.15%	↓ -4.78pp	68.85%
Lower	49.18%	↑ +5.43pp	50.82%

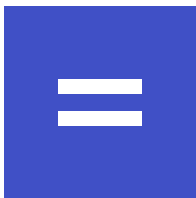
Bonus Gap	2022	Dif. to 2021
Median	47.04%	↓ -18.68pp
Mean	58.34%	↑ +9.16pp

Percent Receiving Bonus	2022	Dif. to 2021
Female	98.94%	↑ +35.24pp
Male	95.33%	↑ +35.93pp

Our Ongoing Commitments

We are committed to a respectful, rewarding, diverse, and inclusive work environment that values the contributions of women and our goal of increasing the representation of women and ethnic minorities at senior levels. We feel it's important for our workforce to mirror the makeup of society. As part of this goal, we're focused on improving the representation of women in leadership globally, as well as in specific teams and regions where they are currently most underrepresented.

To reach those goals, we will continue to build a more inclusive workforce through the dedication of our leaders and their commitment to programs and resources that support our women employees and the rest of the workforce:



01 Equal Pay

We made our first public commitment to equal pay by signing the Glassdoor Equal Pay Pledge in 2017. In 2019, we became one of 13 inaugural signatories to the California Pay Equity Pledge. In 2022, Medallia was awarded Fair Pay Workplace (“FPW”) Certification for our effort to create sustainable fair pay in the workplace. We commit to having no statistically significant differences by gender, race, or the intersection of gender and race for employees doing substantially similar work. We will continue to work toward pay equity through ongoing analyses.



02 CEO Action Pledge

In 2019, we became a member of CEO Action for Diversity & Inclusion, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace. By signing the CEO Action Pledge, Medallia committed to support an open dialogue on diversity and inclusion, implement and expand unconscious bias education, and share best known successful (and unsuccessful) actions.



03 Internal Communities

Women in Tech (WIT) and Women@, our two Employee Resource Groups (ERGs) focused on gender equality and women's experiences with passionate UK participation, drives corporate and community initiatives through their mission of supporting women. Our communities are empowered in the following ways:

- ERGs have an annual budget to support their initiatives, programming, philanthropy, and host town halls and training to promote dialogue and education on important topics.
- ERGs are also supported through our Executive Sponsorship program, where executives spend time each quarter with the community they sponsor for development, mentorship, and coaching. This program is tied to our executive bonus plan.
- The ERG Leader Recognition program is designed to recognize and compensate our community leaders for their valuable contributions to our culture.



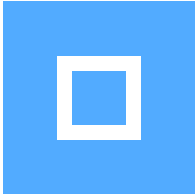
04 Learning & Development

We are committed to ensuring that all employees are offered development and progression opportunities to help them reach their full potential, including separate training and development programmes for people managers and leaders. We have invested in global instructor led training on topics including unconscious bias, ally skills, and anti-racism for all Medallians. We also offer a robust tuition reimbursement program for all full-time employees globally.



05 Our Partnerships

We believe that talent is everywhere. We partner with organisations like Breakline Transcend, National Association of Women Sales Professionals, Sistas in Sales, Black Marketers Association of America, and I Choose the Ladder and we measure diversity in our candidate pipeline to ensure we're able to make progress.



06: Inclusive Benefits

We use feedback from our employees to understand what is driving employee engagement and which investments we need to make to improve, then take action to support our employees.. One of our key commitments is ensuring that our benefit packages are accessible and inclusive and aim to encourage employees to bring their whole selves to work. To achieve this, we know that benefits for parents are one of many ways to support women, who disproportionately bear childcare responsibilities:

- a. Acting on employee feedback, in 2022 Medallia significantly enhanced paid parental leave globally to a minimum of 24 weeks paid leave for birthing parents and 12 weeks paid leave for non-birthing parents. In the UK, **we now provide full pay for up to 26 weeks of maternity / adoption leave, and all non-birthing parents are entitled to 12 weeks of Parental leave with full pay on the birth or adoption** (where they are not the 'main' adopter) of their child. We increased pay for shared parental leave to 26 weeks. We also offer paid time off to Medallians who experience miscarriage, through our Pregnancy Loss Leave policy. This leave is also available to those who are the partner of someone who has experienced a physical loss.
- b. Medallia has provided a global parenting support benefit since 2020 through which Medallians can access round-the-clock advice and support at every stage of the parenting journey through: egg freezing, fertility, pregnancy, postpartum, parenting, and paediatrics, and returning to work. This is available at no cost to employees and their partners who are pursuing fertility treatment, pregnant for up to 12-months postpartum. **In 2023, Medallia introduced additional financial support to those seeking help with fertility, adoption and surrogacy.** Other benefits include expert resources, including working parent guides, infant CPR classes, and real talks on fertility and community forums.
- c. Medallia provides access to professional coaches, certified therapists and participation in community support sessions, with the ability for employees to select personalised care plans and resources that support their individual identity.
- d. Medallia also provides access to coaches, therapy and community support sessions, with the ability for members to select personalised care plans and resources that support identity.

Looking Ahead

As we strive to remove barriers to gender equality and increase gender representation in our workforce, we remain committed to upholding fairness and aligning our actions with our values. At Medallia, we believe in creating a culture that values every person and every experience. This includes every community of colour, gender identity, ethnicity, sexual orientation, ability, social class, age, and more.

