

bsi.

● BSI Gender Pay Gap Report 2021



By Royal Charter



Introduction

Welcome to our UK Gender Pay report. We continue to firmly believe that a diverse workforce is integral to our company's growth, success, and relevance in our markets. We are committed to investigating our data to inform our areas for future action.

We have made significant improvements in reducing our gender pay gap year on year. Specifically, we have made progress in reducing disparity between the genders and we are pleased our 2021 report is evidencing a decrease in the payment gap in most circumstances.

However, there is more we can do in 2022 and beyond to continue this positive progress and this includes increasing the number of females we employ at a senior level and continuing to develop our support networks for women. Our global Women's Network celebrated its first anniversary on International Women's Day, and we have seen commitment and positive energy within our community of talented women to co-create content and develop branches across our global footprint.

We believe that our global diversity and inclusion initiatives help us to deliver our strategic priorities and we will work tirelessly to ensure that diversity is valued at the very heart of our culture so that we can be a stronger, more confident and future focused organisation with a diverse workforce that mirrors the clients we serve.

Our Gender Pay Gap data shows continuous progress aligned to our focus on the attraction, retention and development of diverse talent and our ongoing focus on BSI having an inclusive working environment where everyone is encouraged to bring their whole self to BSI and do their best work.



Declaration

We confirm the information and data reported is accurate as of the snapshot date of 5 April 2021.

A handwritten signature in black ink, appearing to read 'Susan Taylor Martin'.

Susan Taylor Martin
Chief Executive

A handwritten signature in black ink, appearing to read 'Alison Sharp'.

Alison Sharp
Chief People Officer

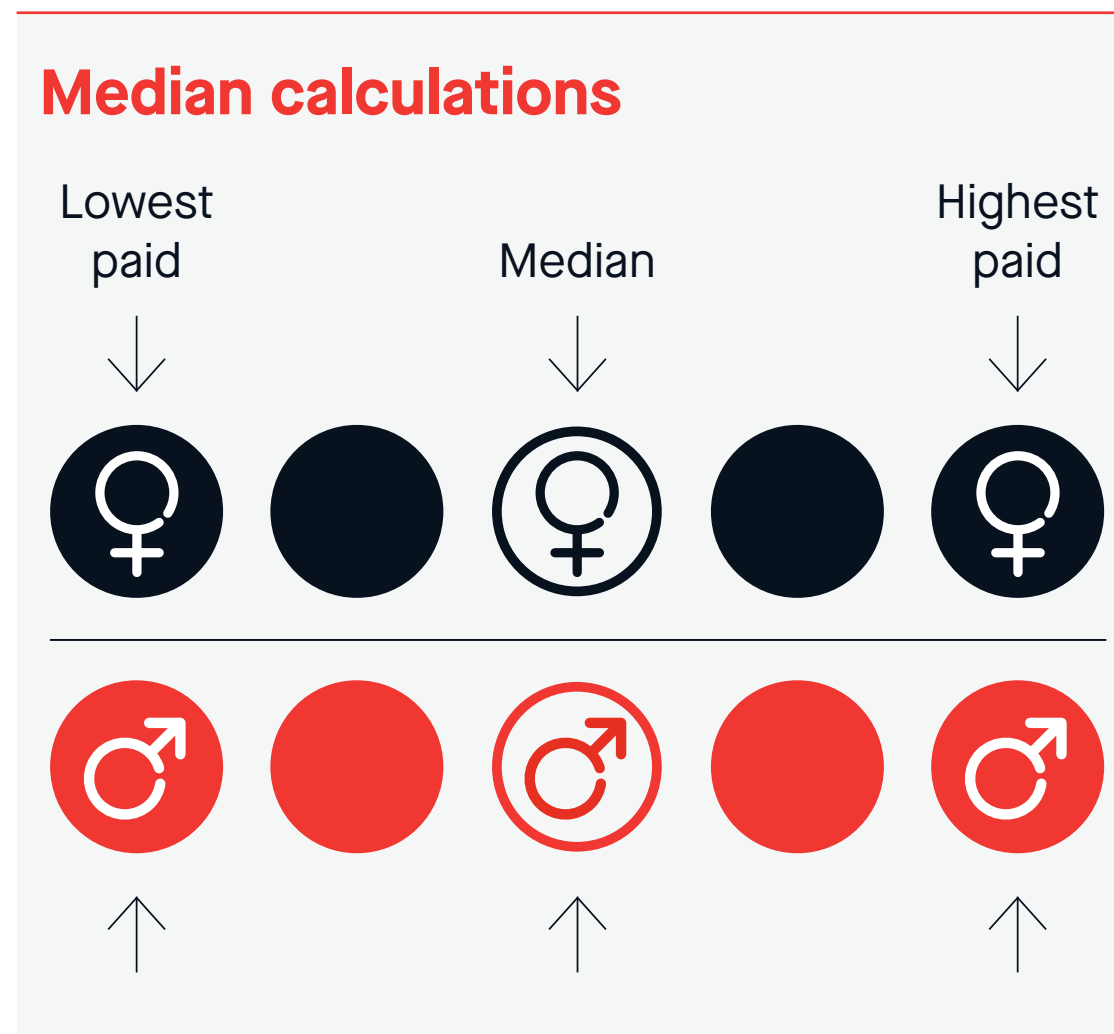
Gender pay gap reporting explained

How do we calculate median and mean pay gaps?

The median gap

The median is the figure that falls in the middle of a range when the hourly pay of all relevant employees are 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 gender pay gap shows the difference in average hourly pay 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.



