



# Gender Pay Gap Report 2023 UK

Region:United Kingdom

Pursuant to the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (“Regulations”), Cadence Design Systems Limited (“Cadence UK”) provides the following report.

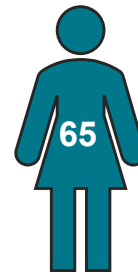
## Our Figures At A Glance

### Organisational Context

The pay data of 289 Cadence UK employees was analysed in relation to the reporting year of 2023, using a snapshot date of 5<sup>th</sup> April 2023.



Number of Male Employees



Number of Female Employees

### Pay & Bonus Gap

The table below shows our overall mean and median hourly rate gender pay and bonus gaps based on hourly rates of pay during April 2023 (the “relevant pay period”), and bonuses paid in the 12 months leading up to and including 5<sup>th</sup> April 2023 (the “relevant bonus period”).

	<i>MEAN</i>	<i>MEDIAN</i>
<b>HOURLY PAY*</b> <i>(FOR FULL PAY RELEVANT***)</i>	23.4%	35.1%
<b>BONUS PAID**</b> <i>(FOR RELEVANT EMPLOYEES ****)</i>	-10.4%	60.8%

\*Mean and median gender pay gap difference based on hourly rates of pay for full pay employees during the relevant pay period. For this report, hourly pay is calculated using base pay, allowances, commission, and bonuses paid in the relevant pay period as defined by the Regulations.

\*\*Mean and median differences between bonuses paid to men and women in the relevant bonus period expressed as a percentage of the mean and median bonus pay received by male employees in the same period.

\*\*\*For "full-pay relevant employees" as defined in the Regulations. This includes employees who are employed on the snapshot date who are not receiving lower or nil pay due to being on leave during the relevant pay period.

\*\*\*\*For "relevant employees" as defined in the Regulations. This includes all employees as at the snapshot date.

## Bonus Pay

The proportions of male and female employees who received bonus pay during the relevant bonus period are as follows (percentages are rounded to one decimal place):

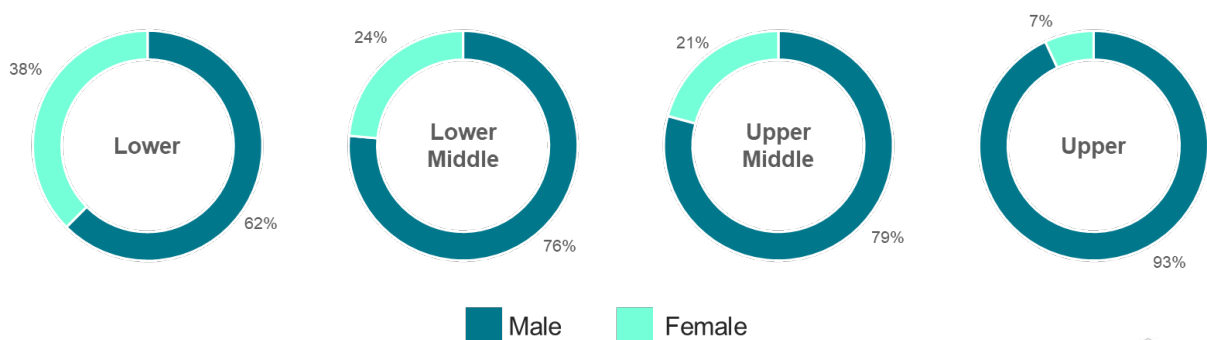
Male employees: 97.8%

Female employees: 96.9%

Eligibility for bonus and equity is the same for male and female employees within Cadence UK. Target bonus amounts and equity granted increase as employees become more senior and move into leadership and senior technical positions. Typically, engineers receive more equity than colleagues in non-technical positions due to the competitive nature of the market for their expertise. This bonus and equity treatment applies equally to male and female employees but, in common with other companies in our industry, we have a lower representation of women in senior leadership and technical roles which tend to attract higher bonuses and equity awards.

