



Your partner
in progress

Gender Pay Gap

2023 Report
April 2024

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Section One

Introduction





Susan Taylor Martin
Chief Executive Officer
BSI



Alison Sharp
Chief People Officer
BSI

Welcome to our 2023 UK Gender Pay Gap report. Our mission as an organization is to accelerate progress toward a fair society and a more sustainable world. Investing in our people is a key driver of that progress.

Progress, by its very nature, isn't always linear. Achieving progress requires focus, consistency, and commitment to policy, structure, and practice reforms. We are resolute in our dedication to bringing a diversity and inclusion lens to all areas of our organization, taking relevant actions, and investing to make a long-term impact.

Our global diversity and inclusion initiatives enable us to support our people and provide guidance for our clients. Both internally, for example through our partnership with Maven, the world's largest virtual clinic supporting women's health, and externally, through the introduction of BS 30416, the standard for Menstruation, Menstrual Health, and Menopause in the Workplace, our actions are designed to help diverse employees in general and women in particular thrive in the workplace.



Although our mean gender pay gap, while still below pre-pandemic levels, increased for the first time, our efforts helped us see some small gains in 2023. Our bonus pay gap declined from 2022 to 2023 and we saw an increase in the number of female employees receiving bonuses. We achieved gender parity at our lower middle organizational quartile and have increased the percentage of female employees at the upper middle and upper organizational quartiles.

There is clearly more work to do. We are committed to attracting, retaining, and nurturing diverse talent at every level of our organization and making BSI an employer of choice for diverse talent. We are in this for the long term.

A fair society is one in which everyone has an equitable chance to live a safe, healthy life and reach their goals, whatever those may be. BSI is dedicated to privileging voices that do not always get heard, setting standards, and providing guidance, information, and support to help our own organization as well as those we work with progress toward this objective.

Declaration.

We confirm the information and data reported is accurate as of the 05/04/2023.

Susan Taylor Martin

Chief Executive

Alison Sharp

Chief People Officer

Section Two

Gender Pay Gap reporting explained



The Gender Pay Gap shows the difference in average hourly pay¹ between women and men – regardless of the nature of their work – across the entire organization. It is expressed as a percentage of men’s pay.

Median and Mean Calculations

1, 3, 3, **6**, 7, 8, 9

Median = 6

Mean (average) = $\frac{\text{Sum}}{\text{Count}}$

How do we calculate median and mean pay gaps?

The median gap

The median gap is the figure that falls in the middle of a range when the hourly pay of all relevant employees is lined up from smallest to largest. The median gap is calculated based on the difference between the employee in the middle of the range of male hourly pay and the employee in the middle of the range of female pay.

The mean gap

The mean Gender Pay Gap is the difference between mean men’s pay and mean women’s pay and is calculated by adding up the pay of all relevant employees and dividing the figure by the number of relevant employees.

We also carry out these median and mean calculations when comparing bonus pay over a 12-month period.



¹ The hourly rate is based on salary and bonus divided by the number of contracted hours

How are the pay gaps expressed?

Pay gaps are expressed as a percentage of men's pay. When the difference is positive, it means the men's pay is higher than the women's; when it is negative it means that women's pay is higher than men's.





What's included in our calculation?

Calculations of mean and median pay and of quartile pay bands are based only on data from the snapshot date of 05/04/2023. Our calculations use the conventions set out by the UK government's Gender Pay Gap reporting regulations. Our data covers 2,095 people working in our UK businesses that are relevant for UK reporting requirements. The pay used to calculate the mean and median Gender Pay Gaps includes basic pay as well as allowances and variable pay less any relevant salary sacrifice amounts.

Equal Pay

It is important to note that Gender Pay Gap reporting does not measure equal pay. Equal pay is men and women being paid the same for the same work or work of equal value. At BSI, we pay men and women the same for the same work. The Gender Pay Gap is the difference between the gross hourly earnings of all men and gross hourly earnings of all women. Since BSI has more women in the lower quartile of the organization and more men in the upper quartile, the Gender Pay Gap remains positive.

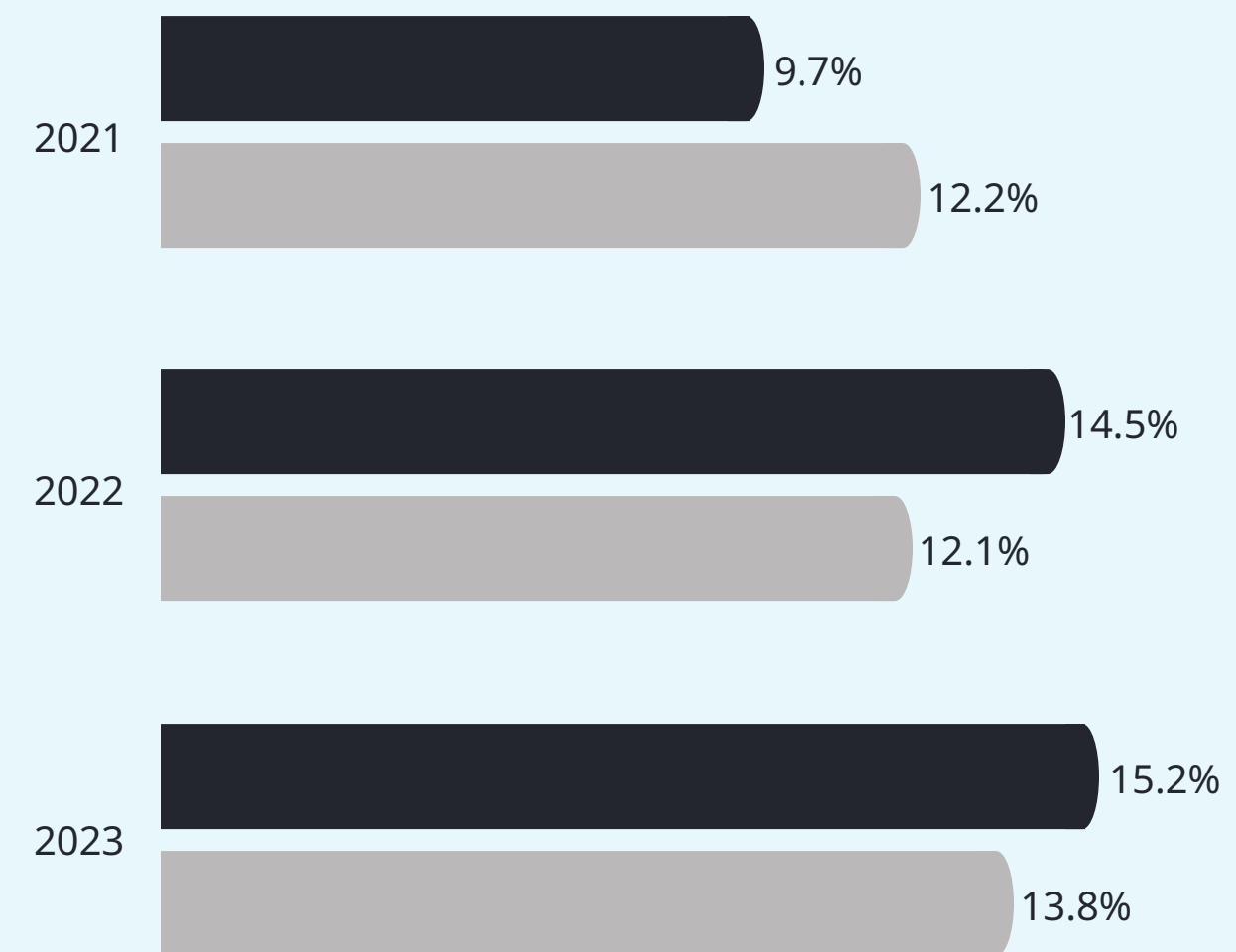
Section Three

Our journey



For the first time since we started UK Gender Pay Gap reporting, this year's mean Gender Pay Gap has increased, though it remains below pre-pandemic levels. We continue to invest in our recruitment processes as well as our equity, diversity, and inclusion initiatives to ensure this trend does not continue. Our focus reflects our belief that long-term progress will only come from ongoing diversity and equity-focused structural reforms to people policies and practices.

Gender Pay Gap



■ Median
■ Mean

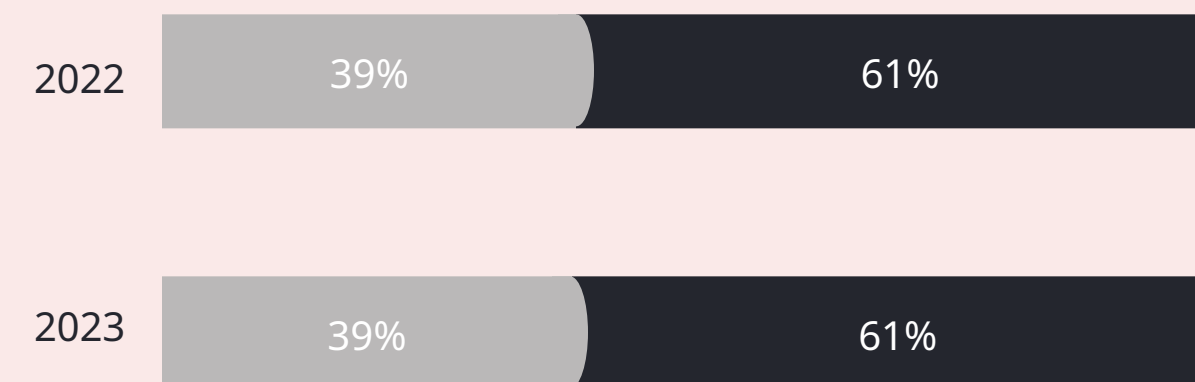


For the purposes of reporting, we divide our workforce into quartiles, which are calculated by listing the rates of pay for each UK employee across BSI from lowest to highest, splitting that list into four equal-sized groups and calculating the percentage of males and females in each.

