

Q4, 2020

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# Introduction

# An unexpected year

This has been a unique year for both society and people, with a global pandemic forcing us to rapidly deal with unimaginable situations and new challenges. It cannot be ignored that the globalisation of the Black Lives Matter movements has been historic since the death of George Floyd (and many more) at the hands of police brutality – Black Lives Matter protests have taken place in nearly 4500 cities worldwide in the past four months alone. Whilst the world has joined hands metaphorically in many ways, it has also been separated.

Diversity, equity, and inclusion (DE&I) has always been critical, but now more than ever it's taken on a new urgency and importance across wider audiences, including corporations. This is reflected by stats showing that the number of executives with diversity and inclusion job titles is up 113% since 2015, per data from Zoomlnfo.<sup>2</sup> LinkedIn data shows a decrease in the number of D&I jobs posted immediately after the COVID-19 lockdowns.<sup>3</sup> However, the data also shows a substantial upward spike since the globalisation of the Black Lives Matter movements in late May and early June.

# Our purpose

At Peakon, we believe work should work for people – all people. Belonging and inclusion for everyone enables Peakon's success and DE&I has been an essential part of our company since we started. We are committed to building a culture of listening that enables Peakons to feel seen, heard, and valued for who they are.

This is our first DE&I report and we are excited to share where we are and where we want to go. This report will highlight our work so far, alongside data from previous years, and what we'll be doing as we continue our journey toward an inclusive environment that works for everyone. With transparency and accountability as our core mission, this report will hold us accountable about what we're doing. We hope this openness about our progress and challenges is useful for you, too.



<sup>&</sup>lt;sup>1</sup> WBUR.org, Mapping Black Lives Matter Protests Around the World. October 2020

<sup>&</sup>lt;sup>2</sup> ZoomInfo, <u>Has corporate America reached a diversity tipping point?</u>, June 2020

<sup>&</sup>lt;sup>3</sup> LinkedIn, Why the Head of Diversity is the job of the moment, September 2020

# Where are we?

This year has been eventful for us at Peakon. We have reached a huge milestone of 100 million survey responses (and counting), released our latest <u>Heartbeat report</u> detailing the impact of COVID-19 on the workplace, and launched our new <u>Include product</u>, which aims to provide critical DE&I insights across your organisation, allowing you to collect ongoing feedback to measure the impact of new initiatives, and drive increased performance.



Listening to all employees and empowering managers to take meaningful action is at the core of everything we do. And we continue to embed this into our own culture here at Peakon. We are at the start of our own DE&I journey, with the data reported from September 2020.

At Peakon, we are a global business, with over 230 employees

in total, split across 5 offices, with some Peakons working fully remote. Our engineering, design, and product teams are primarily based in Copenhagen, with groups in London and Berlin. Our global Marketing team operates mostly out of London and New York, and we have Sales and Customer Success Peakons on the ground in every region. Our Finance and Legal teams are centralised in London. Our People team is based in London, Copenhagen and New York.

We have strong ambitions of scale and growth, which we can only reach if we truly live by <u>our values</u> and foster inclusion in all that we do.

There are now five generations working alongside each other in the workplace, and our data has shown that more employees of all ages are now speaking up about diversity and inclusion, with employee concern about DE&I increasing 19% globally as reported in our 2020 Employee Expectations report.

# What have we been doing?

We are proud of what we are building with inclusion. In this DE&I report, and we'll be sharing our employee breakdowns. To bolster our DE&I efforts internally, we have previously taken a number of steps.

#### Creation of DE&I scorecard

To hold ourselves and our teams accountable, we have created a DE&I scorecard using our Peakon Include product. This scorecard benchmarks, measures, and reports on diversity, inclusiveness, and non-discrimination – detailing the company's overall satisfaction to DE&I, alongside a breakdown of



our employee base in gender, ethnicity, and age. This provides a clear view on what Peakons feel across different backgrounds, and enables us to set clear goals using our metrics and benchmarks.

#### 2. Training on unconscious bias, allyship, and becoming an upstander

To aid continuous growth and learning, we have run learning sessions on unconscious bias, allyship, increasing psychological safety and becoming an upstander learning. These sessions have been dedicated to creating an engaging, safe space for learning, helping Peakons understand their role in creating inclusive environments in their day-to-day lives and in the systems in which they work.