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

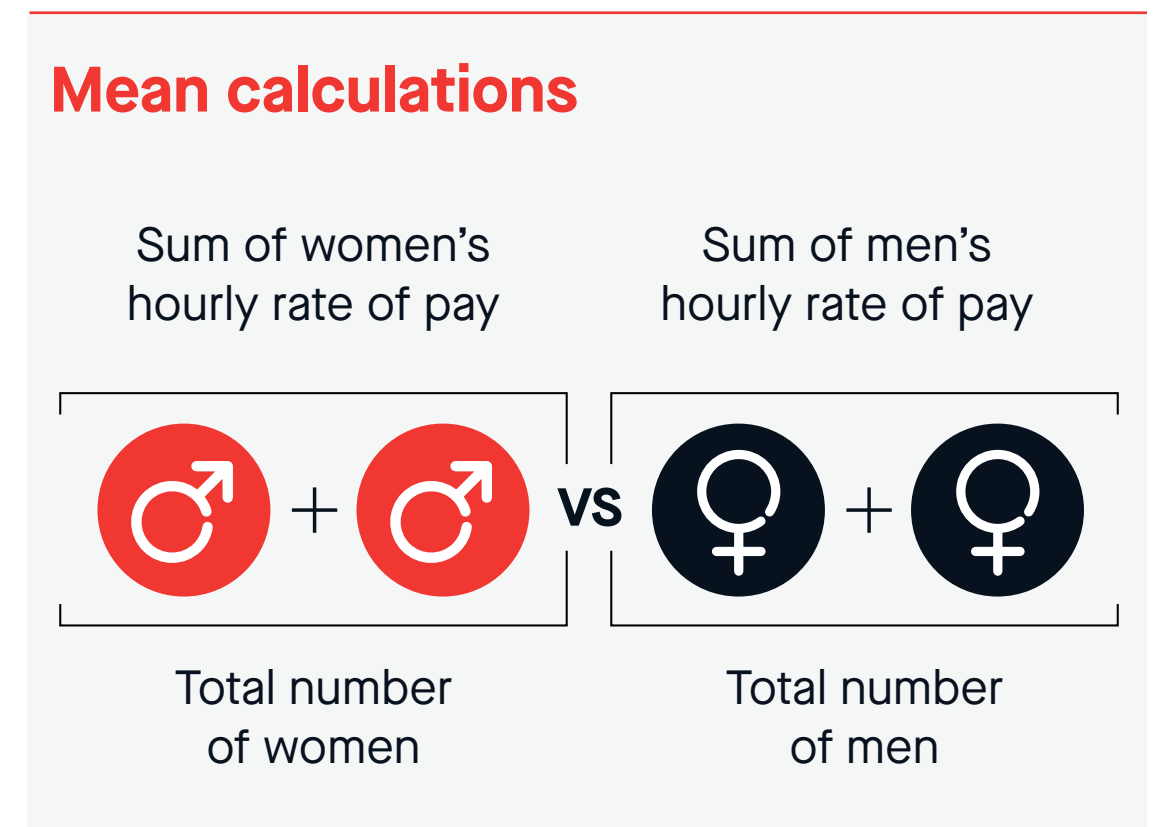
The mean gap

The other measure is the mean gender pay gap, which is calculated by adding up the pay of all relevant employees and dividing the figure by the same number of relevant employees. The mean gender gap is calculated based on the difference between mean men’s pay and mean women’s pay.

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

Mean pay gap

The mean gender pay gap is the difference in the average hourly pay for women compared to men, within a company.



Gender pay gap reporting explained

How are the pay gaps expressed?

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

What is included in our calculations?

Calculations of mean and median pay and of quartile pay bands are based only on data from the snapshot date of 5 April 2021. Our calculations use the conventions set out by the UK government's Gender Pay Gap reporting regulations. Our data covers 1,768 people, relevant for the UK reporting requirements, that are employed working in our UK businesses.

The pay used to calculate the mean and median gender pay gaps includes basic pay, as well as allowances and variable pay paid in April 2021.

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.

Breaking down our results

Our 2021 data shows an overall decrease in both the mean and median pay gap. The data is based on the hourly rate as of 5 April 2021.



Our journey

Since the introduction of Gender Pay gap reporting we've made significant progress towards closing our gender pay gap and we are encouraged by the trends in our year-on-year results.

The focus on improving the levels of representation of women at our senior leadership level is having a positive impact. This remains a focus area as there is more we can do to ensure we have better female representation in feeder roles to our leadership levels and in the leadership levels themselves.

Since 2020 we have made good progress at our most senior leadership level. Three female appointments demonstrate the progress made, a female Chief People Officer was appointed in April 2020, a female Chief Executive was appointed in January 2021 and a female Chief Finance Officer was appointed in January 2022.

The latest official UK figures from the Office for National Statistics (ONS) is the 2021 Annual Survey for Hours and Earnings. This provides a figure of 15.4% as median gap. BSI has a figure considerably less than the national median.

It is worth noting that 2021 was an unusual year, which saw two pay reviews and two annual bonus cycle payments included in our 2021 calculations.

The uncertainty of the pandemic saw the 2020 pay review and annual bonus pay out being delayed for payment. The annual bonus payment was made in June 2020 and our pay review was delayed until August 2020. Our 2021 payments reverted to the normal review dates and were therefore effective in April 2021.

All UK BSI (eligible)

	2021	Difference 2020/21	2020	Difference 2019/20	2019	Difference 2018/19	2018
Mean	12.2%	-3.2% ∨	15.4%	-2.5% ∨	17.9%	-4.2% ∨	22.1%
Median	9.7%	-5.7% ∨	15.4%	-2.2% ∨	17.6%	-4.4% ∨	22.0%

Bonus pay gap

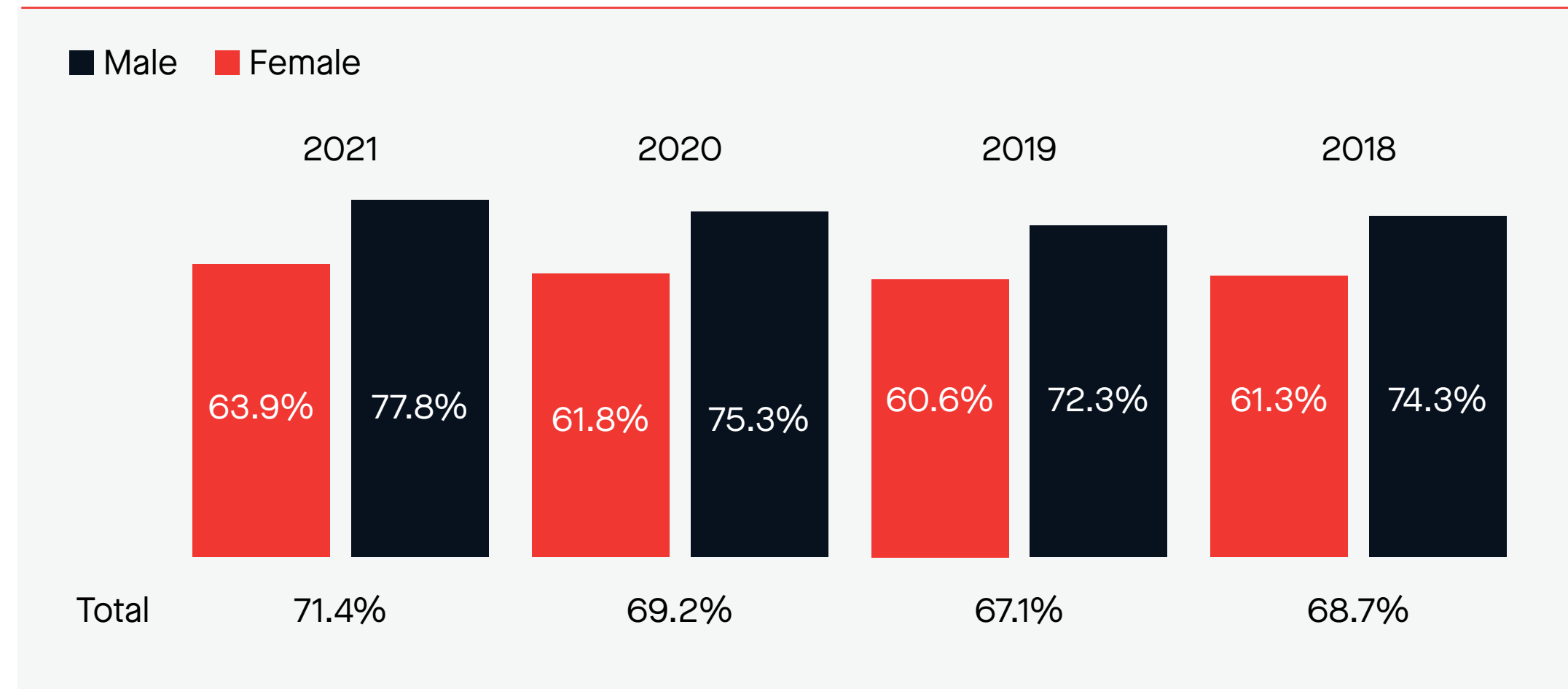
All UK BSI (eligible)