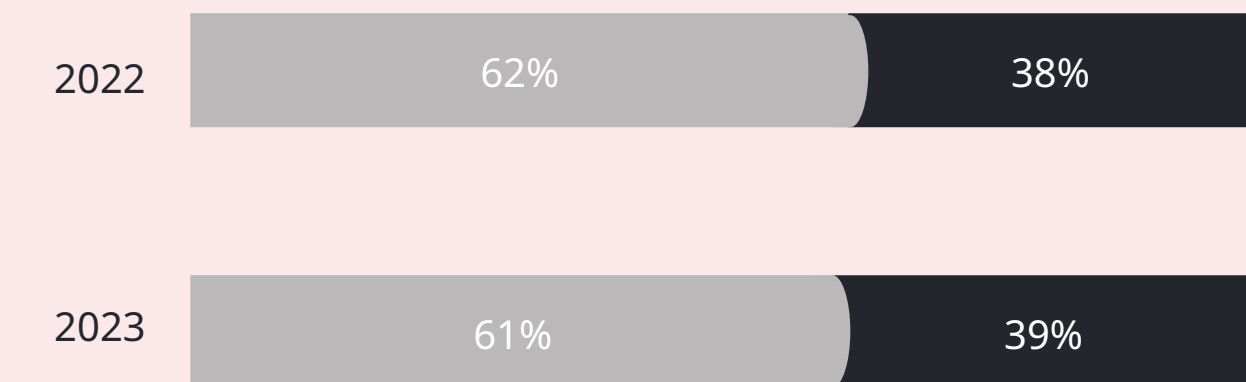
We continue to benefit from the work we have been doing to increase female representation at more senior levels. Female employees now represent exactly half of our lower middle organizational quartile, and their representation has increased one and two percent respectively among our upper middle and upper organizational quartiles. Our opportunity now is to apply the learnings we've gained to our lower organizational quartile, where we continue to have a higher percentage of females.

Quartile Split

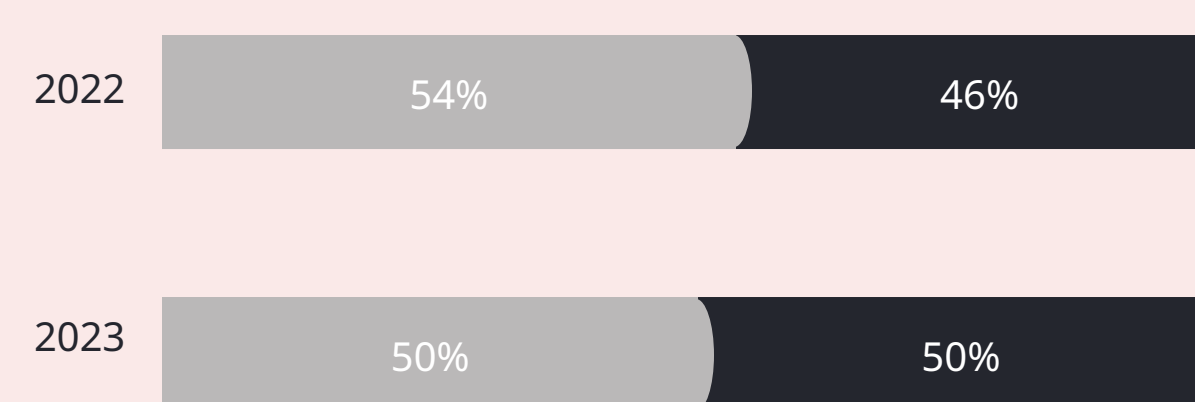
Lower



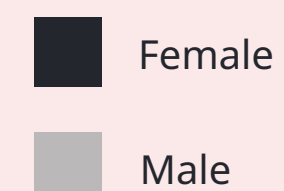
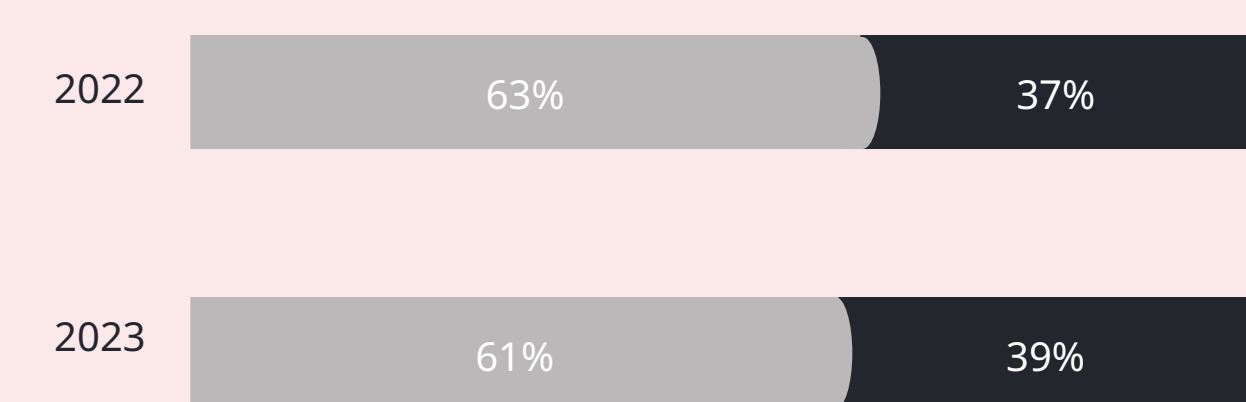
Upper Middle