#### 3. Holding senior leader awareness sessions with Senior Management Team

These sessions were to take our Senior Management Team on a journey in understanding how diversity, equity and inclusion is relevant to each of their work and personal lives, bringing them on a journey of awareness and education.

#### 4. Diversifying our talent pipeline

We have taken action to diversify our talent pipeline. We have been reviewing our job descriptions to remove bias in our wording or in the criteria we ask for, such as requiring university degrees when they're not needed. We will commit to reviewing all of our job descriptions moving forward. We have also been making a concerted effort to create diverse shortlists of candidates for our open roles through proactive sourcing and working with organisations dedicated to supporting underrepresented people in industry.

#### 5. Fostering continuous conversations

In the wake of the death of George Floyd this year, we launched our new #BlackLivesMatter Slack channel, which creates a space to share important topics and learnings on being anti-racist, the Black experience, and more. Using this channel, we host monthly company-wide discussions on topics, such as white privilege, Black hair, and the origins and impact of the n-word. These discussions are crucial for all of us - to recognise our own privilege and support our Black Peakons.

#### 6. Developing inclusive office and online spaces

In our largest offices based in London and Copenhagen, we have gender neutral toilet facilities available to ensure people can use whatever spaces with which they are comfortable. We will also be creating nursing and prayer rooms in all of our offices. On our Slack workspace, we have set default options for personal status' for caring and exercising to help people easily block out different times of the day when they need to let their teams know they're not contactable.



#### 7. Prioritising wellbeing for all Peakons

At Peakon, we provide a suite of healthcare services, such as insurance, fitness benefits, unlimited holiday, and more. To support our employees with mental health training, we have partnered with, <a href="Sanctus">Sanctus</a>, <a href="MIND">MIND</a> and <a href="MIRANT">VIBRANT</a> who are all industry-leading experts in mental health awareness, ensuring all managers are equipped to support the needs of all their team members.

We will continue to add to this and will be appointing a number of *Mental Health First Aiders* across all offices. Mental Health First Aid is a training program that teaches members of the public how to help a person developing a mental health problem, experiencing a worsening of an existing mental health problem or in a mental health crisis.

#### Hiring a senior leader to drive DE&I

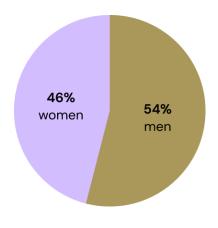
DE&I is crucial to our mission and success. We firmly believed that having a senior leader with the expertise to drive us forward would create the best possible experiences for all Peakons. That's why we hired a new <u>Global Director of DE&I</u> in September 2020 to own this work, reporting into the C-suite to provide clear, accountable action.

# Our current diversity and inclusion analysis

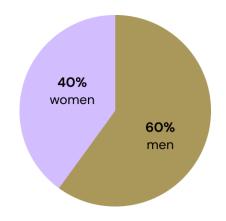
We believe embracing diversity without fostering inclusive environments is fruitless. That's why we are sharing our current diversity demographic breakdowns, alongside our own internal inclusiveness scores using our <a href="Engage">Engage</a> and <a href="Include">Include</a> products. Both products work in conjunction with each other to give us a clear understanding of how all employees are feeling across Peakon. Peakon Include provides additional DE&I insights, allowing us to collect ongoing feedback to measure the impact of new initiatives. And it helps us understand if a true sense of belonging exists for all employees – empowering managers and leaders to support everyone in the right way.



#### **Gender identity**







Peakon Senior Management Team

46% of Peakons identify as women. 29% of our engineering team identify as women and 40% of our senior management team identify as women.

Currently, 0% of our Board identify as women. We know this isn't good enough and we need to do more on our board diversity. We are fully committed to improving this and we will share what we are doing in detail in a blog by the end of 2020.

Our Include DE&I scores, broken down by gender.

Gender	Overall Diversity & Inclusion Satisfaction	Diversity	Inclusiveness	Non-discrimination
Men	8.3	8.2	8.6	8.9
Women	8.1	8.0	8.4	8.7

There's a difference between men and women's perceptions of DE&I at Peakon. Women employees score (-0.2) on the overall DE&I question and report a lower sense (-0.1) of belonging. Women score higher on Engagement (+0.1) and score the same on overall Organisational Fit, which suggests this difference in belonging is not down to our values, but instead experiences.

