“Our goal is to remove barriers to creativity and enable a safe and positive environment for people of all gender identities.”

- Tim Carroll, C.E.O
Introduction

The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 apply to private-sector and voluntary-sector employers and require them to publish details of the gender pay gap for their organisation as it is in the pay period in which 5th April (the “snapshot” date) falls in each year. There is a separate requirement for employers to publish gender bonus gap information, based on data for those in receipt of bonus pay during the 12 months to 5th April.

The data should include:

- the difference in the mean pay of full-pay men and women, expressed as a percentage;
- the difference in the median pay of full-pay men and women, expressed as a percentage;
- the difference in mean bonus pay of men and women, expressed as a percentage;
- the difference in median bonus pay of men and women, expressed as a percentage;
- the proportion of men and women who received bonus pay; and
- the proportion of full-pay men and women in each of four quartile pay bands.

CEO Statement - Tim Carroll

“We want Focusrite to be a great place to work – for EVERYONE and we want our teams to be diverse and balanced, and to represent the same wide variety of life experiences of our customers. We understand the importance of equality and diversity in retaining and attracting a talented workforce – seeking out the knowledge, experience and innovation from a variety of mindsets will unlock opportunities we’ve yet to realise, creating the best experience for our customers.

Our goal is to lead by example in removing barriers to creativity by developing safe and positive environments for people of all gender identities. However, we know our industry has a gender imbalance in both the audio and the engineering sectors – we want that to change. Part of this change is ensuring we hold a mirror up to our processes and practices and especially in relation to ensuring our approach pay and reward is equal across everyone.

In the last year we have taken strides in ensuring equality, including embedding benchmarking into our practices from hiring to internal moves and ensuring equal pay is a focus. We now use a gender language tool on our vacancies to ensure we are using language which is balanced. We have also been reviewing and improving our policies in relation to flexible working and family leave to ensure Focusrite is removing those barriers which may impacted a person’s decision to join or stay with us.

In the last 12 months we have also formed our Diversity and Inclusion internal network and have been demonstrating our commitment to gender diversity by internal campaigns and recognition of gender focussed events to raise awareness and celebrate the diversity of gender balance and the benefits for both the business and the people.

We are very pleased to present our first official gender pay results having hit the 250 people threshold. Whilst our data has not previously been reported, we have been capturing this to ensure we are monitoring the gap year on year. It is pleasing to see that that regular year on year improvement is happening, and the gap is closing!

We are proud of our people and the work they are doing to ensure continued success of the business and ensuring equality for all. We know there is always work to do and we look forward continuing to drive change within Focusrite and across our Group.”
Focusrite Audio Engineering Ltd.

2021 marks the first official year for Focusrite Audio Engineering Ltd’s gender pay gap data to be reported. Focusrite has been committed to monitoring gender pay gap for many years as an internal benchmark to help us progress, however 2021 is the first year the company has reached the 250-employee threshold.

- Our mean gender pay gap is **5.1%**. (18.0% prior year)
- Our median gender pay gap is **15.6%**. (6.7% prior year)
- Our mean gender bonus gap is **-6.3%**. (67.0% prior year)
- Our median gender bonus gap is **14.7%**. (27.2% prior year)
- The proportion of male employees receiving a bonus is **77.5%** (64.6% prior year) and the proportion of female employees receiving a bonus is **70.0%** (45.5% prior year).

**Table 1:** Focusrite Audio Engineering Ltd population split by gender
This table shows the gender split of the population as reported on the snapshot date of 5th April. There has been a positive increase in the split from prior year (17%) with an increase from 33 to 50 female employees.

**Table 2:** Focusrite Audio Engineering Ltd year on year median pay gap vs UK All data.
This table shows the comparison between Focusrite Audio Engineering Ltd vs the UK median pay gap data published by the ONS (April -2020). The UK All data for 2021 will not be available until November 2021 so is excluded from the below.

**Table 3:** Mean / median hourly earnings by gender
Our mean pay gap has reduced by 12.9% year on year. The median gap has increased by 8.9% year on year.
Table 4: Pay quartiles by gender (%)
This table shows our workforce divided into four equal-sized groups based on hourly pay rate. Band A includes the lowest-paid 25% of employees (the lower quartile) and band D covers the highest-paid 25% (the upper quartile).