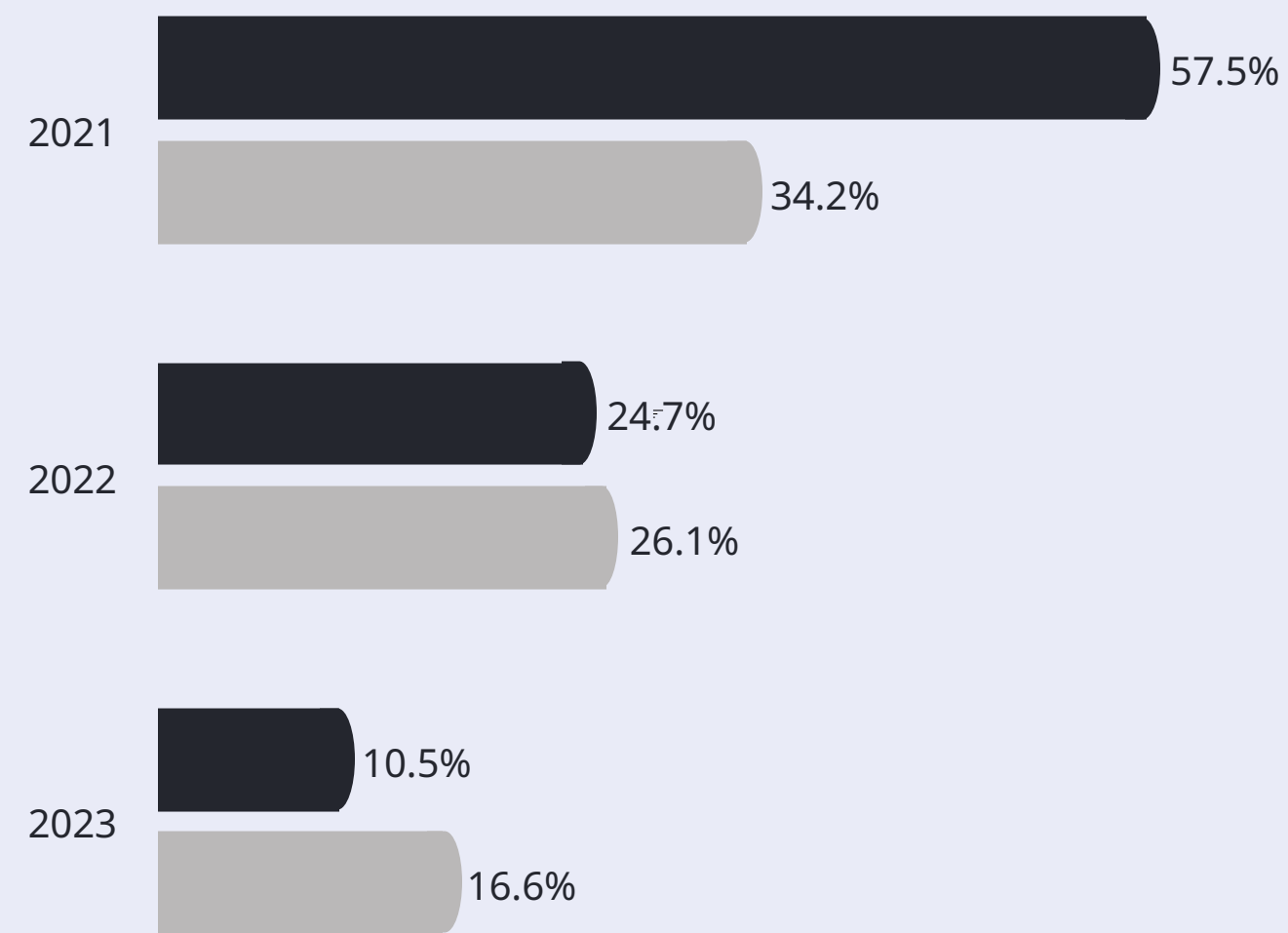
Lower Middle



Upper



Bonus Pay Gap



■ Median
■ Mean

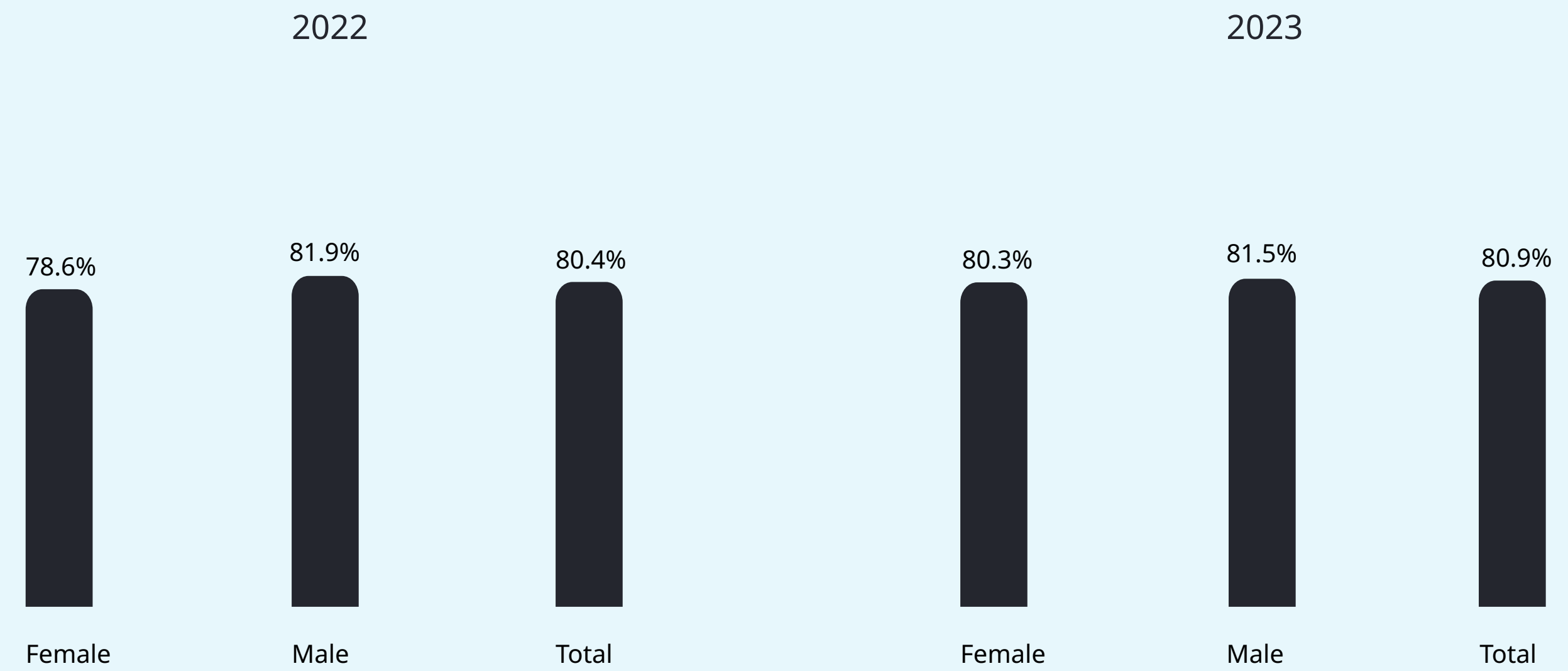


The mean and median bonus pay gap showed improvement in 2023, reflecting both the increase in female representation at higher levels and an increase in the number of females who received bonuses this year.

Bonuses were distributed to a slightly higher percentage of our workforce this year. Nearly two percent more females received a bonus in 2023 than 2022 while half a percent fewer males received a bonus.



Proportion of males/females receiving bonuses



Section Four

Looking at our Data



Our UK headcount increased by nine percent this year, with new hires evenly split between female and male talent. The majority of new hires were in audit, traditionally a male dominated field, demonstrating the efficacy of our recruiting efforts. That said, we saw more females join BSI in our lower organizational quartile with more males joining in the upper organizational quartile, which put additional pressure on our Gender Pay Gap average.

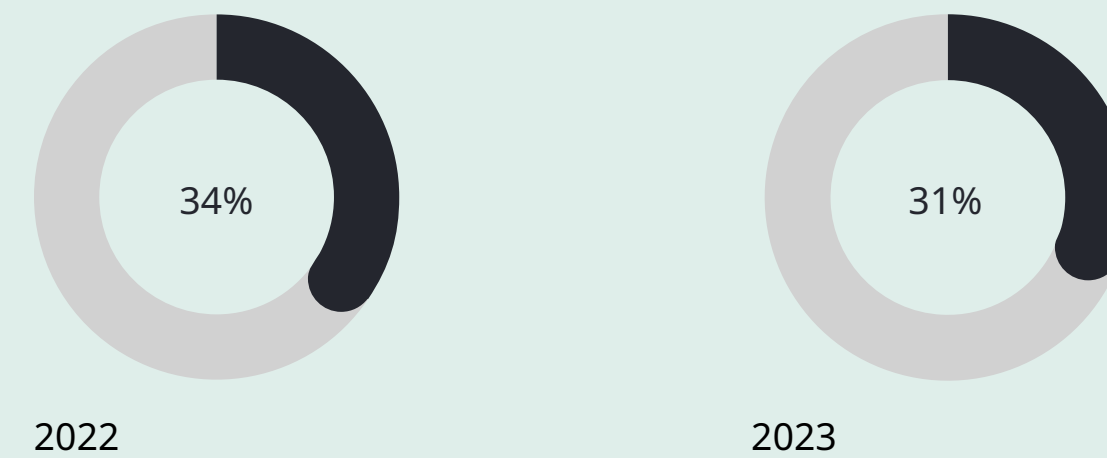
Whilst BSI's overall mean and median Gender Pay Gap have increased, there are bright spots. BSI Assurance saw a decrease in both the mean and median pay gap and British Standards Institution saw a decrease in the median pay gap. Both groups also saw increased female representation at more senior levels, demonstrating progress in key pockets of our organization.

Group Leadership Team (% Women)



■ Percentage of Women in Group Leadership Team

Senior Leadership (% Women)



■ Percentage of Women in Senior Leadership





How is our Gender Pay Gap explained?

- 1 Overall, women hold fewer senior positions within our business than men. Our senior leadership team is small enough for one person to make a sizable difference. In 2023, one female leader retired and was replaced by a male colleague. This single change shifted the balance of female to male talent at the Senior Leadership level from 55/45 to 45/55.
- 2 Our highly technical STEM (science, technology, engineering and mathematics) roles historically attract more men than women, as is the case across the wider economy. These are the roles where a pay premium has been applied given the competitive market and shortage of available skills. We are working at evolving how some of these roles are performed and, whilst change will take time, we believe we will see increased female candidates in the coming years.

- 3 Although we are working to change this, currently we employ more women in our lower organizational quartiles and more men in the upper organizational quartiles. In 2023, we made progress increasing female representation at the lower middle level by four percent, the upper middle level by one percent and the upper level by two percent. This contributed to the 14.2 percent decrease in the median bonus gap and 9.5 percent decrease in the mean bonus gap. Continuing on this path, and applying lessons learned to the lower quartile, will ensure we continue to make positive progress.

Section Five

Looking to the Future



If 2022 was a chance to re-group and re-focus after the pandemic, much of our focus in 2023 was building on our equity and inclusion initiatives, expanding policy and practice reforms more broadly throughout our organization, empowering our people and advancing our role as an agent of change for our clients.

Attracting Diverse Talent

In 2023 we accelerated our efforts to ensure diverse candidate slates for all open roles. We worked with executive recruiters with a particular expertise in reaching diverse candidates, launched a new careers site supported with collateral that highlights diversity and inclusion, and ensured our job descriptions reflected our gender-neutral approach. The increase in female representation in our upper, upper middle and middle quartiles is a direct result of some of this work.

In the coming years we plan to expand our relationships with groups and institutions that have direct contact with diverse populations, as well as review our approach to early careers to identify ways to grow our own talent, particularly in STEM areas typically underserved by women.





Retaining Diverse Talent

We improved our talent management practices to identify, develop, and progress talent at a greater scale and pace this year. More than 13 percent of females along with nearly 11 percent of males globally were designated top talent and given access to additional learning resources and tools to accelerate their development. Many of these female colleagues were in our lower quartile, creating opportunity for internal advancement and promotion.

We launched our first Parent Mentoring Programme for UK employees in 2019 to support retention of our talented women. We then offered this as a global programme in 2021 and it has now become a regular part of our development offering. We continue to see strong interest in the programme with 23 mothers and seven fathers taking part globally in 2023.

To better understand the causes behind early attrition across BSI, we have conducted a root cause analysis. Exploring the experience of senior women and other underrepresented groups who choose to leave the company will help inform how we can improve our processes, policies, and actions to ensure all employees feel a sense of belonging from the very start of their employment.

Nurturing Diverse Talent

Our BSI Women's Network continues to influence change and represent women within the organization, creating safe spaces for honest conversation and networking. The Women's Network now boasts a global membership of more than 500 colleagues and recently expanded to include a subgroup specific to BSI Tech. We are now focused on strengthening their exposure and infrastructure, and have named Group Leadership Team sponsors for this and each of our Employee Resource Groups (ERGs). As a first step, ERG leaders presented their plans to our Board of Directors and Group Leadership Team in 2023.

In 2023 we launched a Menopause Support Service in partnership with Maven, the world's largest virtual clinic supporting women's health. Our colleagues and their partners now have 24/7 access in 35 languages to virtual classes, content, virtual chats and live clinical consultations with healthcare professionals.

Smarter Working

In 2022 we launched Smarter Working, which provides a flexible structure to help leaders, teams and employees consider where, when and how work best gets done. We continue to see value in this program and the flexibility it offers our employees. By reframing the concept of work so it's something you do and not somewhere you go, we have been able to reach a broader pool of potential employees – many of whom are female – and retain critical talent. External data supports this approach. Seventy-six percent of women surveyed across Australia, Japan, UK, China and the US for our Second Glass Ceiling poll said flexibility with where or when they work would keep women in the workplace longer – something that can ultimately support the advancement of greater numbers of women to senior roles.

Moving forward, we are taking a 'smarter working' approach to open roles and reviewing whether the work can be done differently, in different locations, and by different types of people.



Inclusion & Wellbeing

We implemented a dedicated Inclusion and Wellbeing team in 2022 and were able to benefit from this structural change in 2023. This team solidified their goals and strategy and continues to provide guidance, resources, and content to BSI at large. Among their sponsored programmes was an International Women's Day Campaign focused on #embracingequity, which featured an external speaker on navigating a career in a predominantly male environment and sessions on menopause symptoms and challenges.