	2021	Difference 2020/21	2020	Difference 2019/20	2019	Difference 2018/19	2018
Mean	34.2%	-0.3% ∨	34.5%	-7.3% ∨	41.8%	-10% ∨	51.8%
Median	57.5%	+21.4% ^	36.1%	+10.8% ^	25.3%	+11.6% ^	13.7%

*ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2021

Our journey

Proportion of male to female receiving a bonus



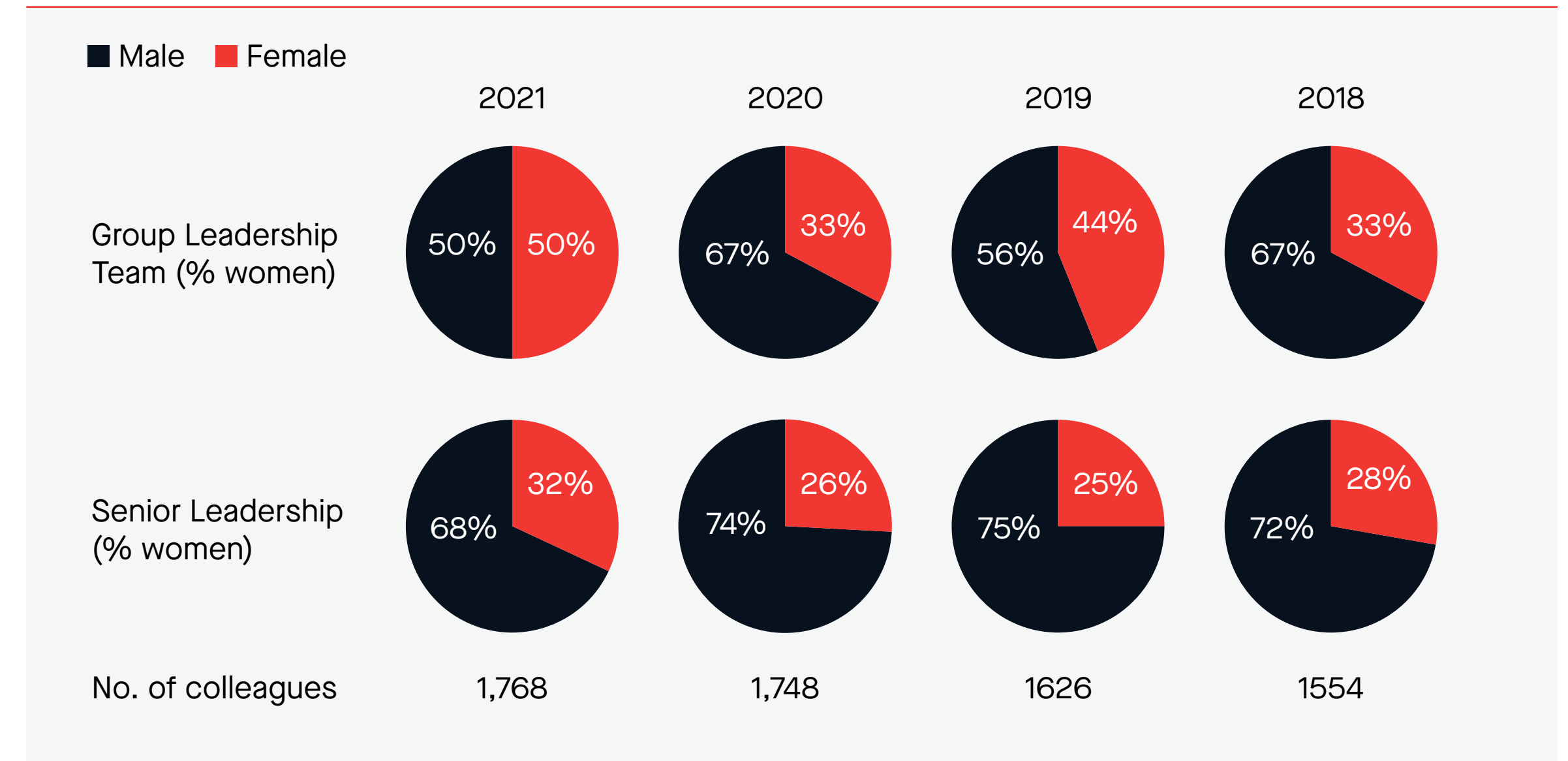
The overall percentage of employees receiving a bonus has increased. The percentage of women receiving a bonus has increased by just over 2% and percentage of men receiving a bonus has increased by just over 3%.

The bonus median pay gap has increased. The number of women who did not receive an annual bonus is higher than the number of men, which means not as many women were eligible for a bonus. There are also not as many women at senior levels and as a result when we use the median measure women

tend to receive lower bonus payments or receive recognition awards that are significantly lower than an annual bonus.

The figures are also impacted by the fact that 2021 was an unusual year in that two annual bonus payments were made due to a delay of the 2020 bonus pay out. We introduced a change in remuneration practice during 2021 which ensures all our employees are now eligible for variable pay. As a result we expect to see ongoing positive progress.

