

Medallia

Introduction

"At Medallia, we believe the strength of our workforce is the most significant contributor to our success. That is why we encourage people to bring their whole selves to work each day and continue to uphold our mission of creating a culture that values every person and every experience."

- Leslie Stretch, President and Chief Executive Officer

With a core focus on equitable experiences, we believe in enabling a culture of listening, accountability, trust, and acting on feedback to continuously optimise employee experience.

The events in 2020 showed us the importance of these values and what it looks like to listen as we confronted the realities of the global pandemic and racial justice movements. Through it all, Medallia has been, and continues to be, guided by our values and our people. When the COVID-19 pandemic began, we immediately took action-we extended and enhanced benefits and access to mental health programs, implemented flexible work arrangements for employees caring for children and family members, and used our own technology to stay connected and to listen to our teams as their needs changed. Progressing towards inclusion through ensuring equality and fairness in everything has never been more important. Despite the challenges that came with the pandemic, it has given us an opportunity to ask questions about the type of employer we want to be.

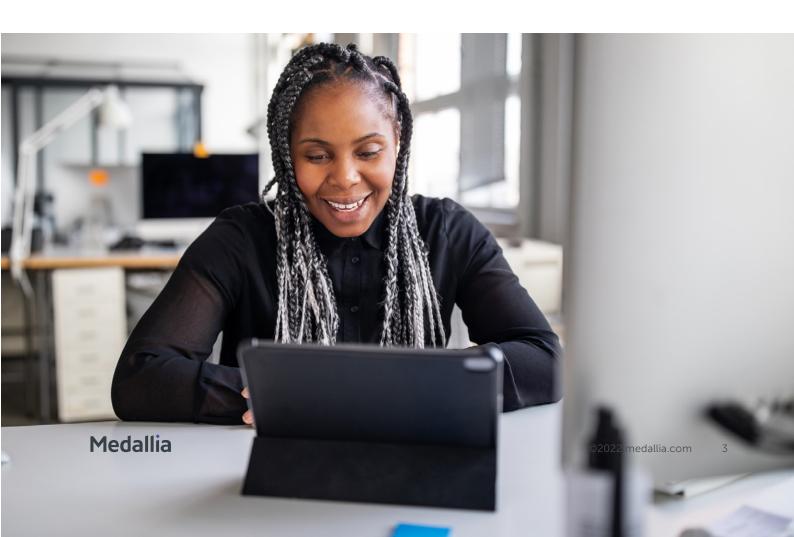
Gender diversity continues to be a challenge within the Sales profession, and in the Tech industry overall. We cannot shy away from the challenges that come with making progress, and there are practical steps we are taking to promote equity today. We actively seek to increase representation of women and underrepresented minorities in leadership roles and we have made progress in this arena. Our executive level female employee representation is 38.5 percent, which is greater than the average IT sector census. We publish our diversity data to provide awareness and transparency about

where we are today, hold ourselves accountable to our representation goals, and inspire action into diversity and inclusion within Medallia and across the industry.

We want every employee to feel they are compensated fairly, and that they have an equal opportunity for career progression. We made our first public equal pay commitment in 2017 and we've made progress on this commitment with ongoing analysis following every compensation adjustment cycle. We commit to having no statistically significant differences by gender or race for employees doing substantially similar work. We will continue to challenge ourselves to ensure fairness and to remove barriers to progress for everyone.

However, we know this is only the first step. While we are committed to ensuring our workforce mirrors the makeup of society, there is much more work to do.

Bringing these issues to surface through initiatives like the UK gender pay gap reporting are crucial for making sure we continue to make progress in the right direction.



Defining Gender Pay Gap Reporting

The gender pay gap is not the same as equal pay

While the gender pay gap and equal pay analysis both deal with pay disparity at work, they are not the same issue.

The gender pay gap is a measure of the difference between men and women's average earnings across an organisation as a whole, over a fixed time period, regardless of role or seniority. Even if an employer has an effective equal pay policy, it could still have a gender pay gap, e.g. if the majority of women are employed in lower-paid jobs.

Equal pay means that men and women performing equal work, or work of equal value, must receive equal pay, contractual terms, benefits, bonuses, reward schemes, pension payments etc.

Medallia made our first public commitment to equal pay by signing the Glassdoor Equal Pay Pledge in 2017. We commit to having no statistically significant differences by gender or race for employees doing substantially similar work.

Medallia UK Pay Gap:

We see the requirement to report on Medallia's UK gender pay gap as an opportunity to go beyond the statutory requirements, and to understand the context for our gender representation and remuneration.