Total Number of Full-Pay Relevant Employees (UK)

1917

2022

2095

2023

Standard Setting

To draw attention and support for working women worldwide, we introduced the first standard for Menstruation, Menstrual Health and Menopause in the Workplace (BS 30416) and released “Lifting the Second Glass Ceiling,” a report with original research on the opportunity to empower women to stay in the workforce longer. Both the free Standard and our research paper provide guidance – that we ourselves are following – and support for employers to help women thrive in the workplace. In 2024 we plan to build on this report and continue shaping thoughts on workplace equity.



Section Six

Statutory disclosures

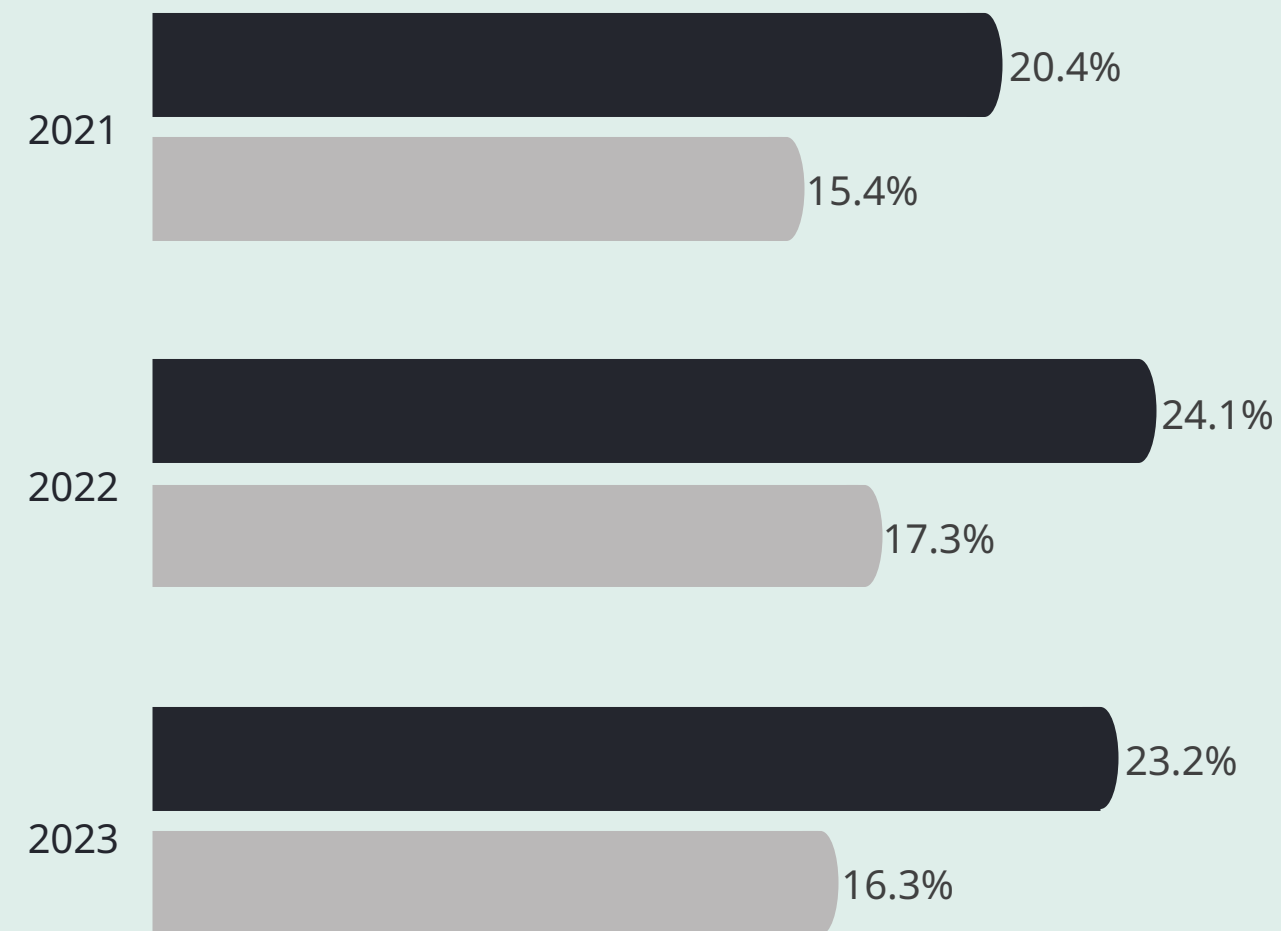


We track Gender Pay Gap data for our UK legal entities with at least 250 employees. At BSI there are three entities that meet this requirement. Reporting of our data is in line with UK government regulations first launched in 2017. We have published this data for BSI Assurance, BSI Standards and British Standards Institution on the government website and within this report. We have calculated the Gender Pay Gap across all relevant UK employees.



