

Red Hat UK Gender Pay Gap 2024

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Foreword

Through common sense and incremental progress over time, Red Hat, a subsidiary of IBM, wants our workforce to better reflect the broader population because we are a stronger, more innovative company when colleagues with different backgrounds, perspectives, experience and expertise come together to drive our business and clients forward. We remain committed to equal pay for equal work, a value that IBM has held dear for more than a century.

By sharing this report, we are publishing metrics by which we can measure our current position, as well as progress in future years. Red Hat has a solid foundation and welcomes the discussion that these reports may generate.

Introduction

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require all companies employing 250 or more employees to publish their gender pay gap results. The government defined gender pay gap metric measures as the difference between the average earnings of all females in the organisation and the average earnings of all males, irrespective of their seniority or role. This is not the same as equal pay, which compares what men and women are being paid for the same or similar work.

Having a gender pay gap can be an indicator of two key dynamics within an organisation and these can appear either on their own or in combination. These dynamics are inequitable pay, as measured against the "Equal Pay" criteria, or an imbalance in male and female representation across the levels within the organisation.

For many years Red Hat has been focused on equal pay and comparing like for like. Pay equity analysis is performed in every country where we have Red Hat employees. However, this legislation has shone a further light on the imbalance in male and female representation across our organizational structure.

Red Hat UK Results

Pay Gap Results

This is the percentage difference in mean and median hourly pay for all females in the organisation versus all males in the organisation, as of 05 April 2024.

Mean (average)	Median (middle)
22.6%	27.6%

Pay Quartile Results

This is the percentage of females and males in each pay quartile as of 05 April 2024.

Quartile	Men	Women
Upper	89.4%	10.6%
Upper middle	80.5%	19.5%
Lower middle	69.8%	30.2%
Lower	54.0%	46.0%

Bonus Gap Results

This is the percentage difference in the mean and median of bonuses, including stock, paid and received to men and women in the bonus pay period of 06 April 2023 to 05 April 2024 inclusive.

Mean (average)	Median (middle)
44.9%	42.5%

Bonus Pay Results

This is the percentage of male and female employees who received a bonus during the 12 months preceding 05 April 2024.

Proportion of female employees receiving a bonus payment	Proportion of male employees receiving a bonus payment
99%	99%

Note: Bonus receipt is primarily driven by the proximity of the associate's hire or termination date to the bonus payout date, as all of our employees are eligible to participate in one of our bonus plans.

Actions and Key Focus Areas to Reduce our Gender Pay Gap

Developing Female Talent

Attracting, retaining, and developing female talent across the world is not only essential to Red Hat's company culture, it's a business imperative. Women have played a critical role in driving innovation at Red Hat since its founding.

Gender equality in leadership is a high priority for Red Hat UK and we are working hard to drive progress in this area. Advancing women in the workplace and developing next generation female leaders continues to remain a key focus. We invest in learning and leadership development programmes which benefit all.

The Red Hat Women's Leadership Community is a global group sponsored by Red Hat's Senior Vice President, that provides a forum for our members to promote the exchange of ideas and experiences, networking opportunities, educational and cultural programs, and enhances the growth of our members as leaders and decision-makers to make a positive contribution to the next generation of women leaders in open source. This community is open to all associates at Red Hat.

Culture of Inclusion

Inclusion is a fundamental component of our culture that drives innovation, creativity and collaboration. Red Hat prides itself on creating a workplace that is inclusive and encouraging of all employees.

Skills and Development

At Red Hat, we are committed to supporting our employees in their professional journey by fostering an environment that values skills. Developing new skills and ensuring all employees have the right skills for the changing market is a business imperative. Red Hat is committed to investing in and creating an environment that offers all employees the opportunity for development and advancement, enabling new learning experiences and career progression without barriers.

Red Hat invests in its employees' professional development with a range of advanced tools and resources that empower Red Hatters to direct their own career paths and build the skills required to pursue their goals.

Red Hat prides itself on creating a workplace that is inclusive and encouraging of all employees. Red Hat also offers world-class learning and development experiences for leaders at all levels of the organisation via the Red Hat Manager Academy. Using a skills-first approach, Manager Academy is built around 5 categories of skills that align to what it means to be a manager at Red Hat: business acumen, human skills, communication, inclusive leadership, and financial acumen.

Workplace Enablement

We are committed to providing all employees with flexible working choices, helping them to achieve greater work life integration, reduce stress and enhance productivity.

Flexible working at Red Hat can include part-time working, remote working and other variations. Employees are also encouraged to adopt a flexible approach to working.

Declaration

I confirm Red Hat's gender pay calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

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