Foreword from Andee Nieto, Chief People Officer

For the first time in Ireland, all companies with 250 or more employees must now report their gender pay gaps. We welcome this new legislation and support its important objective: greater workplace gender equality in Ireland.

Striving for workplace equality is fundamental to Zendesk’s core value of inclusion. This first year of reporting in Ireland gives us the opportunity to baseline our gender pay gap and understand what’s working and where we have opportunities to improve.

In this report, we provide 2022 gender pay gap statistics for Zendesk International Limited’s (referred to as “Zendesk Ireland”) Ireland based employees and highlight measures we’re taking to drive future progress. Reviews like this one, and the actions they generate, are a direct reflection of our commitment to creating a more equitable global workplace by fostering a culture of respect, fairness, and inclusion.

At Zendesk we take a people first, leader led approach to Diversity, Equity and Inclusion and we are committed to ensuring Zendesk is a place where women and all genders, at all levels, can thrive. We recognize that gender in this report is presented as binary, and we’re looking at ways to better account for broader diversity of our workforce.
The gender pay gap is not the same as pay equity. The gender pay gap is the output of a statistical calculation. It compares the average figures for both the pay and bonus of the total workforce. Gender pay gaps do not take into account the fact that the “average” men and women may be doing very different roles.

Pay equity is about ensuring that men and women performing similar work will receive the same pay unless there is a legitimate, job-related justification for the pay difference. We review our pay practices and parity no less than annually, and make adjustments where needed, to ensure we pay our employees equitably.

How is the Ireland Gender Pay Gap calculated?

All pay gaps are calculated by working out hourly rates for each employee, using everything each was paid (“pay” and “bonus”, according to definitions set out in the legislation) during the period 16 June 2021 to 15 June 2022. Bonus statistics are calculated using the amount that an individual received in bonus alone during that same period (according to a definition set out in the legislation).

**Means** are calculated for each gender by adding up all hourly rates (or bonus) and dividing by how many there are. They can be distorted by higher earners.

**Medians** are calculated by lining each gender in order of hourly rate (or bonus) and finding the man and woman in the middle of each line. Because of this different methodology, median figures are not distorted by higher earners.

**Pay and bonus gaps** are calculated by comparing mean or median pay or bonus for women against men. Where gaps are above zero, this shows that the mean or median woman receives less than the mean or median man. Where figures are negative (below zero), this shows that the mean or median woman receives more than the mean or median man.

**Pay gaps** are calculated from all Zendesk Ireland employees, but bonus gaps are calculated from only those that received a bonus. We are also required to publish pay gaps by looking at just part time employees and just temporary employees. These can only be calculated if there is at least one man and one woman on the snapshot date. On our snapshot date, we did not have at least one woman and one man working on a part time contract and so that is why we are unable to calculate pay gaps for part time Zendesk Ireland employees.

The **proportions statistics** are calculated by finding the number of each gender that received a bonus or benefit in kind (a non cash benefit) and dividing this by the total number of that gender.

**Quartile statistics** are calculated by lining up the entire workforce in order of hourly rate, then splitting that line into four equal sized quarters and calculating the proportion of men and women within each quarter.
What are our gender pay gap figures in Ireland for 2022?

Our figures as of 15 June 2022 are below.

**Pay gap**
- Mean gender pay gap: 19%
- Median gender pay gap: 16.5%
- Mean gender pay gap – temporary: 1.5%
- Median gender pay gap – temporary: 0%

**Bonus gap**
- Mean bonus gap: 31.4%
- Median bonus gap: 24.7%
- Proportion of men receiving a bonus: 79.0%
- Proportion of women receiving a bonus: 77.5%

**Quartile percentage women**
- Lower quartile (percentage women): 47.4%
- Lower-mid quartile (percentage women): 42.8%
- Upper-mid quartile (percentage women): 30.9%
- Upper quartile (percentage women): 28.3%

**Benefit in Kind**
- Proportion of men receiving a Benefit in Kind: 91.1%
- Proportion of women receiving a Benefit in Kind: 89%
Understanding our data

The primary reason for our gender pay gaps in Ireland is that we have fewer women in senior roles in Ireland. In the context of us operating in the technology sector where women are under-represented in science, technology, engineering and math (STEM) fields of study and employment that typically commands higher pay, there continues to be opportunities for increasing representation in those fields of study and throughout the technology sector.