BSI Assurance

Gender Pay Gap



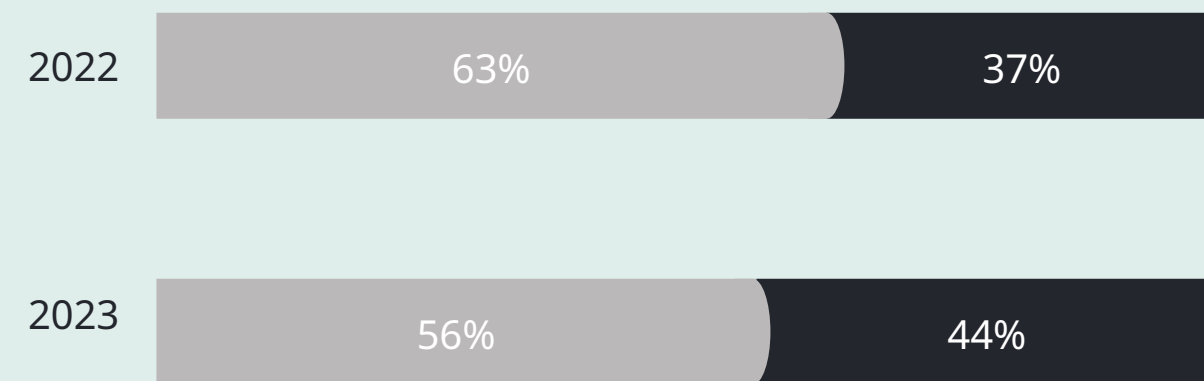
Median
 Mean

Quartile Splits

Lower

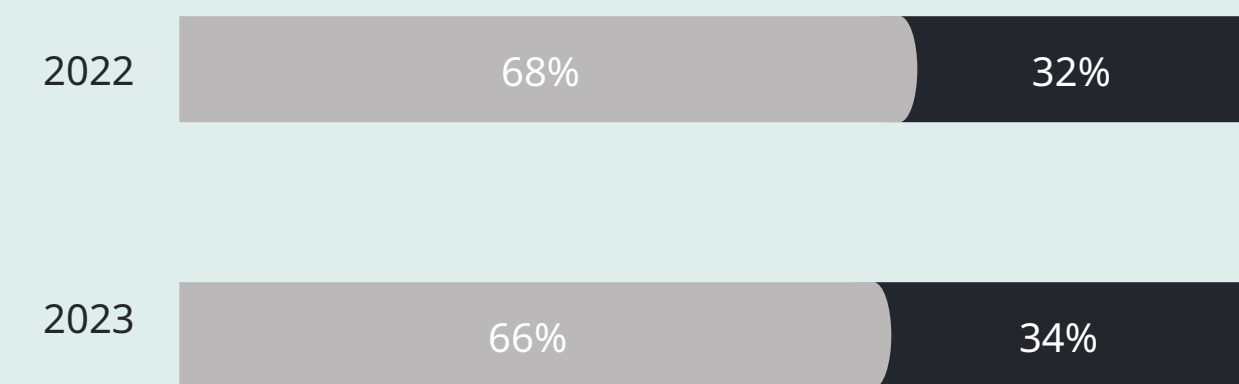


Lower Middle

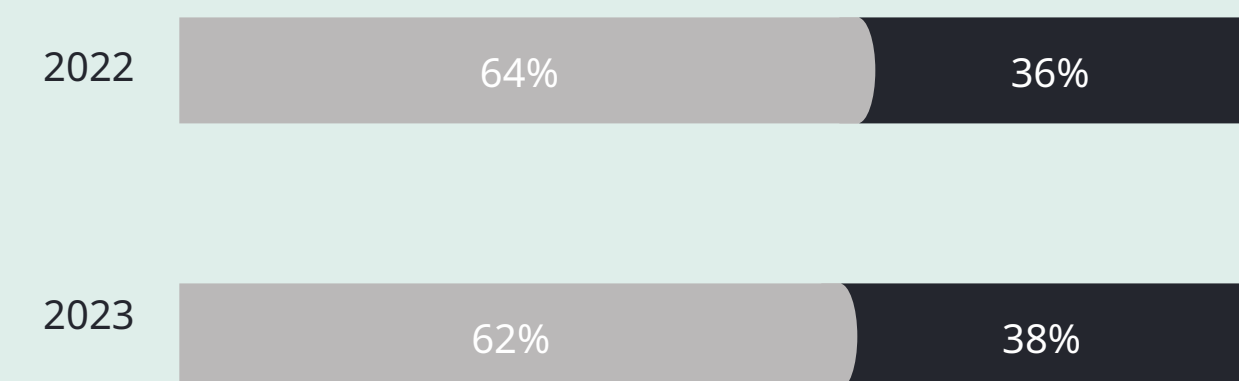


Female
 Male

Upper Middle

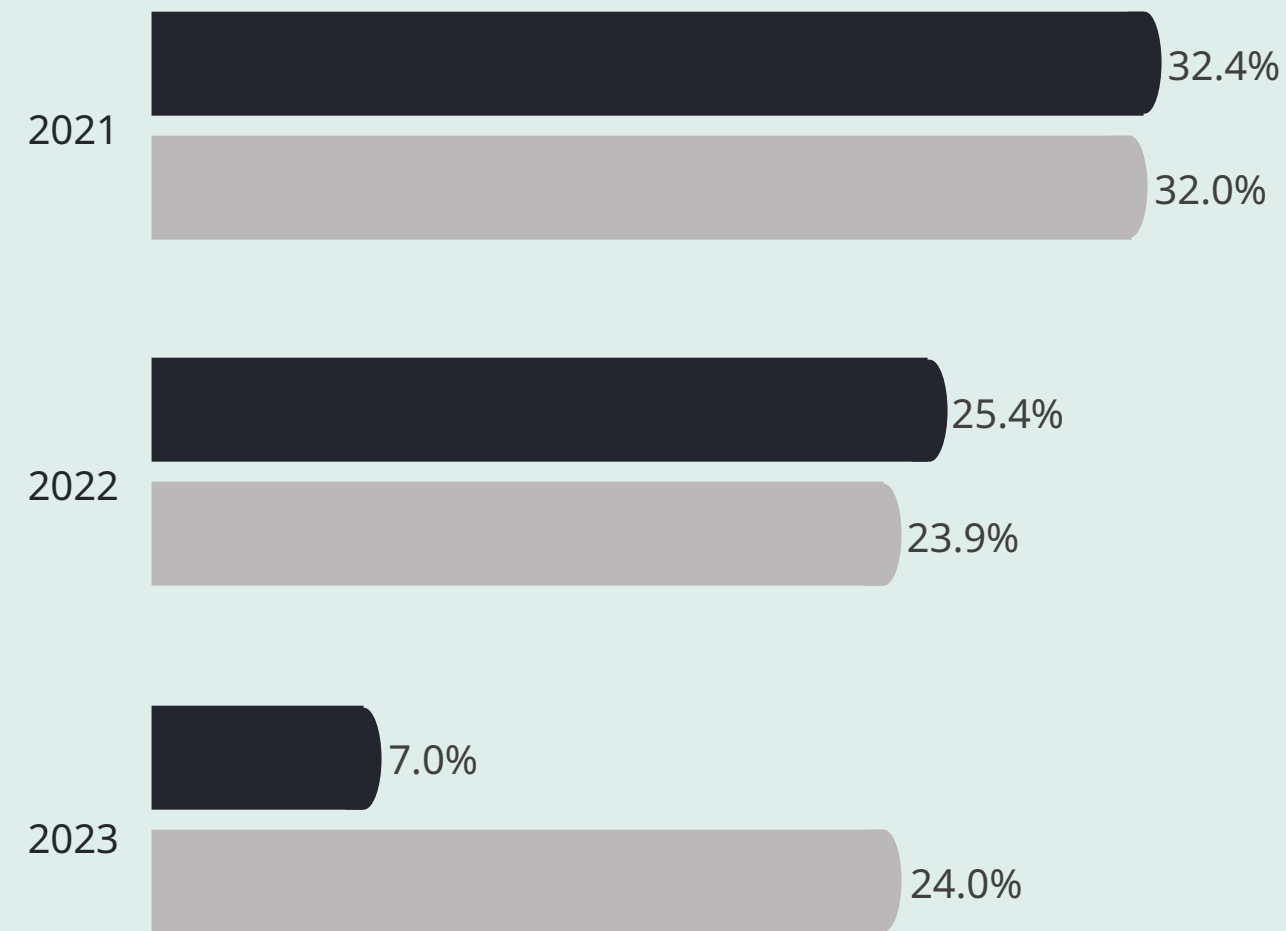


Upper

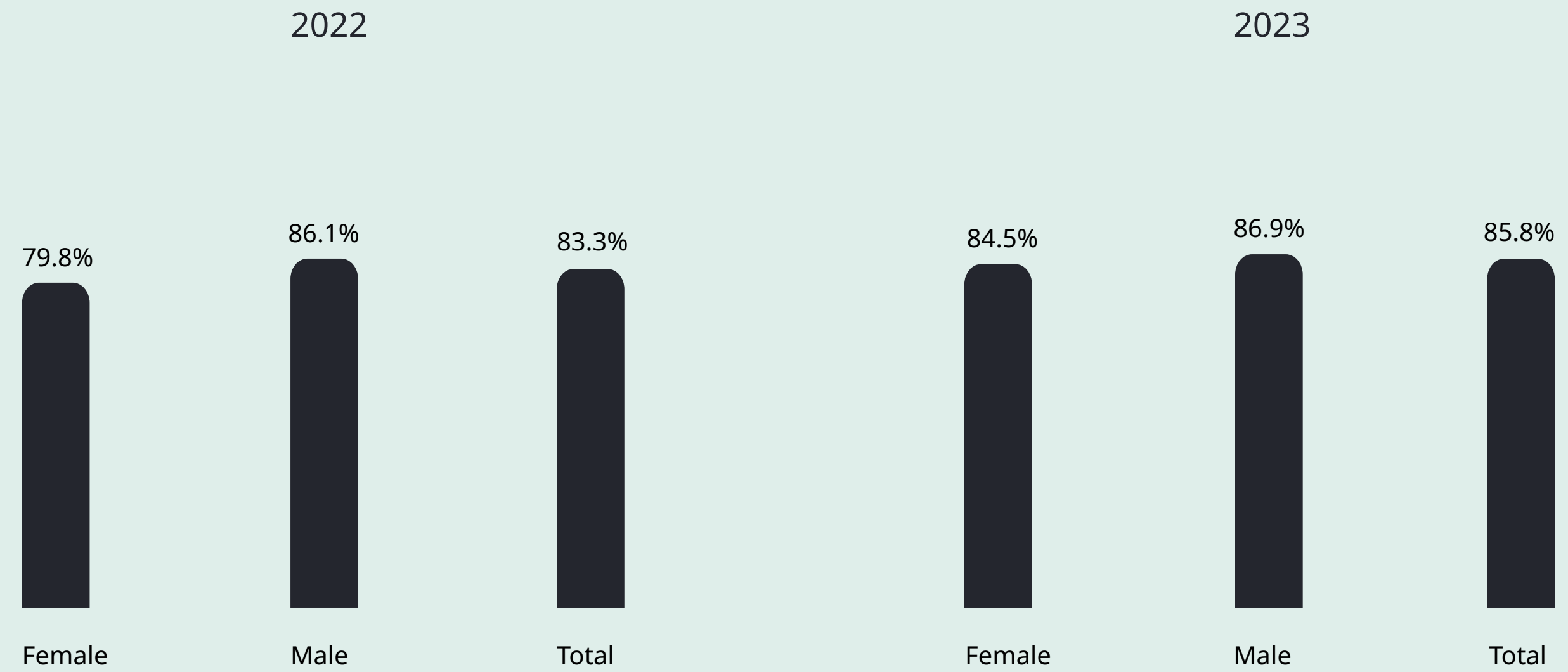


BSI Assurance

Bonus Pay Gap



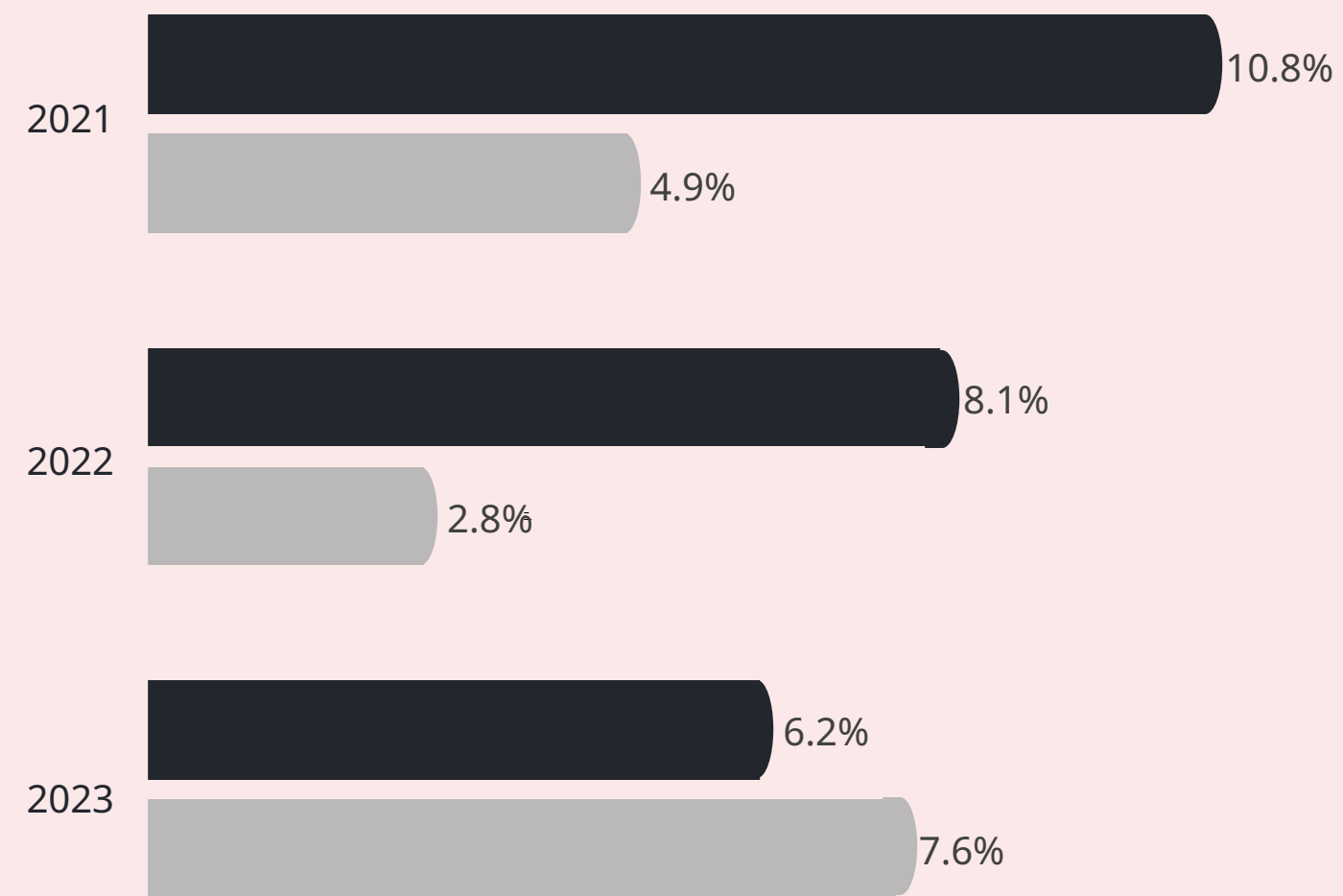
Proportion of males/females receiving bonuses