UK Pay Gap:

Shows the difference between the mean and median pay of all male and female employees. Does not take into account employees' specific roles or seniority, or how these impact pay.

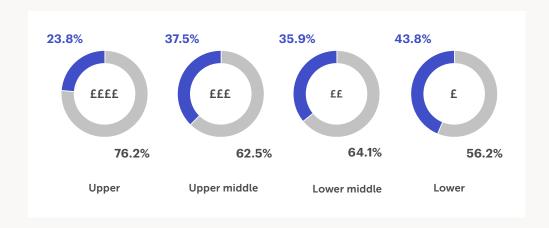
Mean Pay Gap **27.2%**

Median Pay Gap

Pay Quartiles:

Proportion of males and females in each of four equally-sized quartiles.





Medallia UK Bonus Pay Gap:

The bonus pay gap calculation is based on a variety of Medallia's reward & incentive programs, the main three being:

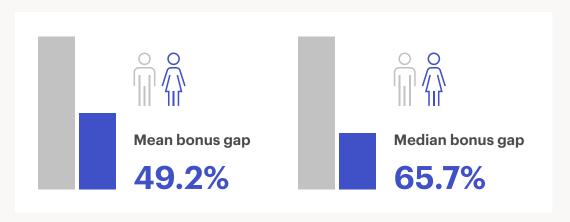
- Commission plans for Medallians in the Sales ecosystem, offering additional compensation based on individual performance;
- Medallia's Bonus Plan, a discretionary bonus for employees in non-commission earning roles, paid quarterly, subject to Company performance;

 An Equity Grant programme and Employee Stock Purchase Plan.

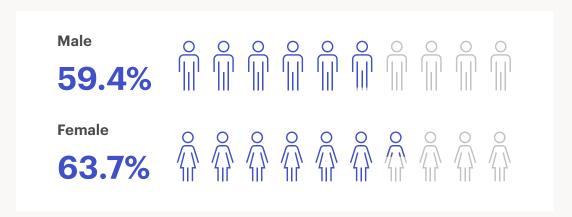
While proportionally more women than men received bonuses during the reporting period, both Medallia's mean and median bonus gaps are attributed to the higher number of men in the Sales organisation, and further influenced by the lower proportion of women in senior roles within the Sales organisation.

UK Bonus Gap:

Shows the difference between the mean and median bonus of all male and female employees.



Proportion of employees who received a bonus:



Our Ongoing Commitments

We are committed to a respectful, rewarding, diverse, and inclusive work environment that values the contributions of women and our goal of increasing the representation of women and ethnic minorities at senior levels. We feel it's important for our workforce to mirror the makeup of society. As part of this goal, we're focused on improving the representation of women in leadership globally, as well as in specific teams and regions where they are currently most underrepresented.

To reach those goals, we will continue to build a more inclusive workforce through the dedication of our leaders and their commitment to programs and resources that support our women employees and the rest of the workforce:



01 Equal Pay

We made our first public commitment to equal pay by signing the Glassdoor Equal Pay Pledge in 2017. In 2019, we became one of 13 inaugural signatories to the California Pay Equity Pledge.

To fulfill these commitments, we partner with Syndio, an HR analytics platform specialising in pay equity. We commit to having no statistically significant differences by gender or race for employees doing substantially similar work.



02 CEO Action Pledge

In 2019, we became a member of CEO Action for Diversity & Inclusion, the largest CEO-driven business commitment to advance diversity and inclusion in the workplace. By signing the CEO Action Pledge, Leslie Stretch committed Medallia to support an open dialogue on diversity and inclusion, implement and expand unconscious bias education, and share best known successful (and unsuccessful) actions.



03 Internal Communities

We empower our people through Employee Resource Groups. Our communities are supported with a budget and help to enrich our environment by hosting town halls and trainings to promote dialogue and education on important topics, and uplifting the voices of those who often are overlooked in our society. Women in Tech (WIT) and Women@, our two communities focused on gender equality and women's experiences with passionate UK participation, continue to have great impact at Medallia by highlighting women's voices, building community, giving back to organisations that focus on gender equality, and supporting the professional development of their members.



04 Learning & Development

We are committed to ensuring that all employees are offered an equal opportunity for development and progression opportunities, to help them reach their full potential, including dedicated training and development programmes for people managers and leaders. We have invested in global instructor led training on topics including unconscious bias, ally skills, and anti-racism for all Medallians. We also offer a robust tuition reimbursement program for all full-time employees globally.