While we are proud of our efforts towards pay equity as a measure of fairness, our gender pay gap analysis has highlighted

the need to address the distribution of men and women in different roles, both within our company and in society. We know that it will take time to close the gender pay gap, and we recognize that fostering an inclusive culture that supports the diversity of our community is the only way forward. From attracting diverse talent to Medallia, to growing and retaining our employees, we are dedicated to implementing programs that ensure equal opportunities for growth and progression for all employees, including initiatives such as:



New On-Demand DEIB Inclusive Training

In 2022 we expanded our investment in learning and development by introducing a new interactive and on demand e-learning solution in order to provide all Medallians with access to high quality DEIB education whenever they need it. This content library includes six courses and more than 25 micro-learnings, as well as resources, discussion guides, and reading lists, ensuring Medallians can choose the format and approach that works best for them. Topics include practising allyship, managing bias in different settings including during performance reviews and hiring, intersectionality, and responding to microaggressions.



Hiring Diverse Talent

We are actively focused on increasing the proportion of women at all levels. This is underpinned by introducing slating goals to deliver greater insight into the gender diversity of our talent pipeline, launching Medallia Open House events in the UK focused on women candidates, and further supporting partnerships with local organisations focused on gender equity to fill sales and engineering roles.

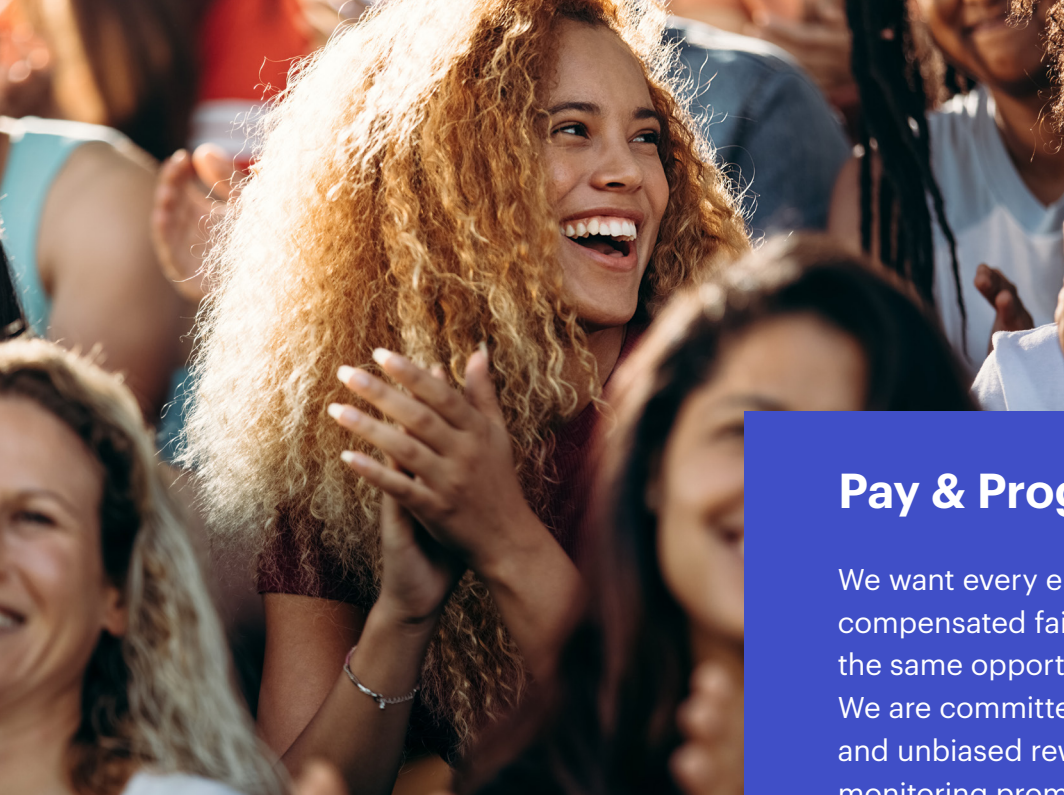
Inclusive Environment

We strive to create a workplace where our employees can bring their whole selves to work. We demonstrate this through the expansion and development of our women-focused ERGs, Women@ and Women in Tech (WiT). They offer a variety of sessions and opportunities that are designed to support the personal and professional growth of our female employees, such as Monthly Coffee Breaks, Book Clubs, Executive Conversations & Panels, Educational Grants, Volunteer Opportunities, Grace Hopper Tickets, Professional Development, Trainings, Town Halls, and Networking Events.



Growth

Our company consists of a diverse pool of talent, and our goal is to support all employees to reach their full potential. We will be investing in expanding our existing mentorship program to support women's development, especially those in sales and engineering.



Pay & Progression

We want every employee to feel they are compensated fairly and that they have the same opportunities for progression. We are committed to offering a fair, equal and unbiased reward system by closely monitoring promotions to ensure women are well represented at all levels within Medallia.

Declaration

We confirm that Medallia's gender pay gap calculations are accurate and meet the requirements of the Regulations.

About Medallia

Medallia is the pioneer and market leader in customer, employee, citizen, and patient experience. As the leading enterprise experience platform, Medallia Experience Cloud is the mission-critical system of record that makes all other applications customer and employee aware. The platform captures billions of experience signals across interactions including all voice, video, digital, IoT, social media, and corporate-messaging tools. Medallia uses proprietary artificial intelligence and machine learning technology to automatically reveal predictive insights that drive powerful business actions and outcomes. Medallia customers reduce churn, turn detractors into promoters and buyers, create in-the-moment cross-sell and up-sell opportunities, and drive revenue-impacting business decisions, providing clear and potent returns on investment. For more information visit www.medallia.com

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