Median
 Mean

BSI Standards

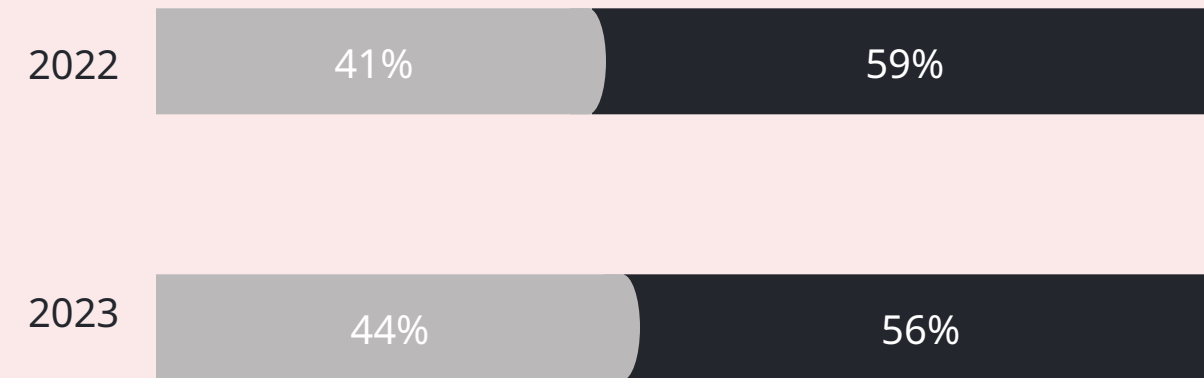
Gender Pay Gap



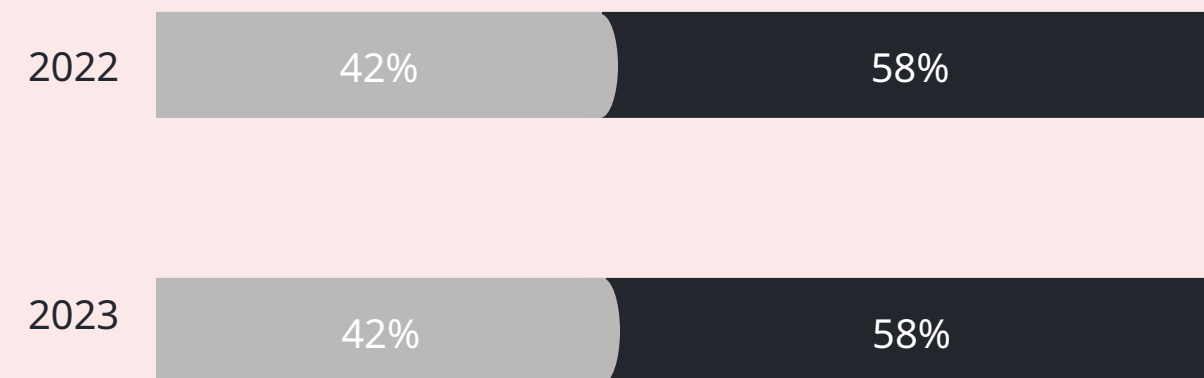
Median
 Mean

Quartile Splits

Lower

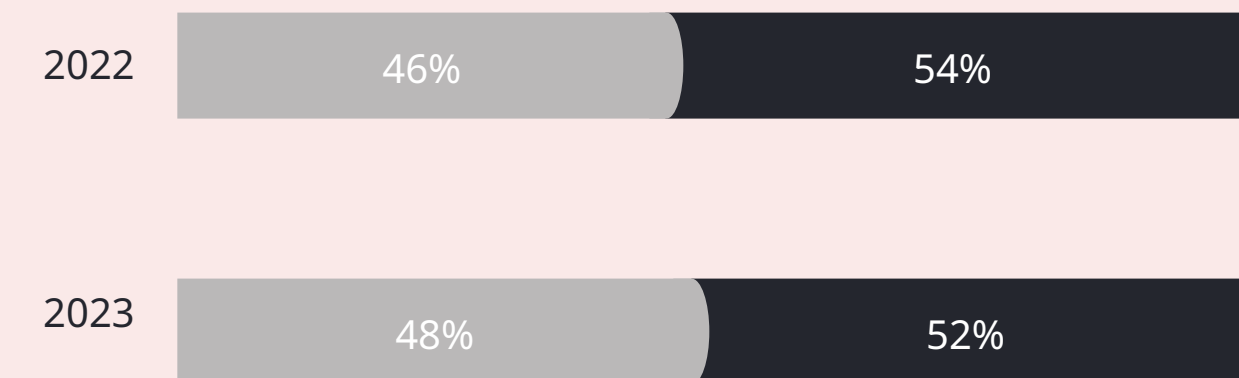


Lower Middle

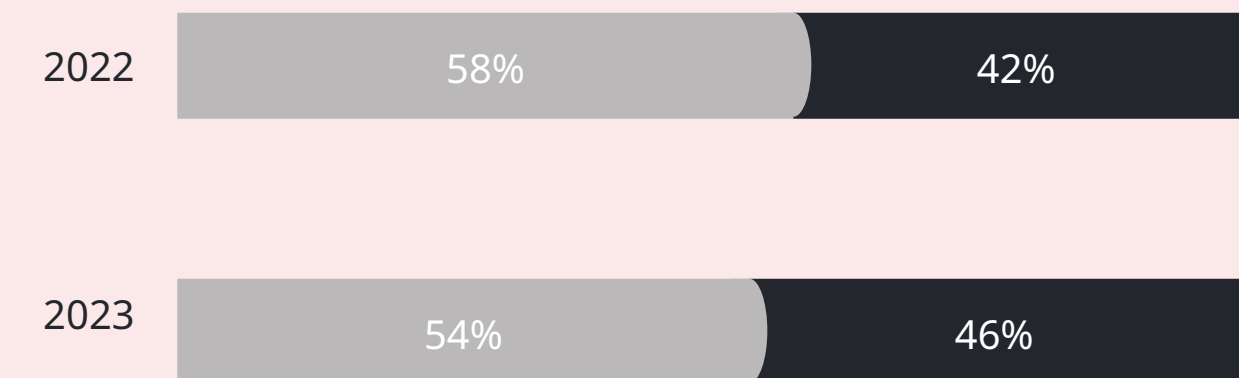