Fast facts



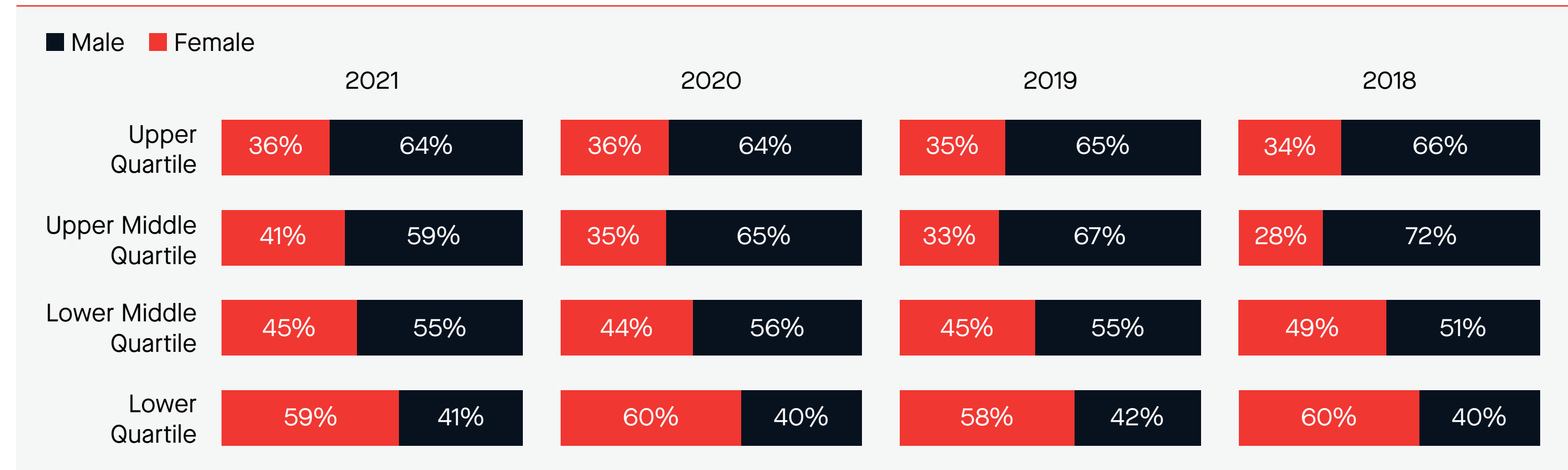
There has been a 2% headcount increase since April 2020. The increase in women at our Group Leadership level is due to the appointment of a female Chief Executive and female Chief People Officer.

In 2021, we saw a 6% increase in women in our Senior Leadership Group

Our journey

Quartiles Splits

Quartiles are calculated by listing the rates of pay for each UK employee across BSI, from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of men and women in each.



There are 1% more women in the lower middle quartile than 2020. There is a significant increase of 6% of women in the upper middle. While the upper quartiles have stayed the same at 36%. This shows that our work to increase female representation in the most senior roles at BSI has been successful and is supporting the reduction of the pay gap.

Looking at our data

We employ more men (55%) than women (45%), although the percentage of women has increased by 1% from 2020. There is a further decrease in both our median and mean pay gaps building on a decrease year on year since 2018. This shows positive progress and our focus to ensure we have good female representation in feeder roles to leadership levels will support further progress.



How is our gender pay gap explained?

01

Women hold fewer senior positions within our business than men, including those at Senior Leadership level. We have made significant progress since 2020 and in 2021 half of the Group Leadership Team are women. Our focus is now at the levels below this group where 32% are women. We have seen positive progress since 2020 with a 6% improvement.

02

Our highly technical (STEM – science, technology, engineering and mathematics) roles historically attract more men than women. These are the roles where a pay premium has applied given the competitive market and shortage of available skills.

03

We employ more women in our lower pay quartiles and more men in the upper quartiles. Our bonus gap is similarly impacted by fewer women in senior positions where higher bonuses are paid. Improvements in the percentage of women in the lower middle and upper middle quartiles during 2020 with a significant increase of 6% in the upper middle quartile will ensure we continue to make positive progress.

Looking to the future

We are pleased with the ongoing progress year on year, this represents significant progress since we first started tracking the gender pay gap. 2021 was a challenging year for all our people globally as we learned to work effectively during the pandemic.

We are aware of the body of research around the impact this had on women. Our work on inclusion has also enabled us to address future ways of working and create a flexible framework to ensure we balance the needs of our clients with the needs of our diverse workforce to enable a modern, progressive work environment. This is a critical aspect of our employment offer as we seek to attract, develop and retain talented women.

Developing our talent

We continue to support high potential females as they develop in their career. Our global Senior Leadership Programme has more female than male participants and we continue to prioritise women attending this programme as part of our focus on feeder roles for Senior leadership levels. This has given the participants the opportunity to explore their learning together and to play a greater part in creating and implementing the business strategy.

During the last twelve months, 16 women have attended the Cornell – Women in Leadership programme and feedback has been very positive. We are currently working with several organisations to provide female specific leadership programmes for the future.

We have also engaged an external partner to support our male employees as they demonstrate positive behaviours and allyship for women as part of our work on creating an inclusive working environment.

Imagine BSI – our Flexible Framework

A Flexible Framework has been co-created following input from our global workforce in response to their experience of working remotely during the pandemic. This framework provides individuals, managers and teams with an approach, principles, and guidance as they discuss and agree flexible ways of working. It enables us to consider when we will benefit from time spent in the office, the needs of our clients and the requirements of the other teams we work with.

How we work, and the working environment is critical to the level of engagement, job satisfaction and commitment. At BSI we recognise flexibility as critical to retention and attracting talent. We know that flexible working is particularly important for women in the workplace and we will continue to be creative on how we balance the needs of all and provide a modern, engaging, and motivating work environment which enables each of us to do our best work.



Looking to the future

Diverse recruitment and talent development

We continue to actively seek gender balance in our candidate shortlists, spanning all roles and levels. We have made a great deal of progress in this area and have significantly improved our success rate in appointing women to senior roles over the last two years. There is further work to be done here as we address female representation across the feeder roles to leadership.

Parent Mentoring

2019 saw BSI commence our first Parent Mentoring Programme for UK employees. This was developed in response to our gender pay gap report to support retention of our talented women. We offered this as a global programme in 2021 and it has become a regular part of our development offering to parents after maternity, adoption or shared parental leave with the aim to support a return to work and to aid the retention of talented individuals. Whilst mentees have been our female employees, we have plans to offer a specific programme for men who have become parents during 2022.

We know that flexible working is particularly important for women in the workplace and we will continue to be creative on how we balance the needs of all and provide a modern, engaging, and motivating work environment which enables each of us to do our best work.

Creating Human Connections

Our Human Connections storytelling series commenced during 2020, this has enabled powerful connections to be formed amongst our people creating awareness of different perspectives. We have supported individuals to share their stories and foster a greater sense of belonging. Our people have openly discussed a range of sensitive areas, including gender, sexual orientation and race.

The Women's Network Affinity Group was formed following the launch of Human Connections and has now grown branches globally. In 2021, the emphasis was on Women's Safety and the network have produced a video on 'Women's Empowerment Through Self-Defence' available for everyone at BSI. Through this we are also supporting the Action Breaks Silence charity who support women in the UK, India and South Africa.

In addition to the Women's network we have also seen a LGBTQ+ and Allies Affinity Group and a Black Colleague Alliance Group formed since the launch of Human Connections.

Diversity Mentoring

In 2021 we launched our Diversity Mentoring Programme as a pilot with our Group Leadership Team. The programme matches our most senior leaders with an individual who is very different from them. This has enabled the sharing of perspectives and learning for all participants.