There's also a notable difference in perceptions of experience. For example, women rate an ability to have Freedom of Opinions lower (-0.2) and Management Support lower (-0.5). Women rate Accomplishment, Challenging (-0.5), Involvement (-0.9), and Personal Support (-0.6) less, which means we have work to do in creating an equitable environment for those of all genders, providing support and sponsorship to help all Peakons excel and reach their goals.



Using Peakon, we are able to see how people who have left us have been rating their scoring in the 3 months before they left us. This gives us a very honest picture of why people leave Peakon. In this analysis, we can see that in the 3 months before leaving us, women rated Management Support much less (-1.8) and viewed their alignment to our "Be you. Be More" value substantially less (-3.1). This suggests a difference in how Peakons are supported throughout their time here and a discrepancy in everyone feeling like they can celebrate their individuality and differences.

We recognise that gender identity is not binary. We are reworking our gender identity options to be more inclusive and collect a spectrum of data. Our next report will include breakdowns for Man, Woman, Genderqueer / Genderfluid, Non-binary, and I prefer to self-describe, alongside a separate question for those who identify as Transgender.



## **Ethnicity**



All percentages are rounded to the nearest percent

84% participation rate

Approximately 15% of Peakons identify as people of colour, with the majority of our team being White (77%). 10% of our senior management team and 22% of our Board identify as people of colour (i.e. Asian).

As London is our largest office, we are able to share our data breakdown in relation to <u>official census</u> <u>data</u>, whilst still protecting employee anonymity.

Ethnicity	London census data	Peakon London office	
Black	13%	4%	
Asian	19%	6%	
Mixed heritage	5%	8%	
Other ethnic group	3%	ο%	
White	60%	78%	
Prefer not to say	N/A	4%	

81% participation rate



Our Include DE&I scores, broken down by ethnicity.

Ethnicity	Overall Diversity & Inclusion Satisfaction	Diversity	Inclusiveness	Non-discrimination
Black	8.5	7.3	7.5	7.9
Asian	8.0	8.1	8.7	8.3
Mixed	9.0	8.3	9.2	8.8
Other ethnic group	6.0	7.6	7.1	7.9
White	8.4	8.2	8.7	9.0
Prefer not to say	6.8	7.8	7.5	7.3

It's important to note that some datasets are much larger than others (i.e. We have a substantially larger White Peakon dataset).

We see a difference in how different ethnicities feel about DE&I at Peakon. For example, there's a notable difference in Belonging, with Black Peakons (6.8) vs White Peakons (8.5) and Asian Peakons (8.6). We do, however, have similar scores for Feeling Valued, between Black Peakons (8.3), White Peakons (8.5), Asian Peakons (8.5), and with Mixed heritage Peakons rating this highest (9.4).



From an Engagement point of view, Black Peakons score highest (9.0), with Mixed Heritage (8.7), then White and Asian (8.5). Likewise, Black Peakons rate Freedom of Opinion the highest (9.1), followed by Mixed heritage (8.7), and White and Asian (8.5), which shows a comfort in expressing their opinions and trust between teams and team members.

Despite this clear Engagement and the high rating of Freedom of Opinions from Black people at Peakon,

we do see a difference in Fair Opportunities. It is clear we need to do more to empower all Peakons with the opportunities for growth and to reach their goals, whatever they may be. Mixed heritage Peakons (9.1) rate Fair Opportunities the highest, followed by White Peakons (8.9), Asian Peakons (8.1) and finally, Black Peakons (6.7). We do see Black Peakons rating Management Support highest (9.3) out of all groups (Asian (9.0), Mixed heritage (8.8), White (8.6)), showing meaningful and impactful relationships between Black Peakons and their managers.

Due to our departments and other office sizes, we are unable to segment and share our ethnicity data across the business or across different genders (giving breakdowns of women of colour, for

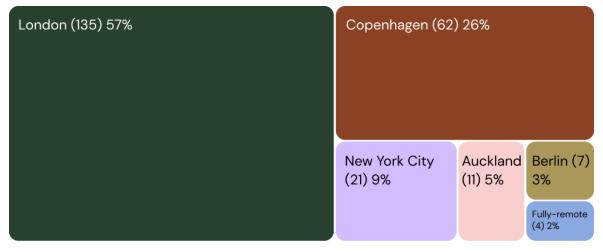


example), without compromising anonymity. As we scale and grow, we'll share this data when and where we can.