O5 Our Partnerships

We believe that talent is everywhere We partner with organizations like PathForward, Breakline Mavens, WomenHack, and Lesbians Who Tech, and we measure diversity in our candidate pipeline to ensure we're able to make progress.



06: Inclusive Benefits

We use the feedback from our employees to understand what is driving employee engagement and which investments we need to make to improve. Based on this feedback, we are proud to offer the following benefits:

- a. When the COVID-19 pandemic began, we immediately took action to support our employees and introduced benefits to support parents around more flexible work arrangements to care for their young children or homeschooling. We know that benefits for parents are one of many ways to support women, who disproportionately shoulder childcare responsibilities.
- b. Enhanced maternity or adoption pay for 24 weeks, and all Medallians are entitled to a minimum of 6 weeks paid leave on the birth or adoption of a child. We also provide paid time off to all Medallians who experience miscarriage, through our Pregnancy Loss Leave policy.
- c. Through our global parenting support benefit, Medallians can access around-the-clock advice and support at every stage of the parenting journey through: egg freezing, fertility, pregnancy, postpartum, early paediatrics, and returning to work. This is available at no cost to employees and their partners who are pursuing fertility treatment, pregnant or up to 6-months postpartum, and members can also access early years paediatric support. Other benefits include expert resources, including working parent guides, and real talks on fertility and community forums.
- d. Medallia also provides access to coaches, therapy and community support sessions, with the ability for members to select personalised care plans and resources that support identity.



Looking Ahead

As we move forward in our efforts to increase gender representation and remove barriers to gender equality in the workforce, we will continue to challenge ourselves to ensure fairness and use our beliefs to guide and inspire our actions. And as stated in our opening, Medallia believes in a culture that values every person and every experience. By every person, we mean everyone – every community of color, gender identity, ethnicity, sexual orientation, ability, social class, age, and more.

While we are proud of our commitment to pay equity as a key measure of fairness

and equity for those doing similar work, this gender pay gap analysis shines a light on an important opportunity to focus on the distribution of men and women into different roles, within our company and in society. We know that it will take time to truly address our UK gender pay gap, but building an inclusive culture that encourages and supports the diversity of our community is the only way forward. From attracting diverse talent to Medallia, to growing and retaining our employees, we are focused on building programmes that ensure everyone has an equal opportunity to progress. These include:

Hiring Diverse Talent

We are actively focused on increasing the proportion of women at all levels. This is underpinned by introducing slating goals to deliver greater insight into the gender diversity of our talent pipeline, launching Medallia Open House events in the UK focused on women candidates, and further supporting partnerships with local organisations focused on gender equity to fill sales and engineering roles.



Growth

Our company consists of a diverse pool of talent, and our goal is to support all employees to reach their full potential. We will be investing in expanding our existing mentorship program to support women's development, especially those in sales and engineering.

Pay & Progression

We are committed to offering a fair, equal and unbiased reward system by closely monitoring promotions to ensure women are well represented at all levels within Medallia and focusing on our leadership representation goals for women globally, which were introduced in 2021 and include both hiring and internal promotions. Furthermore, we will be expanding on our existing pay equity commitments by engaging in an audit and certification of global practices by Fair Pay Workplace in 2022.





Inclusive Environment

We strive to create a workplace where our employees can bring their whole selves to work. We demonstrate this through the expansion and development of Medallia's women's communities, Women@Medallia and Women in Tech, in the UK via regional leadership engagement.



"Continuing to review our UK gender pay gap is one step Medallia takes in our commitment to build a more diverse, inclusive, and representative workforce full of opportunity for everyone. We realise meaningful change will take time and it takes a long-term commitment to significantly change the make-up of our workforce, and we are resolute in this effort. We must work in partnership to make this happen; we are stronger together."

- Mary Ainsworth, Chief People Officer

Declaration

We confirm that Medallia's gender pay gap calculations are accurate and meet the requirements of the Regulations.

About Medallia

Medallia is the pioneer and market leader in Experience Management. Medallia's award-winning SaaS platform, the Medallia Experience Cloud, leads the market in the understanding and management of experience for customers, employees and citizens. Medallia captures experience signals created on daily journeys in person, digital and IoT interactions and applies proprietary AI technology to reveal personalized and predictive insights that can drive action with tremendous business results. Using Medallia Experience Cloud, customers can reduce churn, turn detractors into promoters and buyers and create in-the-moment cross-sell and up-sell opportunities, providing clear and potent returns on investment. www.medallia.com

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