The pilot programme is about to conclude, and we are evaluating our approach including how we make this type of mentoring part of our standard offering.

Statutory disclosures

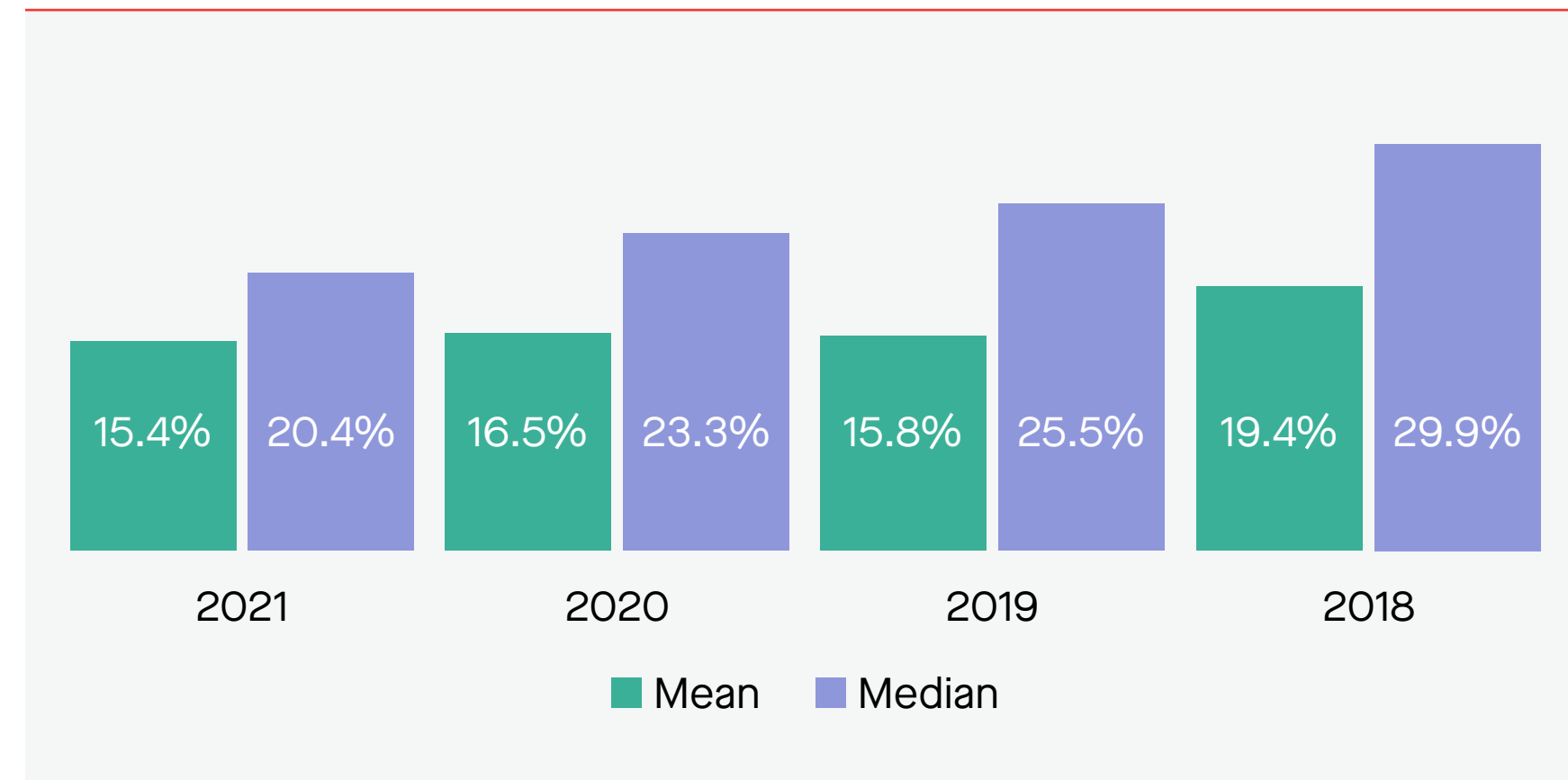
We track gender pay gap data for our UK legal entities with at least 250 employees. At BSI there are three entities which meet this requirement. Reporting of our data is in line with UK government regulations first launched in 2017. We have published this data for BSI Assurance, BSI Standards and BSI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

Across our 3 legal entities in the UK the gender pay has reduced in 2021. There is more work to be done but we are moving in the right direction.

