Gender Pay Equity

Whereas:

The median income for women working full time in the United States is reported to be 80 percent of that of their male counterparts. This 10,470 dollar disparity can add up to nearly half a million dollars over a career. The gap for African America and Latina women is 60 percent and 55 percent respectively. At the current rate, women will not reach pay parity until 2059. The World Economic Forum estimates the gender pay gap costs the economy 1.2 trillion dollars annually.

Payscale reports a 16.2 percent mean pay gap at Facebook, nearly 18,000 dollars. Glassdoor finds an unexplained 5.9 percent gender pay gap in the technology industry after statistical controls, noting “many tech jobs top the list for largest gender pay gaps.” Robeco Sam finds a 10 percent pay gap for managers at software companies and a lower retention rate for female managers than male managers.

In the tech industry, McKinsey & Co. reports only 36 percent of women hold entry level positions and female representation declines as job title advances, with only 17 percent in C suite positions.

At Facebook, approximately 35 percent of our Company’s employees are women, and women account for only 28 percent of our firm’s leadership.

Mercer finds managing pay equity “is associated with higher current female representation at the professional through executive levels and a faster trajectory to improved representation.”

Research from Morgan Stanley, McKinsey, and Robeco Sam suggests more gender diverse leadership leads to superior stock price performance and return on equity. McKinsey states, “the business case for the advancement and promotion of women is compelling.” Best practices include “tracking and eliminating gender pay gaps.” 63 percent of companies report tracking gaps. Our Company does not report its gap.

Regulatory risk exists as the Paycheck Fairness Act pends before Congress. California, Massachusetts, New York, and Maryland have passed the strongest equal pay legislation to date. Companies with United Kingdom operations will be required to publish their United Kingdom gender pay numbers by 2018.

The Congressional Joint Economic Committee reports 40 percent of the wage gap may be attributed to discrimination.

S&P 500 and technology peers including Intel, Apple, Expedia, Adobe, Amazon, Microsoft, Google, and eBay have publically reported and committed to gender pay equity.

Resolved: Shareholders request our Company prepare a report, omitting proprietary information, above and beyond litigation strategy or legal compliance, and prepared at reasonable cost, on the Company’s policies and goals to reduce the gender pay gap.

The gender pay gap is defined as the difference between male and female median earnings expressed as a percentage of male earnings (Organization for Economic Cooperation and Development).

Supporting Statement: A report adequate for investors to assess company strategy and performance would include the percentage pay gap between male and female employees across race and ethnicity, including base, bonus and equity compensation, methodology used, and quantitative reduction targets.