

Gender pay gap report 2020

Dialog Semiconductor Plc

Introduction



We are committed to creating an inclusive working environment

“Gender diversity remains a priority across the organisation. We are proud of the continued initiatives that we have taken in support of advancing female talent at Dialog, highlighting the various career paths available to them, and providing training and development.”

At Dialog we are committed to employing and developing those people who have the necessary skills, experience and values to excel in their relevant role – irrespective of their gender, ethnicity, religion, disability or any other non-work-related personal characteristic. Across our 37 locations in 17 countries we employ a diverse workforce with employees from 61 nationalities. We draw on our varied backgrounds and experiences to drive an innovative, collaborative and open-minded work environment that builds a better future for our people our customers, and the communities where we operate.

This is the fourth year we are publishing the gender pay report and I am delighted with the actions we have taken to increase our focus on gender diversity within Dialog. We are committed to developing our female talent so that they feel supported to maximize their potential. We are also working to increase the number of women in engineering roles by engaging with more females about the exciting careers available to them. This report supports the actions we have taken, and we will continue our efforts in this regard.

This is our report for the snapshot date of 5 April 2020. I can confirm that the data published in this report is accurate.

Dr. Jalal Bagheri
Chief Executive Officer

Background



Julie Pope
Senior Vice President, Human Resources

“We recognise the value of a diverse workforce as it enables different perspectives and increases creativity. In particular, gender diversity remains a priority for Dialog as we continue to focus on attracting and developing female talent.”

The gender pay gap presented in this report shows the difference in the average pay between all men and women in a workforce.

The gender pay gap gives a snapshot of the gender balance within a hierarchy between 2019-2020.

The report does not look at equal pay (differences between men and women who carry out the same jobs, similar jobs or work of equal value). Equal pay means that men and women must be paid the same for carrying out work of equal value for the same employer, as set out in the Equality Act 2010. The gender pay report measures the difference between the average earnings of all men and women across an organisation, irrespective of their role. It is expressed as a percentage of men's average earnings.

We have analysed the reasons for our gender pay gap and it can be explained by the disparity between the number of females at higher levels in the organisation compared to the number of males in these roles. Consequently, our gender pay gap is due to the lower proportion of women in senior and engineering roles i.e. the gender balance in the hierarchy, and not due to gender discrimination.

We have analysed the factors which influence differences in pay and bonus between genders. Overall, any differences are consistently due to the female representation at the various levels throughout the business, and we were not able to track any pay differences to factors like experience and performance. We are pleased to see we are continuing to bridge the gap between the number of males and females in our pay quartile bands. In particular, a combination of higher proportions of female new hires and promotions has meant that female representation in the lower and lower middle quartiles has increased.

Diversity and inclusion matter to Dialog and we are always looking at ways to improve. We are proud to have a global and culturally diverse workforce and we know we have many talented women and men across the organisation. In 2020 we worked closely with our employees to innovatively find ways to raise gender awareness, both inside and outside the company.

Our Challenges and Actions

What are our challenges?

- 1** The number of women in engineering roles is low, and even more so in electronic engineering, therefore recruiting women is a consistent challenge.
- 2** The number of females choosing core STEM subjects is still low. In 2018 to 2019, the proportion of females choosing engineering entrants was 20.7%, a 1% increase from 2017 to 2018 (Engineering Report 2020).
- 3** Women still hold lower positions and do not progress to leadership levels as quickly or as often compared to men. Only 30.6% of women account for executive leadership roles in the FTSE 100 companies.



Proud moments from 2020 and continuing actions

- 1** In 2020 we have improved our parental leave policies in the UK and now provide enhanced maternity and paternity pay. We will continue to explore different ways to expand our reward offerings to accommodate all employees and ensure we are supporting a fully diverse workforce.
- 2** We take a global approach on encouraging females into engineering and increasing our future talent pipeline. This is done through different channels such as partnering with organisations that enable us to recruit young female engineers. In 2020 we continued with the Female at Dialog awards with UK Electronics Skills Foundation ("UKESF"). The Award is designed to proactively address the lack of women in engineering by supporting female undergraduates during their studies and providing an opportunity to complete an internship. Due to COVID-19 and travel restrictions we were unable to go ahead with the 2020 summer internships, therefore these have been postponed to 2021 and we look forward to welcoming these female students and also our third cohort this year.
- 3** To actively promote diversity and inclusion in engineering we continued with our partnership with the Women in Engineering Society (WES). In 2020 we were an official sponsor of the International Women in Engineering Day (INWED) which enabled our company profile to be included on all INWED resource packs and communications as well as profiling our female engineers across WES social media and networking platforms.
- 4** At the beginning of 2020 we held events in our offices, globally, to celebrate gender diversity such as International Women's Day. With the pandemic and our shift to remote working, our remaining events moved to virtual celebrations. To celebrate International Women in Engineering Day we hosted a live panel session where senior leaders shared their thoughts and opinions on Gender Diversity at Dialog and the benefits this brings. The success of this talk has led to a regular forum of live panel sessions, where leaders discuss particular topics such as Gender, Ethnicity and Well-being, provide practical tips and answer questions from our employees.
- 5** We know the importance of attending external diversity events and we encourage our employees to participate in these. In 2020, we continued to encourage female engineers and members of the HR team to attend virtual events and conferences to further their understanding of best practice in this area.
- 6** We also celebrated our first annual Diversity & Inclusion Awareness Month. The aim was to make employees think and be open minded to new views, ideas and appreciate diversity differences and we look forward to continuing this in 2021.
- 7** Last year we saw the creation of the first employee resource group at Dialog, Women in Technology. A place for females to build their network with fellow colleagues where they can share experiences, learn from each other, and thrive together. In 2021 the group are dedicated to creating internal events, series and news for the women by the women at Dialog.
- 8** We invest significantly in the development of our leadership group. In 2020 we have continued with the global 'Emerging Leaders programme', which proactively developing females. 36% of the attendees were women.
- 9** As well continuing all the initiatives above we will also focus on individual female development, including preparing females for promotions and supporting their continued development post promotion.

