Gender Pay Gap Report
April 2024

Zscaler UK Limited

Zscaler provides the technology and expertise to guide and secure organisations on their digital transformation journeys. We help them move away from appliance-based network and security infrastructure models, replacing traditional inbound and outbound gateways with modern cloud-delivered services built for today's business. Ultimately, we enable our customers to securely take advantage of the agility, intelligence, and scalability of the cloud.

Gender Pay Reporting

The Gender Pay reporting regulations require all UK legal entities with over 250 employees to publish the following sets of data annually:

- Mean and median gender pay gap (hourly earnings);
- Mean and median gender bonus gap (for those receiving a bonus);
- Proportion of men and women that received a bonus;
- Proportion of men and women working in each quartile pay band.

This data is designed to look at the difference in the average pay of men and women regardless of their role or level within the Company. This is different to equal pay which focuses on equal pay for equal work. A gender pay gap does not mean that there are equal pay issues, our analysis indicates differences arise from the male:female distribution of the workforce.

Demographic of Relevant Employees

For hourly pay calculations, employers are required to review their relative pay for those individuals classed as relevant full-pay employees in the snapshot window. These are employees who received their normal hourly or salaried earnings in that snapshot and as such we have excluded all employees receiving reduced wages due to for example statutory maternity, statutory sick pay, or those on other unpaid or reduced rates during the window. As such we have identified 321 relevant employees who received their usual hourly rate on the snapshot date, 90 female and 231 male.

For the bonus pay calculations, all employees who received a bonus during the bonus window are included, regardless of their full-pay status. As such we have identified 327 relevant employees, 95 female and 232 male.

Hourly Pay Gap

2024	Mean Gender Pay Gap	Median Gender Pay Gap
Hourly Rate	36.4%	16.3 %

Zscaler provides men and women with equal pay for equal work. The represented differential is largely due to the demographics of our workforce, we have a higher number of men than women in roles with higher remuneration and more men than women in junior roles. This combination results in mean and median pay for males being higher than mean and median pay for females overall.

Hourly Pay Quartiles

Pay quartiles are calculated by splitting all employees in an organisation into four even groups according to their level of pay.

	Male %	Female %
Lower quartile	61	39
Lower-middle quartile	64	36
Upper-middle quartile	76	24
Upper quartile	86	14

Bonus Pay

This measures the differences in earnings between genders based on bonus, commission and incentive earnings paid over the 12-month period preceding the snapshot date. This is reported as a mean and median figure.

Proportion of males and females receiving bonus payment

Proportion of Employees	Male	Female
2024	92.7 %	91.6 %

There is a slightly higher proportion of males than females who received a bonus payment during this window due to there being more males in senior positions, and thus eligible for higher bonus targets, that are eligible to receive a bonus.

Bonus Pay Gap

2024	Mean Bonus Pay Gap	Median Bonus Pay Gap
Bonus	37.4%	25.4%

This is based on all bonuses paid during April 2023 to March 2024. For both mean and median bonus figures, male employees received higher bonuses during the relevant period.

Notably, the vast majority of bonus payments are commission payments to those in commission-based roles and thus are highly variable and dependent on roles and individual employee performance. An additional relevant input to this presented difference is that there are more males in senior positions eligible for commissions, compared to females.

There are many factors influencing pay and potential differentials, including role type and individual performance. We recognize that the fairness and inclusivity of an organisation's compensation system is a complex issue and Zscaler is dedicated to equity and fairness in pay through process and policy reviewing, including review of our job architecture which will allow for more accurate comparisons between male and female employees.

As a software company, Zscaler faces the same challenges as others in our industry in growing gender representation, especially in higher paid technical roles. According to LinkedIn, Sales (Systems) Engineers and Network Engineers in the London metro area are respectively, only 12%* and 14%* women.

*LinkedIn data pulled from LinkedIn Insights in July 2022

Our commitment to a Representative Workforce

At Zscaler UK Limited we are committed to investing in our people and have ongoing initiatives to support fair and unbiased gender representation in our organisation through:

Flexible working
We have defined our approach to the workplace, infrastructure and the talent we will recruit, develop and enable, requiring a balance of what the company needs to be effective and what an employee wants to be most productive. At the highest level, we will be flexible in offering office based, hybrid and remote work options with a structure to support that approach. The new approach is called the Future of Work Policy.

Representation

As our employee base grows, we're continuing to invest in the programs and structures that ensure our policies and practices uplift everyone without bias or exclusion. This includes courses on fairness, managing bias, and tailored training for leaders on the role of representation in building high-performing teams. Looking ahead, our key priority in this area is to mirror the wide perspectives and experiences of the customers and communities we partner with. We champion a balanced process in candidate pipelines, merit based recruitment, pay and benefits, promotion, retention, and the overall employee experience (ESG Overview / Social).

Women's Mentoring programme

Women in Zscaler Engage (WIZE) is an employee affinity group at Zscaler that works to foster an inclusive and supportive environment for women to engage and advance through their careers. Zscaler provides Employee Resource Groups, a Women in Zscaler Engage page that supports women in the workforce.

Talent Pipeline for women in senior roles

Zscaler and WIZE are expanding resources to accelerate development and promotion opportunities. This means building and growing leadership development programs and targeting mid-level managers in career development resources and opportunities to ensure improved internal mobility across our talent pipeline.

Company Commitment

We as a company are committed to offering equal employment opportunities and our policies are designed to attract, retain and motivate the best staff regardless of gender, sexual orientation, race, religion, age, disability or educational background.

I can confirm the accuracy of the data presented in this report as of 5th April 2024 and that it has been calculated in accordance with the legislation and guidelines for gender pay reporting.

Brendan Castle
Chief People Officer