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Males</th>
<th>Females</th>
<th>What is included in this band?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower Income</td>
<td>76.2%</td>
<td>23.8%</td>
<td>All employees whose standard hourly rate is within the lower quartile</td>
</tr>
<tr>
<td>Lower Middle Income</td>
<td>74.6%</td>
<td>25.4%</td>
<td>All employees whose standard hourly rate is more than the median but the same or less than the upper quartile</td>
</tr>
<tr>
<td>Upper Middle Income</td>
<td>85.5%</td>
<td>14.5%</td>
<td>All employees whose standard hourly rate is more than the lower quartile but the same or less than the median</td>
</tr>
<tr>
<td>Upper Income</td>
<td>83.9%</td>
<td>16.1%</td>
<td>All employees whose standard hourly rate is within the upper quartile</td>
</tr>
</tbody>
</table>

* A quartile is one of four equally sized groups created when you divide a selection of numbers that are in ascending order into four. The “lower quartile” is the lowest group. The “upper quartile” is the highest group.

* The figures in this table have been calculated using the standard methods used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Table 5: Median income quartiles by gender
Whilst there are a lower number of females in the higher income quartiles, this table shows that the median income hourly rate is higher for females.
Summary

We are committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above).

Legally, people of all genders and gender identities must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

We carry out an annual review across all our roles to evaluate against market rates, including salaries versus gender split, at different levels of the business. We know that our focus needs to be on supporting a broader gender balance into our more technical and senior roles.

Statistically, across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Women are more likely than men to be in front-line roles at the lower end of the organisation. Men are more likely to be in technical and IT-related roles, which are paid more highly than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, for example to bring up children. They are also more likely to work part time, and many of the jobs that are available across the UK on a part-time basis are relatively low paid.

We believe this pattern from the UK economy as a whole is reflected in the make-up of our organisation. We also recognise that specifically in the audio and engineering sectors there is a large gender imbalance. We have a very high proportion of males working in the areas which statistically pay higher salaries – 59 males vs 4 females in engineering, 27 males vs 2 females in Technical Support and 12 males vs 2 females in IT.

However, we have seen positive trends in several areas. In April 2021 we have more women in the business rising from 33 to 50 (3% increase year on year). We are also pleased to have had an increase in female representation in senior roles (those who report into board members and above) from 8 to 13.

In contrast, whilst we have been pleased to track a downward trajectory on our median gap over the previous two years it has increased to 15.4% in 2021 (6.7% in 2020), which is due to an increase in the number of females working for us as ‘placements’, which are the lower salaries in the organisation. These roles, however, are the first positive step we can take toward creating future female representation in technical and senior roles, so is an important move despite it making our numbers look less positive. We have a lot of confidence in our ongoing talent programs and future development initiatives, and hope to see these juniors flourish in the business.

We also report the mean bonus gap now as a negative (-6.3%). This has largely been due to the higher number of females in senior roles now receiving bonuses equal to those of male staff. In addition, during the reporting period we introduced general non-role-related bonuses for large proportions of the organisation. In short, females are just likely to be awarded bonuses as males.

Furthermore, the median gap for bonuses reduces from 14.7% to 0% if the zero-hours-workers are removed. Many of our zero-hours-workers have reduced their hours significantly (37.5 to 20.6 average hours per week) since they received bonuses, meaning that in the snapshot period for this report, they appear to be paid proportionally a much higher bonus per hour worked. You could therefore surmise that the median gap by this measure is zero, in real terms.
Next Steps

We are pleased with our first official results as they show broadly that we are reducing the gap year on year, and continue to focus on this, developing deeper metrics to understand more detail about where real imbalances are occurring.

We continue to make gender pay gap a part of our benchmarking review processes for both existing staff and new vacancies. We want to continue to nurture the professional development of all our people and our aim is to develop a career framework with which we can evaluate our gender balance at varying levels. Across the organisation, this helps us understand where we can foster further development of gender balance in technical and senior roles.

We want to ensure we increase our female population, however, acknowledge this is a difficult task. We want to present engineering and senior leadership as roles anyone from any background can aspire to and attain with us. On that basis, we are partnering with organisations which have a focus on gender diversity and learning ways to improve the imbalance in our industry.

Following the impact Covid has had on the organisation we have been able to prove that we can fully operate with a flexible working mindset. We will therefore be making flexible working an ongoing feature at Focusrite and would like to ensure our roles to be as accommodating to a wider pool of people, including those who may have seen a fixed working routine to be a barrier to working with us.

Over the coming year we will expand our efforts into the entire Focusrite Group, starting with diversity and inclusion training as part of the onboarding process.