What our employee's say



“I am beyond honoured to be awarded the highly-coveted Dialog Award for Female Undergraduate 2020. This award gives me an assurance that there is always space in the industry for anybody of any background to pursue their dreams. I believe that the road to mastering electronics will be long and tedious, especially as it is currently a male-dominated industry, but when something is important enough, we will strive to do it – even if the odds are not in our favour. I hope that I can be a source of inspiration for any undergraduates in the technological field to study electronics passionately.”

Husna Fathiah Zulkarnain
Imperial College, Dialog Award recipient 2020

“It was an honour to be awarded this award (Female at Dialog Award) and offered a summer placement at Dialog. Although due to the pandemic, placement was not being able to happen this year, I am looking forward to the experience that I will gain in it. And this award allows me to build a stronger identity as a female engineer and raise awareness of the power of the female in engineering.”

Carol Kwok
Imperial College, Dialog Award recipient 2020

“I have been in the technology industry for 19 years and Dialog clearly stands out for innovation, diversity and taking care of employees. I joined Dialog in 2020 when the pandemic started. The focus on employee wellbeing and work/life balance has been outstanding from day one. Recognising everyone has different needs, and supporting employees with global initiatives as well as individually, helped to deliver strong results in 2020. Dialog provides equal opportunity to females to succeed in leadership roles. I had the privilege to participate in the executive development initiative as well as the promotion panel of a female leader last year. Dialog’s inclusive environment drives innovation. Everyone in the company has a voice and the diversity in ideas promotes growth and nurtures people with diverse talents and backgrounds. I am rather proud to work for such an innovative company that has diversity, inclusion and employee well-being at the heart of everything we do.”

Patricia Molina
Senior Finance Director, Group FP&A

A look at the data

Difference in Hourly Rate

At Dialog (UK), Women's hourly rate is

Mean	Median
25.1% lower	31.4% lower
(2019: 23.4%)	(2019: 26.7%)

The hourly rate calculations are prescribed calculations based on the difference between the average earnings of all men and women across an organisation, irrespective of their role. The number is not representative of men and women carrying out equal work.

Difference in Bonus Pay

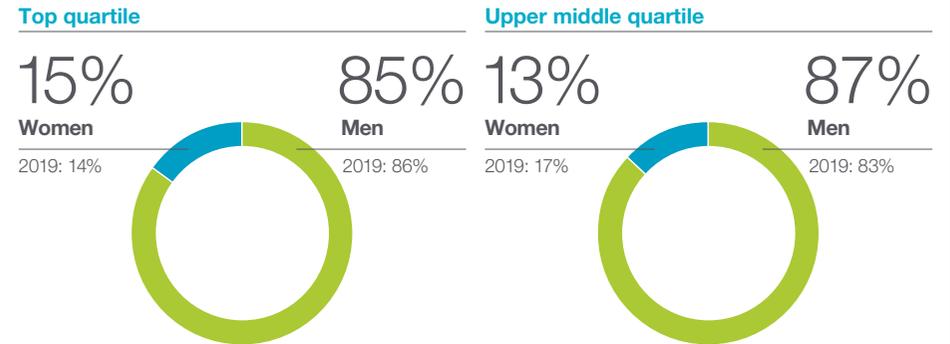
At Dialog (UK), women's bonus pay is

Mean	Median
52.1% lower	27.2% lower
(2019: 61.4%)	(2019: 48.8%)

The prescribed bonus calculation takes into account not only the annual variable bonus but also the exercised share awards in a given year. Due to the nature of our share awards (nominal cost options), the annual figure will vary based on exercise actions taken by participants which are out of the Company's control. Therefore the number is not actually representative of year-on-year differences in annual pay.

Pay quartiles

How many men and women are in each quarter of the employer's payroll



Who received bonus pay



100%
of women



100%
of men

Lower middle quartile



Lower quartile





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