## Nationality



At Peakon, we have 27 different nationalities represented in our employee base. We are a global business, with 236 employees in total (as of 30th September 2020), split across 5 offices, with some Peakons working fully remote. Our employee base is split across:



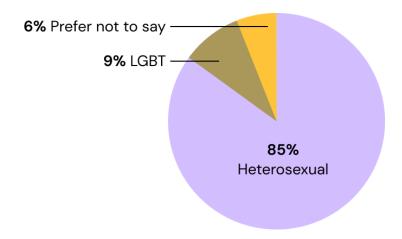
All percentages are rounded to the nearest percent

Our team's health, safety, and wellbeing is our main priority. We have been following local Government guidelines in each of our regions which means employees have been asked to work remotely for a significant time during 2020, but we've kept offices open to support personal wellbeing where possible.

As we grow and scale, we must prioritise inclusion throughout our many ways of working to ensure that all Peakons, regardless of their office location, feel a sense of belonging and community. To do this, we record all company-wide events for people to catch up on, ensure when organising training sessions that the times work for our different offices, and actively encourage asynchronous catch ups using written communication.



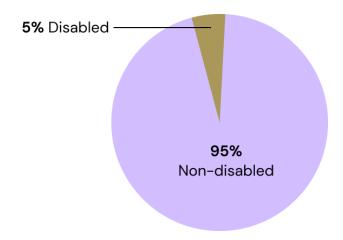
#### Sexual orientation



85% participation rate

9% of Peakons identify as LGBT+, with 85% identifying as heterosexual. Due to our data size, we cannot share a more granular breakdown without compromising anonymity and employee safety (which is our main priority). As we scale and grow, we'll share this data when and where we can.

## Disability

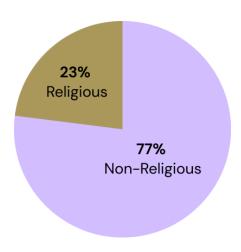


86% participation rate

5% of Peakons have a disability, either visible, invisible, or both.



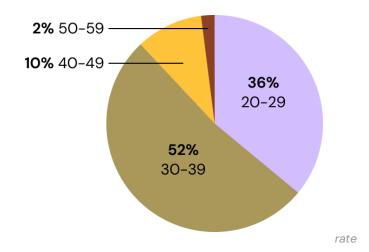
#### Religion



86% participation rate

23% of Peakons hold religious beliefs. In our future data collection, we will provide a more granular breakdown of the different religion representations at Peakon.

Age



95% participation

The majority of our workforce are in their 30s, which means we have a relatively young employee base. 21% of Peakons are over 35.

#### Future areas we will report

As we mentioned, we will be providing more granular and inclusive data options for gender identity and religion. In addition to this further granularity, we will start collecting data on:

- Neurodiversity
- Socio-economic background
- Living with a mental health condition
- Education
- Caring responsibilities





# What's next?

This is our first Diversity, Equity, and Inclusion strategy and we have three main goals to help drive us forward.

Live by our values



Inclusion is intertwined with our values. We must take meaningful steps to truly live by these values.

Take our own advice



We share our expertise with our clients to help them create a culture of listening and inclusion. We try and test everything with our own community first, being transparent with progress and learnings.

Set strong foundations



This year's DE&I strategy is about setting foundations in place, so we move forward with inclusion and inclusive practices embedded in our long-term vision.

# To make a sustainable and scalable impact, we will focus our efforts across three main themes.

Engage



We will engage and listen to all Peakons to understand what works for them and what doesn't.

Teach



We will bring all Peakons on a journey of understanding DE&I, privilege, and bias, helping us all speak about inclusion from an authentic place.

Action



Listening without action is fruitless. We will provide a clear set of initiatives in our DE&I strategy to bring to life our vision.



Across these themes, we will have an array of initiatives and metrics in which we will measure our progress, success, and growth areas. We will be taking an intersectional approach by having our main focuses on gender, ethnicities, and LGBT+, with additional focus overlaying on disability, age, neurodiversity, mental health, working parents, religion, and socio-economic background.