Measures to reduce our gender pay gap

Zendesk Ireland is committed to taking action and will be implementing and revamping a variety of measures to reduce our gender pay gaps in Ireland. These measures are targeted at the reasons we have identified as contributing to the gaps – namely that we have fewer women in senior roles. These measures are supported by research and evidence shows they are effective at reducing gaps. We do not expect our gaps to change quickly or easily but we are confident that, over time, our gaps will reduce.

Recruitment

As Zendesk Ireland commits to increasing women represented in leadership roles, Zendesk Ireland will:

- Invest in building our pipeline of underrepresented talent and amplify our sourcing efforts to engage this talent when roles open.
- Leverage relevant partnerships to build relationships and opportunities for women in our talent pipeline.
- Continue our efforts to train our Talent Acquisition team and hiring managers on inclusive hiring practices and bias mitigation.
- Continue developing our digital-first strategy and offerings, which includes making roles, senior positions included, available remotely.

Retention and support

We want Zendesk Ireland to be a place where diversity truly thrives. And that begins with our people. We aspire to be an employer of choice for diverse talent - fostering an inclusive culture where differences are leveraged towards innovation and where talent from underrepresented communities have opportunities to develop their careers to match our growth as an organization.

We are committed to ensuring Zendesk Ireland retains and promotes female talent. To do this, we need to support the growth and advancement of women throughout the organization. In addition to the initiatives noted above, we will be taking additional steps aimed at getting more women into senior roles:

- Continue investing in women and other underrepresented communities through external and internal development opportunities, including career coaching for top talent.
- Further enable leaders in equitable and fair talent planning and strengthening inclusive leadership skills.
- Continue our analysis and reporting of diversity representation data to assess objectively our progress against goals.
- Identify additional opportunities to create internal mentoring, sponsorship, and networking opportunities.
Culture
We are a digital first company, working primarily remotely with purposeful in person opportunities to connect and collaborate. The flexibility and choice enables us to create an inclusive environment where people can build community and careers. We focus on belonging on the first day of every employee’s Zendesk Ireland’s journey at New Hire Onboarding.

We share what DEI means to Zendesk Ireland, practical resources such as our Allyship Toolkit, and provide an opportunity to put DEI into practice. From then on, the importance of equity and inclusion are woven through all our development opportunities and training initiatives. This includes manager training that highlights the importance of psychological safety and rewards cycle training that reinforces the importance of mitigating bias in feedback and performance discussions.

Employee Communities (ECs) also play a critical role in building our inclusive culture. They elevate the voices and influence of underrepresented groups in and outside of Zendesk Ireland, and provide spaces where our Zendesk Ireland employees feel welcomed, supported and empowered.

We have two EC’s specifically focused on the support and advancement of Women: Women at Zendesk and Women in Engineering. Our remaining six ECs offer community and support for women as well, given that many women hold additional identities and interests (e.g, LGBTQIA+, Parents, People of Color/BIPOC). These, as with all of our Employee Communities, directly impact our business and inclusive culture through:

- Career: Growing future leaders and expanding talent networks
- Connection: Increasing connection and belonging
- Community: Expanding market reach and external impact
- Culture: Amplifying equity and inclusion
Closing statement

We remain committed to gender equality and advancing diversity, equity, and inclusion across Zendesk.

We look forward to driving continued progress to close identified gaps and continue to enhance the experience of belonging for women and people of all genders.

To learn more about our DEI approach, click here.