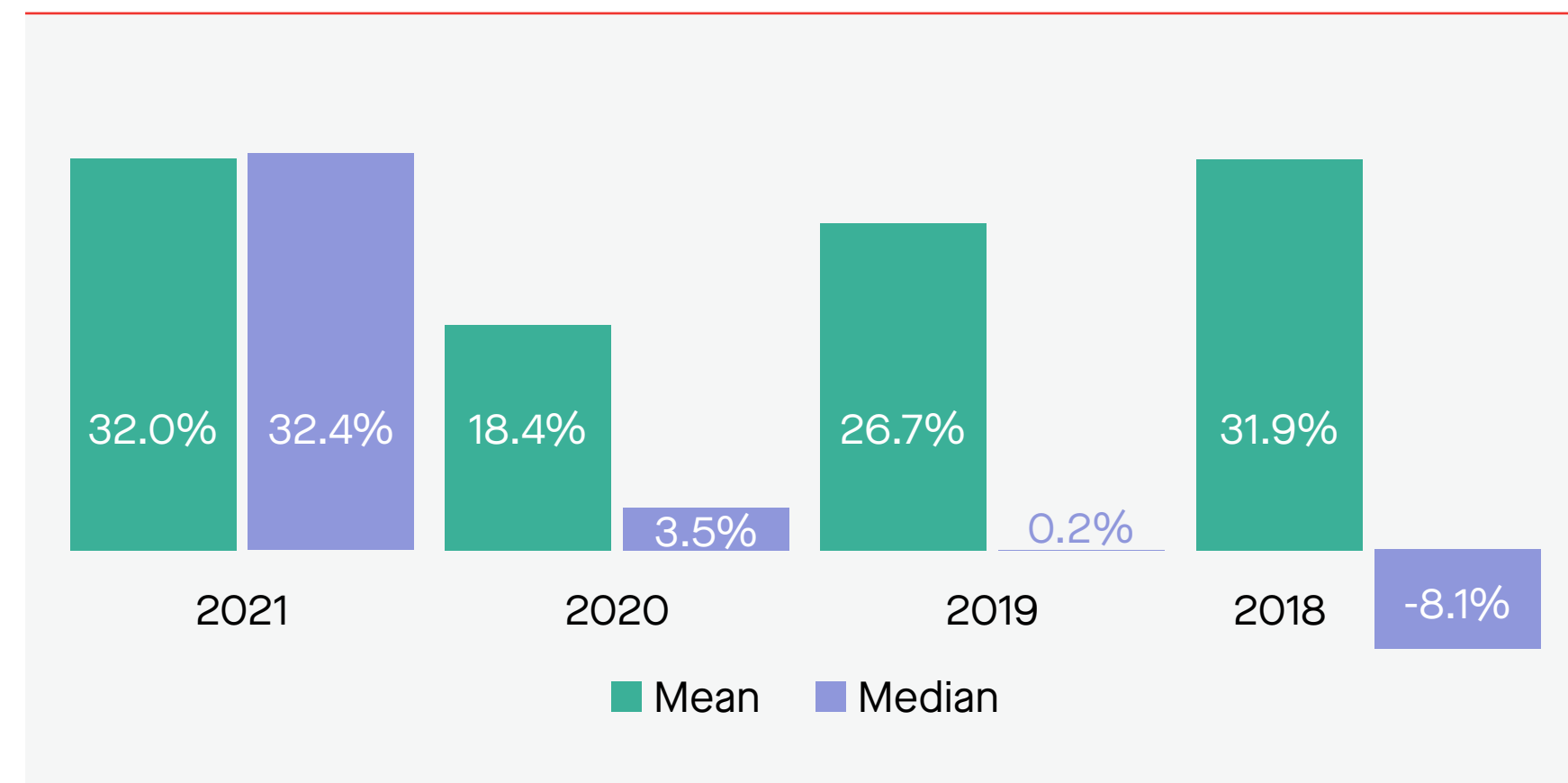


BSI Assurance

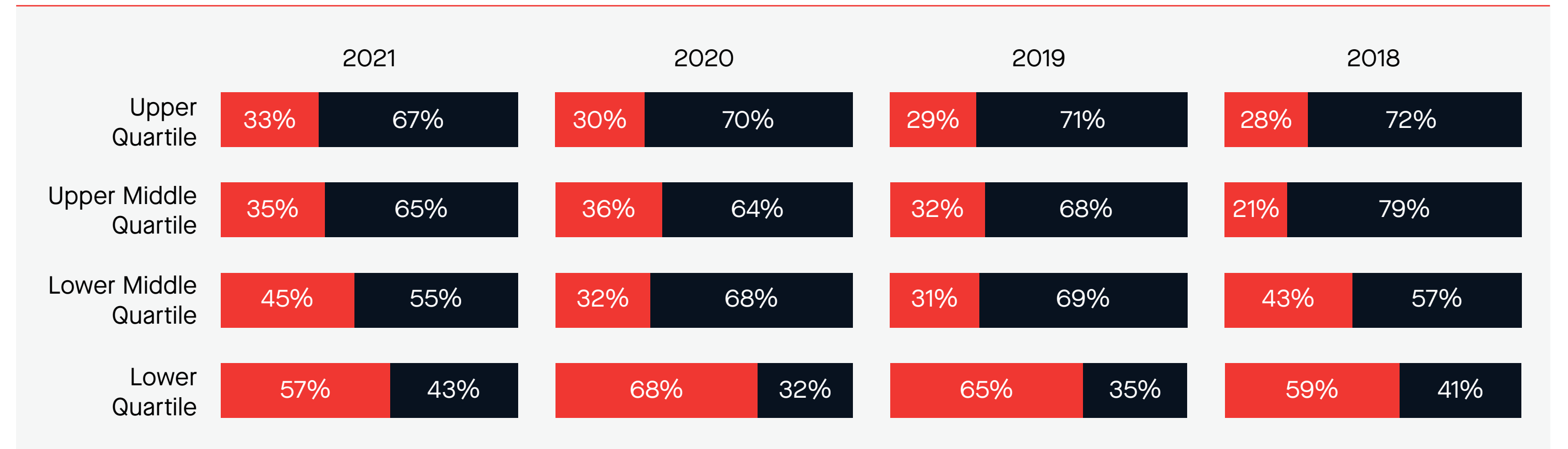
Gender pay gap



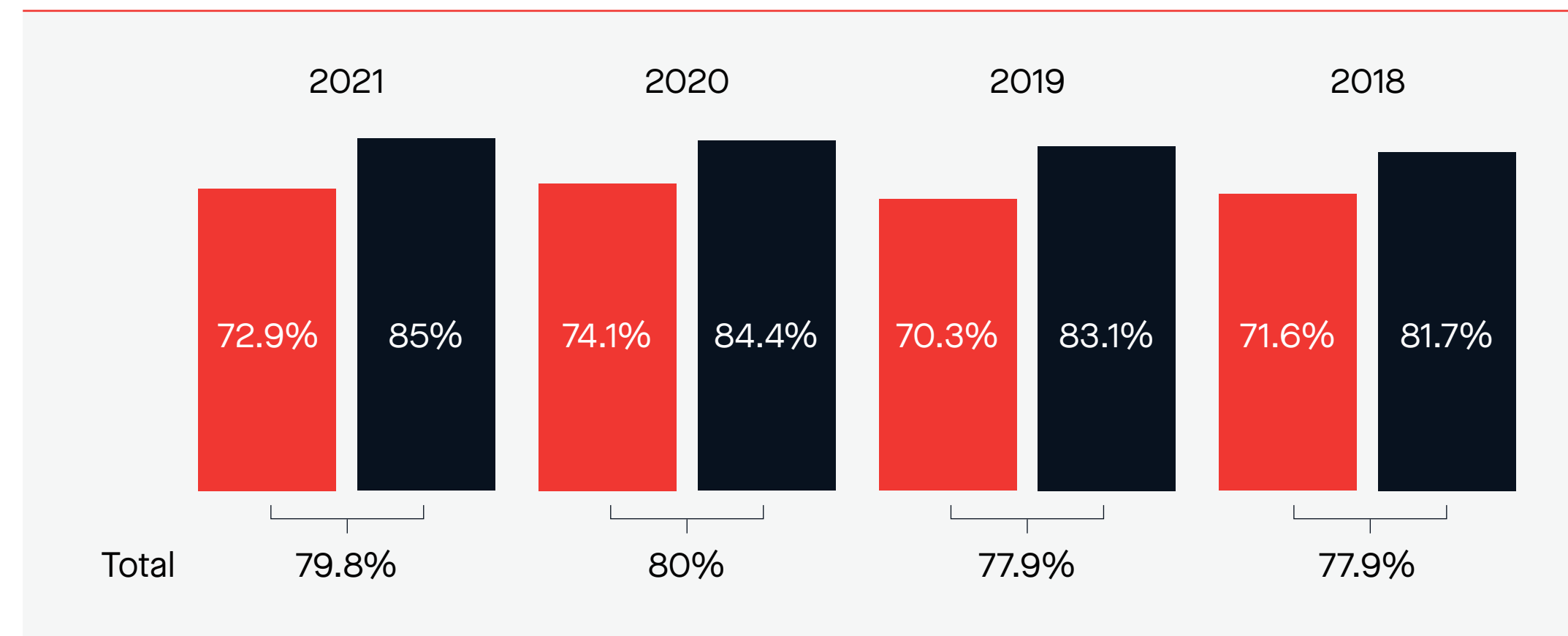