Female
 Male

Upper Middle

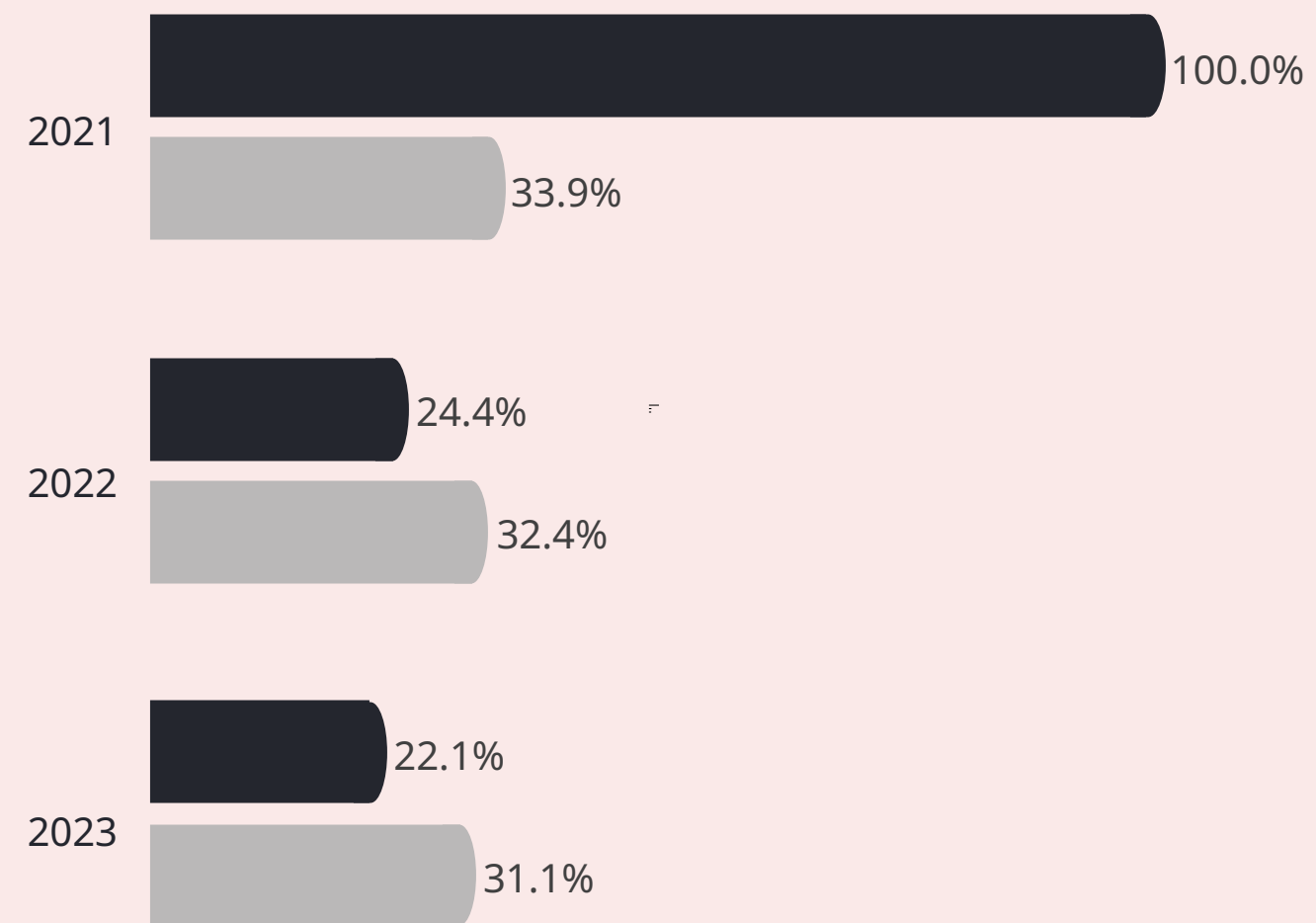


Upper

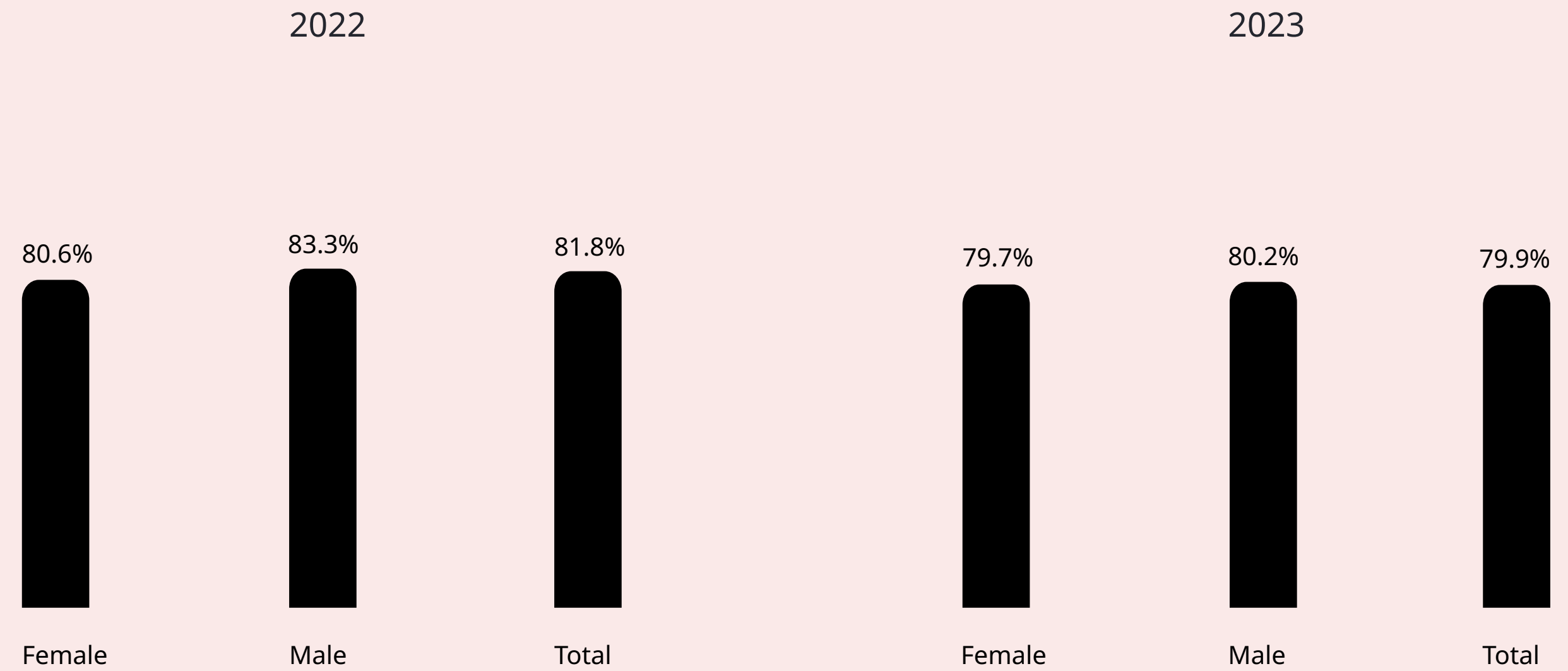


BSI Standards

Bonus Pay Gap



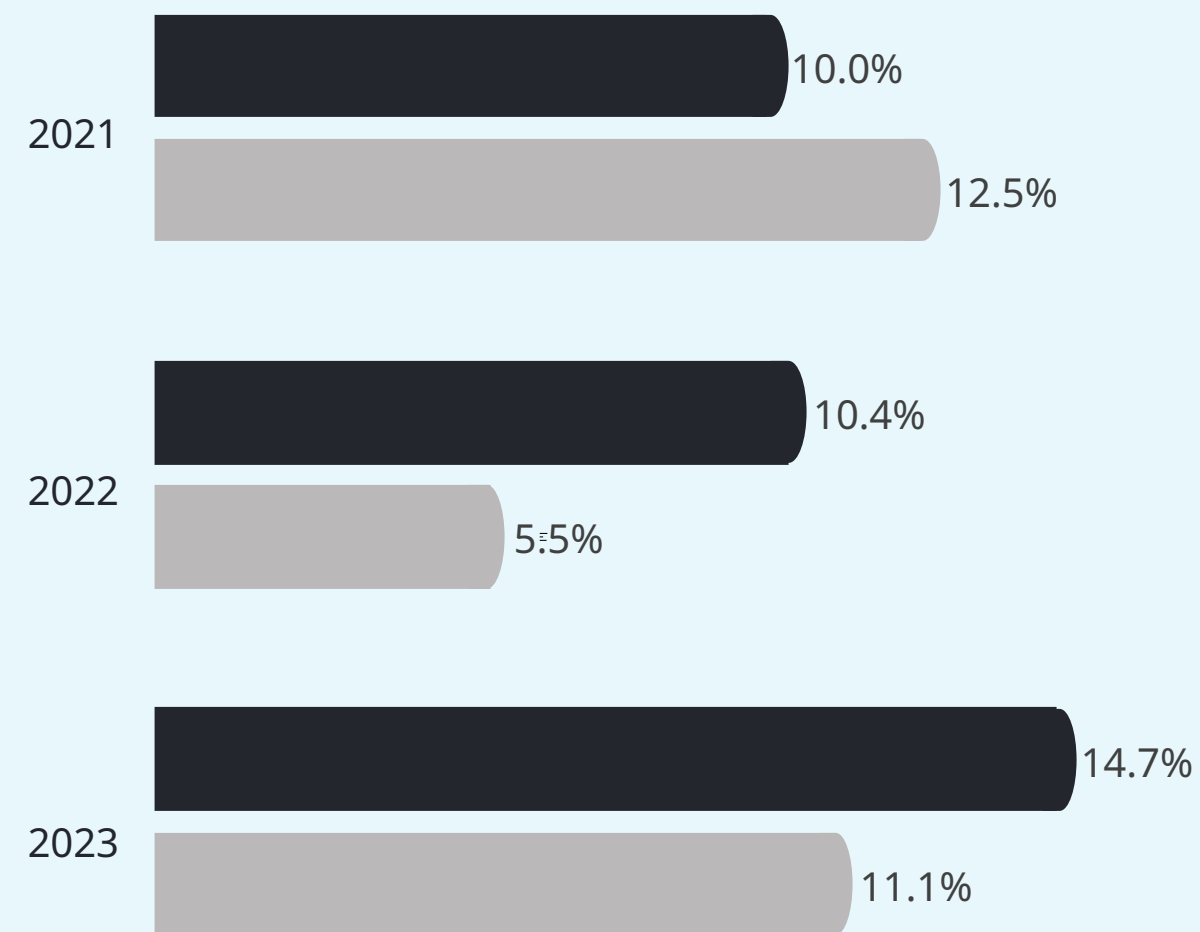
Proportion of males/females receiving bonuses