#### 1. Engage

Transparent internal communications

Transparency is key to our mission and growth - we will be transparent in all of our DE&I efforts internally, sharing exactly what we are working on through a company-wide accessible



Kanban board, a #weekly-inclusion-updates Slack channel, and having dedicated DE&I progress/lessons learned company-wide sessions each quarter.

#### DE&I Think Tank

Our Think Tank will bring together those from different backgrounds and experiences, sharing their ideas and providing different lenses onto our strategy and group of initiatives. Each member of the Think Tank will hold their position for one year. Our main goals for this initiative are to create a community of Peakons who represent the Peakon experience from different lenses, provide feedback and insights into the DE&I roadmap (including its strategy, key themes, deliverables, milestones, and goals,) and create an open two-way communication path between Peakons and senior leadership on DE&I.

#### DE&I Calendar

This calendar is simply to create a greater awareness of the events that are important to all Peakons, not just those with whom we directly identify. It holds different flagship events focusing on supporting different genders, ethnicity, cultures, religions, disability, neurodiversity, and more. Through this calendar, we also now have one place where Peakons can find and sign up for all DE&I events - so people can plan them into their diaries easier.

Quarterly analysis on internal Peakon feedback and scores using Scorecard

Using the Scorecard we rolled out earlier this year, we will analyse our internal data from our Include product, across our different business units, with a commitment to share this every quarter internally. Based on these metrics, we will be setting an overall key progress indicator for DE&I, alongside specific indicators for diversity, inclusiveness, and non-discrimination. To ensure we are capturing the full picture of working at Peakon, this analysis will be broken down by underrepresented groups and shared where anonymity can be ensured.



Create Employee Resource Groups (ERGs) for Gender, Ethnicity, and LGBT+, with flagship events

These ERGs will create a sense of community and ownership across Peakon for underrepresented groups to come together, find like-minded people, network and organise flagship events that have intersectionality at their core - ensuring representation of all different Peakons.

Provide tailored education to managers and leaders on supporting Peakons from different backgrounds

We are all very different people and managers and leaders must support all of their people, not just those with whom they directly identify.. We will be rolling out clear, actionable guidance and education to this group on supporting people from different backgrounds, such as working parents, neurodiverse Peakons, disabled Peakons, and those going through menopause.



#### 2. Teach

Quarterly sessions on privilege awareness, allyship, anti-racism, bias, and more

We will bring all Peakons on a journey of understanding DE&I, privilege, bias, allyship, challenging Black inequity, and anti-racism - helping us all understand and speak about equity

and inclusion from an authentic place. These sessions will be mandatory and complemented with online learning paths. We will measure success by monitoring Inclusion scores for senior management team members, seeing whether they increase, stay the same, or decrease.

#### DE&I onboarding session

DE&I is at the core of all that we do and we will set the tone from the beginning to all new Peakons, sharing what our DE&I mission is, what we're doing, how to acknowledge privilege in the workplace, and more. This will form part of our onboarding programme, setting all Peakons up for success.

Inclusive interviewer training for all interviewers and hiring team

This mandatory training is for all of those involved in the interview process for potential future Peakons. This training covers the importance of inclusion in our hiring process, the difference between equity, equality and justice and dos and don'ts through every stage of the process.

#### DE&I internal handbook

This will be our one-stop-shop for all things DE&I, holding our strategy, mission, and reporting, as well as useful articles/learnings on inclusive language, being an actionable ally, running inclusive events, and how to get involved..



#### 3. Action

#### DE&I data capture

We will be defining new and more inclusive options for our data collection, enabling intersectional reporting across promotion rounds, and more. We will have a continuous communications plan



to be clear on why we're asking for this data and, sharing our goals to create trust, with the aim of a high disclosure rate.

#### Process and policy review

To create inclusive environments, we must actively analyse and challenge our own processes. We will spend time understanding all of our processes (such as hiring, probation, reasonable accommodations, caregiver leave, promotions, leavers, and more) from different lenses. Once we understand them, we will use our data to prove concretely whether these processes are working (or not) for people of all backgrounds. Based on this information, we will amend and rework as needed.