Gender bonus pay gap



Quartiles

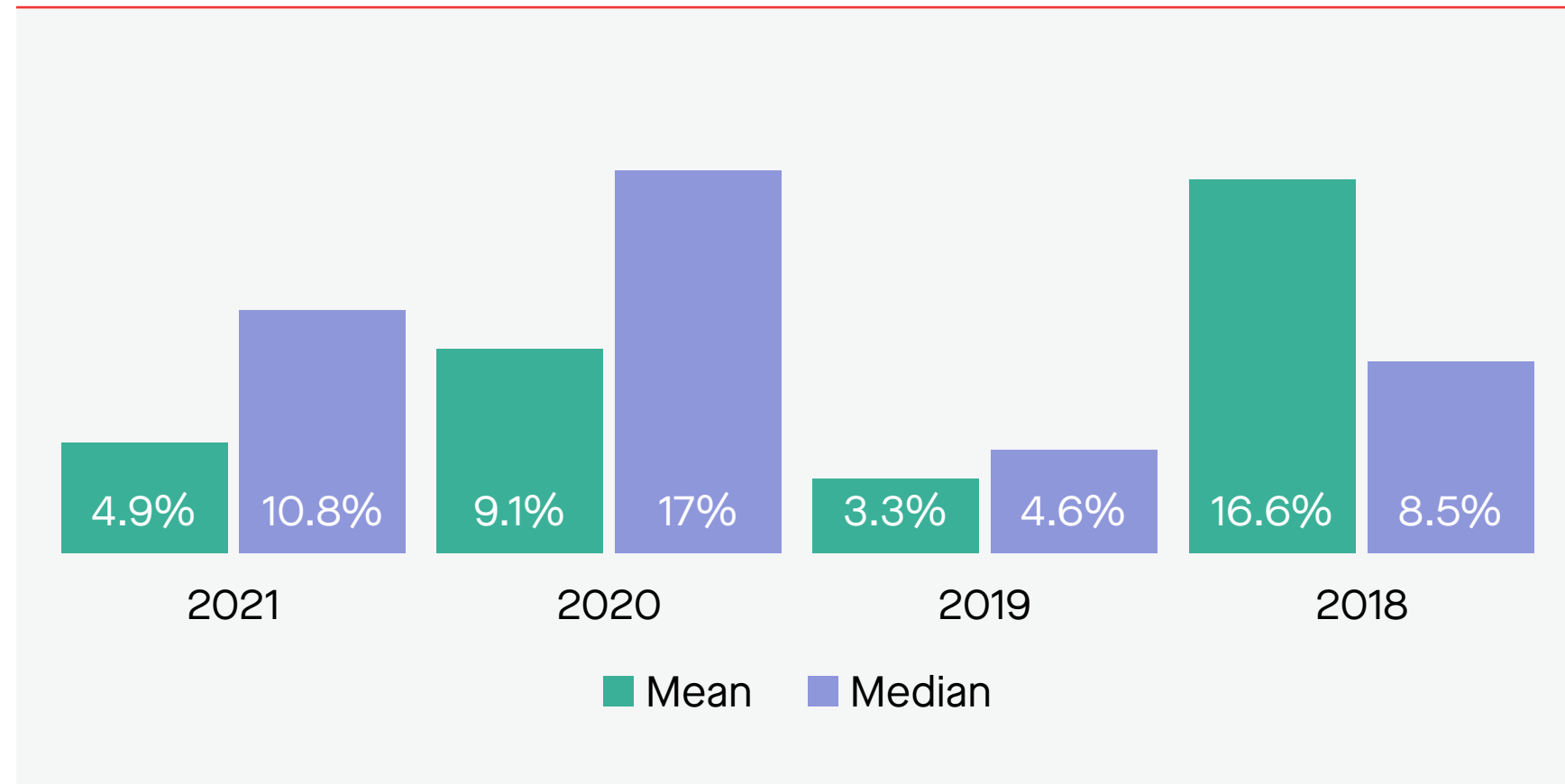


Percentage of employees who received a bonus

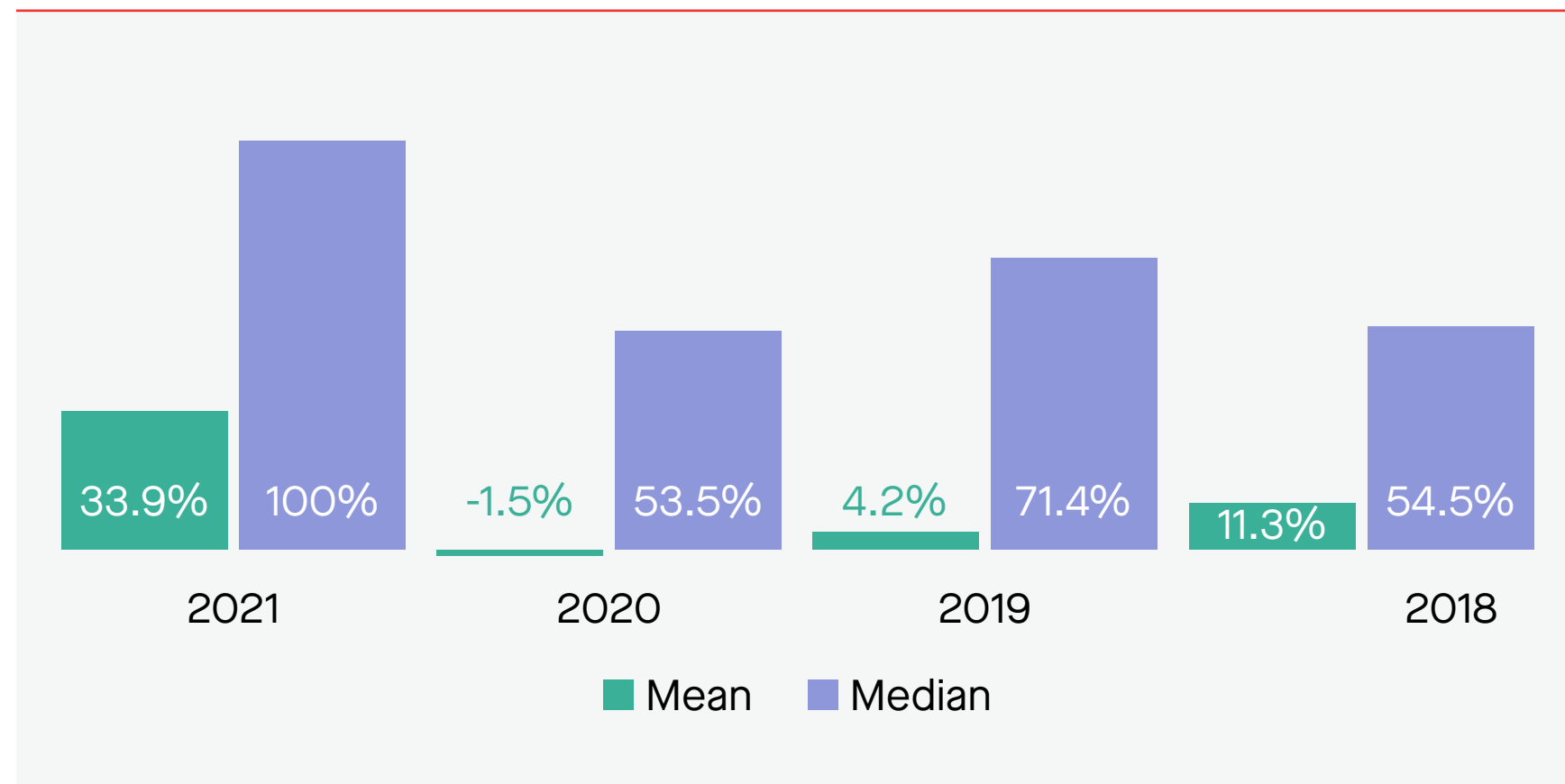


BSI Standards