■ Median
■ Mean

British Standards Institution

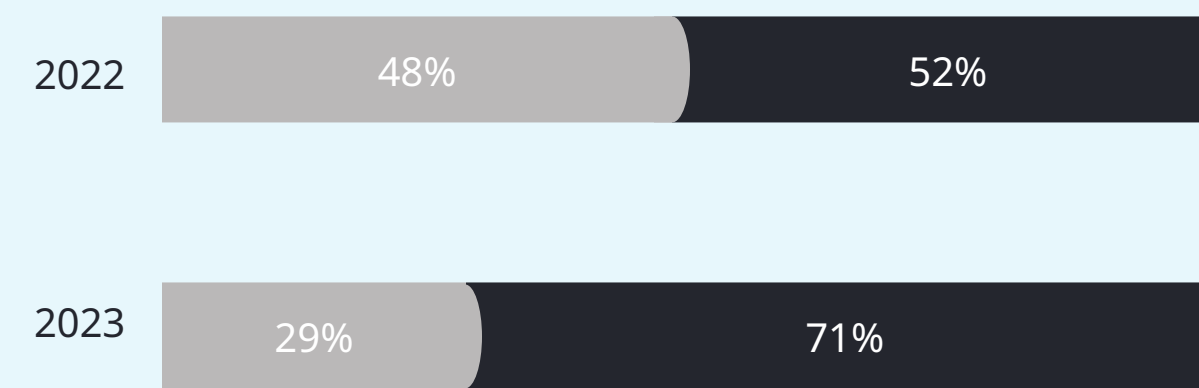
Gender Pay Gap



Median
 Mean

Quartile Splits

Lower

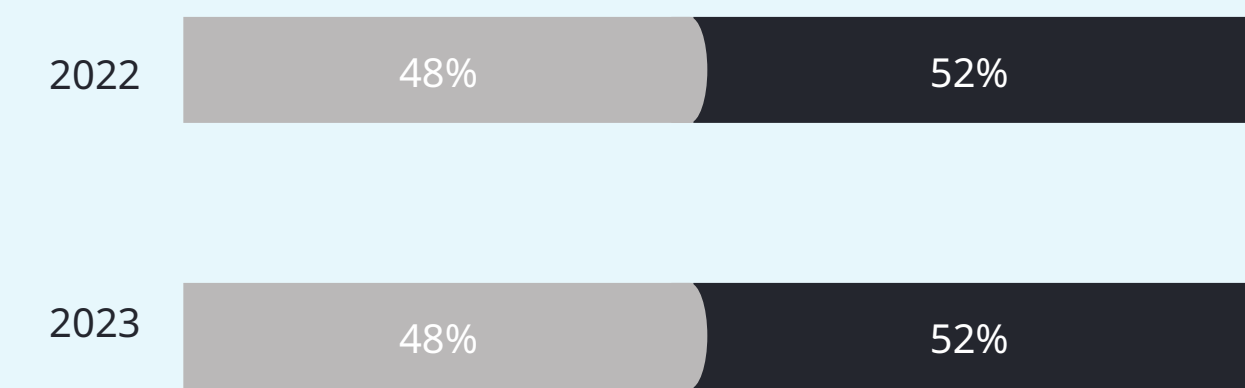


Lower Middle

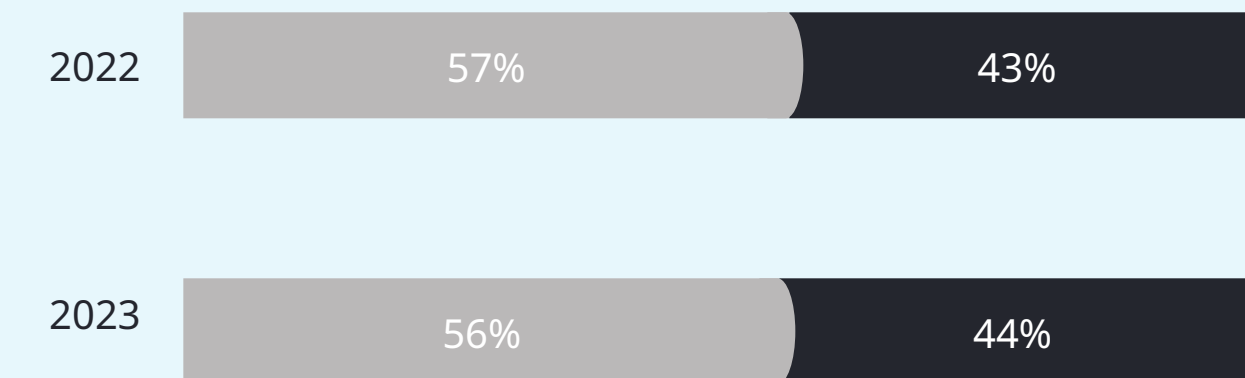


Female
 Male

Upper Middle

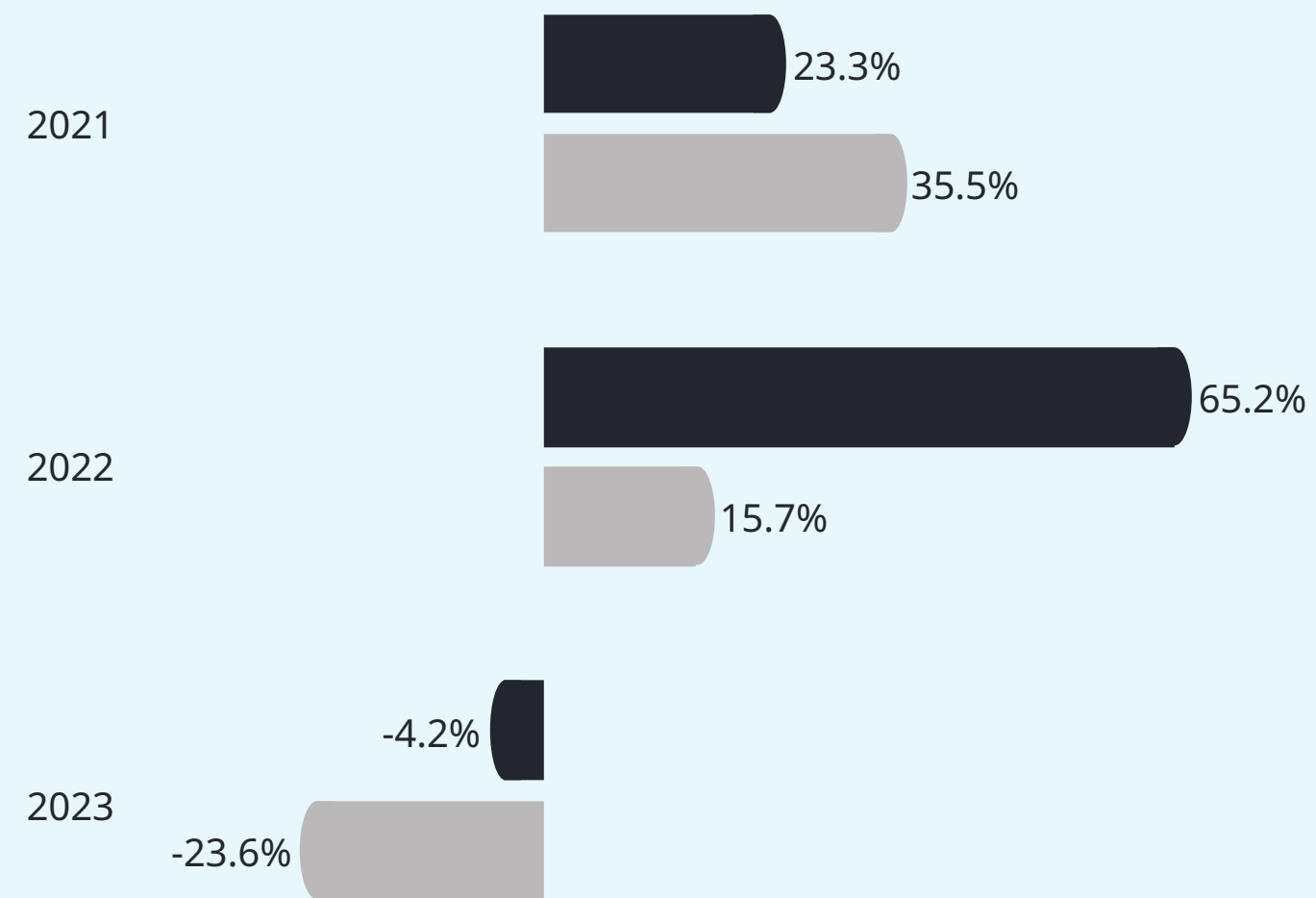


Upper

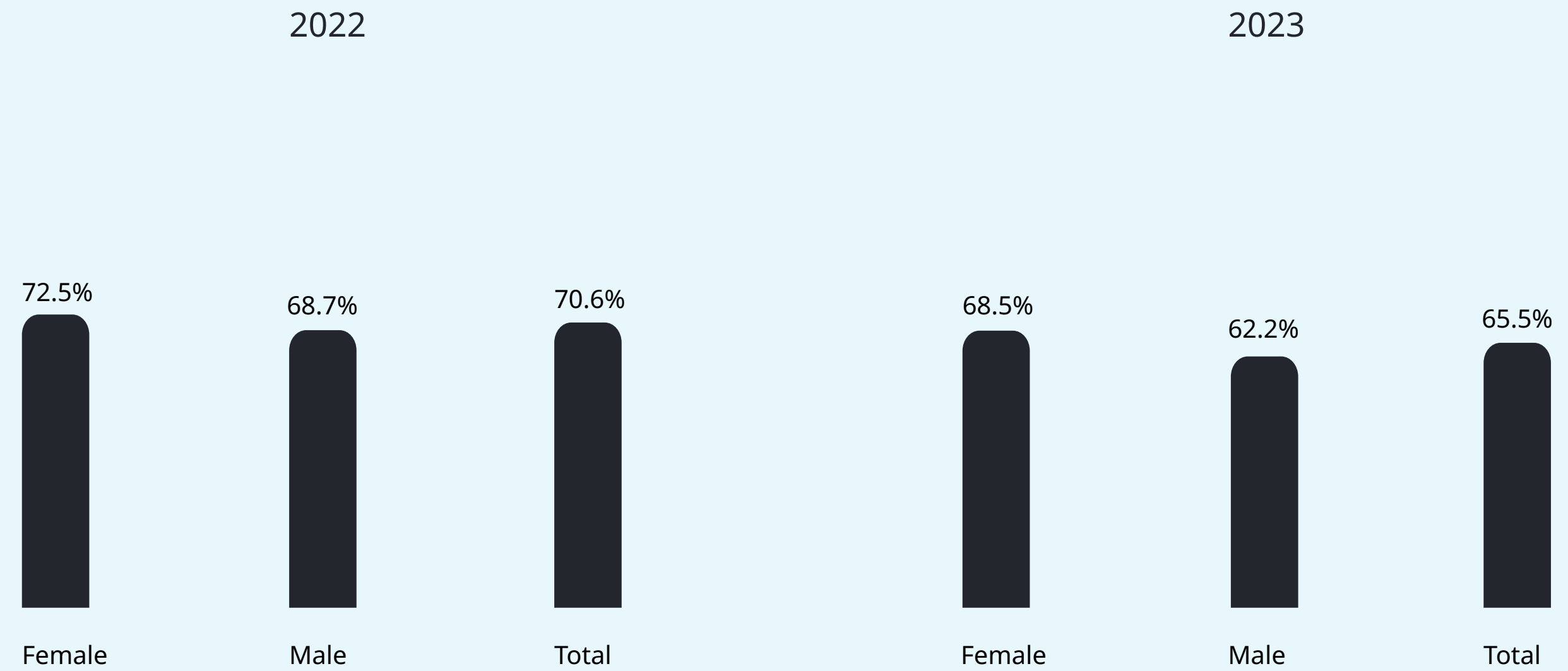


British Standards Institution

Bonus Pay Gap



Proportion of males/females receiving bonuses



Median
 Mean



Your partner
in progress

BSI Group
389 Chiswick High Road
London, W4 4AL
United Kingdom
+44 345 080 9000
[bsigroup.com](https://www.bsigroup.com)