#### Hiring focus

Hiring plays an important role in our DE&I strategy. Alongside our mandatory inclusive interviewing training, we will be enhancing our Applicant Tracking capabilities to improve reporting and data capture. We will be capturing optional applicant protected characteristic data, enabling us to:

- Analyse if underrepresented people are getting into our pipeline
- Determine that if they are, are they falling out at a certain stage? If so, what interventions and process changes will we make?
- Set aspirational targets, pushing for diverse shortlists before making any decisions on who to hire, using different methods such as the Rooney Rule.

To bolster this work, we will also form a number of partnerships and commitments with organisations dedicated to supporting and empowering underrepresented groups, such as <a href="https://example.com/BYP Network">BYP Network</a> and <a href="https://example.com/Ada's List">Ada's List</a>, where we are now posting a number of our roles.

#### Sponsorship programme for underrepresented Peakons

Sponsorship plays a crucial role in progression. Given the different scoring Peakons have using our Include product around Management Support, we will be rolling out a sponsorship programme across Peakon, pairing leadership (director level and above) with junior/mid-tier underrepresented Peakons to help create a more equitable workplace.

#### Creating inclusive spaces for work

We are all working remotely at the moment, however we will analyse our workplaces from an inclusion



perspective to understand if they are working for those with disabilities, those who are neurodiverse, and if there are appropriate rooms for those who need them, such as prayer or nursing rooms, and make the necessary changes. We have also updated our Slack profiles to ensure everyone is spoken about in the best way for them, by providing custom fields for pronouns and name pronunciations. This helps ensure that there is less of an 'emotional tax' on each person to share this info or correct people when they get it wrong..



# Measuring success

What is measured gets done. As we are at the early stages of our journey, our success will be measured by the foundations we implement. Below are some of the ways we are measuring our success:



#### 75-80%

# Optional DE&I data disclosure rate by Q4 2021

To enable intersectional reporting, commit to meaningful targets, and future pay gap reporting.

#### 8.6-9.0

## Defined key progress indicator based on DE&I Peakon score

Our average is 8.2 and we're aiming to increase this to somewhere between 8.6-9.0 by Q4 2021.

#### 7.0

## Defined key risk indicator based on DE&I Peakon score

If our score drops low, we will spend time analysing why and putting our risk plan into place, which involves company-wide listening sessions, engaging leadership and mid-management, and sharing outcomes transparently.

## Increasing DE&I scores

## Gauging inclusiveness at **Peakon**

We aim to increase of our own DE&I Peakon scores, both overall and in Diversity, Inclusiveness, and Non-discrimination.

#### 100%

# Leadership trained on inclusive practices

All of our senior management team and leadership (director and above) Peakons will complete mandatory Privilege Awareness and Allyship sessions by Q4 2021.

#### 100%

## Interviewers trained on inclusive hiring

All interviewers and the hiring team will be trained on Inclusive Interviewing practices by Q2 2021.

# Transparency in communication

## A transparent approach to **DE&I** communications

We'll achieve this by having 1-2 #general Slack channel posts on DE&I per month, quarterly company-wide webinar/live sessions, and weekly updates in #weekly-inclusion-updates.

# External partnerships

# Supporting current and future Peakons through external partnerships

We'll form 3-4 external partnerships with organisations supporting underrepresented groups in 2021 to help us empower our current Peakons from those different groups whilst also helping us widen our talent pool.

# Embedded inclusion in hiring process

## **Enhancing our Applicant** Tracking capabilities

We'll attain a clear understanding of our talent pipeline through enhancing our Applicant Tracking capabilities to improve reporting and data capture, aiming to roll out a dashboard by Q2 2021, allowing us to set future targets.



# Moving forward

We commit to transparently sharing our diversity, equity, and inclusion journey at Peakon, and the different wins and lessons learned. This plan will evolve, change, and grow, especially as employees become more engaged with DE&I and how it affects their lives, both in and out of the workplace. We are focusing on embedding strong foundations this year, and will build on them as we continue to embrace our mission to make work work for everyone. As a company of over 230 people, we are continuing to prioritise and embed inclusion in all that we do, so as we scale inclusion will be threaded through our core.

We're excited to share all of this with you and we'd love to hear from you if you have any questions, feedback, or suggestions!