The following pie charts separate our entire UK workforce into four equal quartiles which have been identified based on hourly pay sorted from lowest to highest and split into 4 equal groups.

### Proportion of males and females in each quartile band:



## Understanding the Gap

It is important to be aware that the gender pay gap is different to, and should not be confused with, the issue of equal pay. Equal pay deals with any pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. It is unlawful to pay people unequally because they are a man or a woman. The gender pay gap, however, shows the difference in the average pay between all men and women in a workforce (and therefore does not reflect differences in roles or seniority) by reference to a high-level snapshot of pay.

Our analysis, as of 5<sup>th</sup> April 2023, reports a median gender pay gap of 35.1%. Cadence UK's gender pay gap is reflective of the talent market in our industry where there are more men in STEM-related professions, occupying more senior and therefore more highly paid roles. For example, 78% of our UK workforce is male, compared to 22% female. The gender pay gap therefore stems from the demographics of our workforce and industry more widely, in terms of the comparative numbers of male and female employees both generally and also in more technical and/or senior roles. It does not, however, indicate that there is any disparity in pay between male and female employees who are carrying out the same roles or work of equal value.

## Our Commitment To Diversity, Equity & Inclusion

At Cadence we pride ourselves on creating and sustaining a company culture that drives innovation and business success. With this we encourage, value, and leverage the diversity of people, perspectives, experiences, and lifestyles to achieve maximum business performance. It is critical to our success that we have a workforce as diverse as the customers, professionals, and communities we serve. Focusing on diversity and inclusion supports our business strategy by attracting top talent and improving our decision-making. Our engaged and inclusive teams encourage people to share their diverse insights, perspective, and opinions to help drive innovative solutions for our customers.

## What are we doing to make a difference?

Cadence's DEI strategy is focused on providing the support our employees need to thrive. This includes fostering an environment based on trust, cooperation, respect and equitable treatment. Our President and CEO has signed the Global Semiconductor Alliance Women's Leadership Initiative CEO pledge, committing to prioritizing gender diversity through recruitment, retention, development and offering dedicated opportunities for women to advance in their careers.

We aim to inspire, engage, and develop our female employees through a number of different initiatives.

- Women are encouraged to participate in internal groups that aim to drive community and development through internal and external speaker events, virtual seminars and networking events.
- We also run Cadence Women's Conferences, which provide an inspiring opportunity to network, learn and engage with other women and allies.
- Cadence offers the IMPACT Mentoring: Women in Mentorship Program to support women in building their careers at Cadence. We will continue to sponsor and participate in similar programs to support our gender equity goals.

We continue to invest in junior talent by running annual internships in both our R&D teams and our customer-facing engineering teams. We emphasize hiring female talent into these roles. This is an important pipeline for hiring graduate talents. As we continue this practice we expect, over the years, to reap the benefits and look to increase female representation.

## Cadence UK

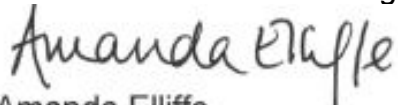
In March 2023, a celebratory event was held for International Women's Day. As part of this event, we invited female employees from our UK sites, including homeworkers, to attend our EMEA Headquarters, in Bracknell, UK. This event was designed to encourage employees to meet and network with their female colleagues, to celebrate women's achievements and to participate in round tables with female leaders, who spoke about overcoming challenges, the importance of personal branding and their career progression journey.

In December 2023, we held another 'Women@Cadence' event, providing an opportunity for our female colleagues to network and reflect on their achievements in 2023. As part of this, we arranged a round table discussion with a female Cadence Corporate VP, focusing on 'what it takes to be successful'.

Cadence is committed to achieving gender pay parity and will continue to foster an open and inclusive culture, with a focus on attracting, developing, and retaining talented women, and driving engagement for all.

### **Confirmatory statement**

*I confirm that the information set out in this gender pay gap report is accurate and calculated in accordance with the Regulations.*

Signed: 

Name: Amanda Elliffe