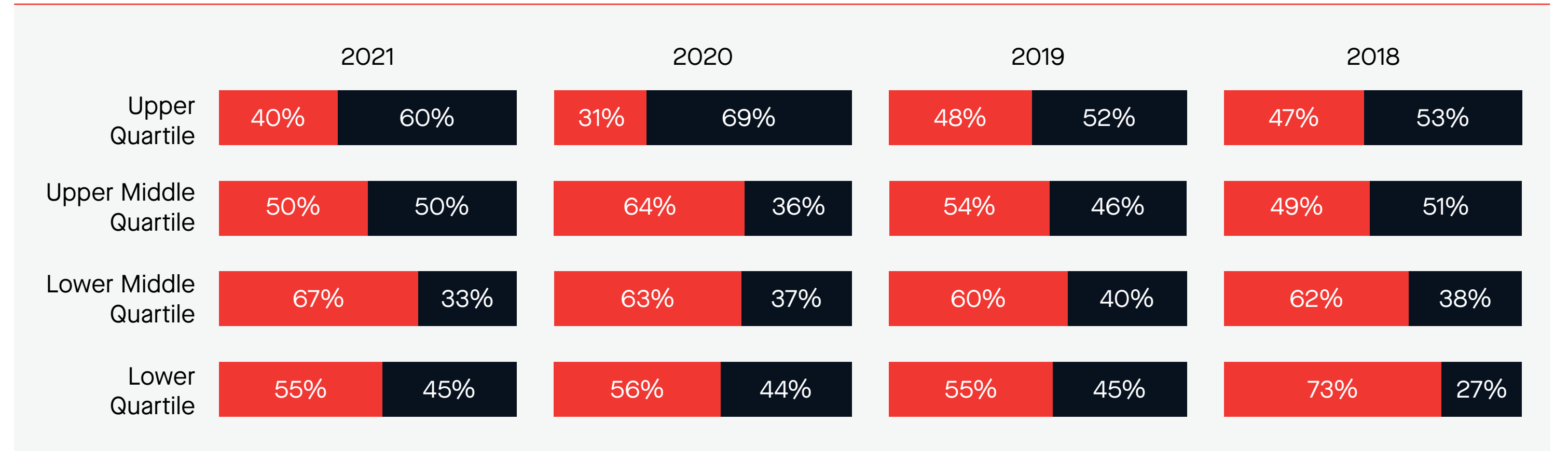
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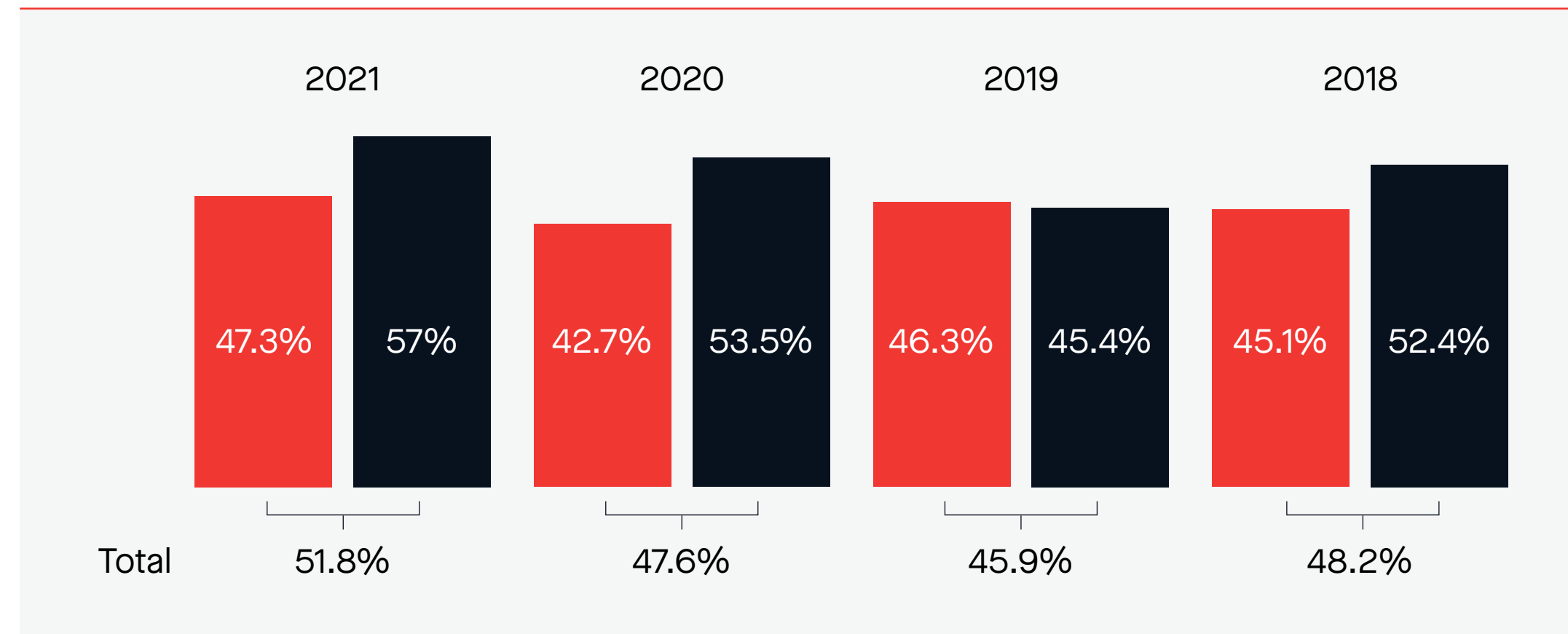
Gender bonus pay gap



Quartiles

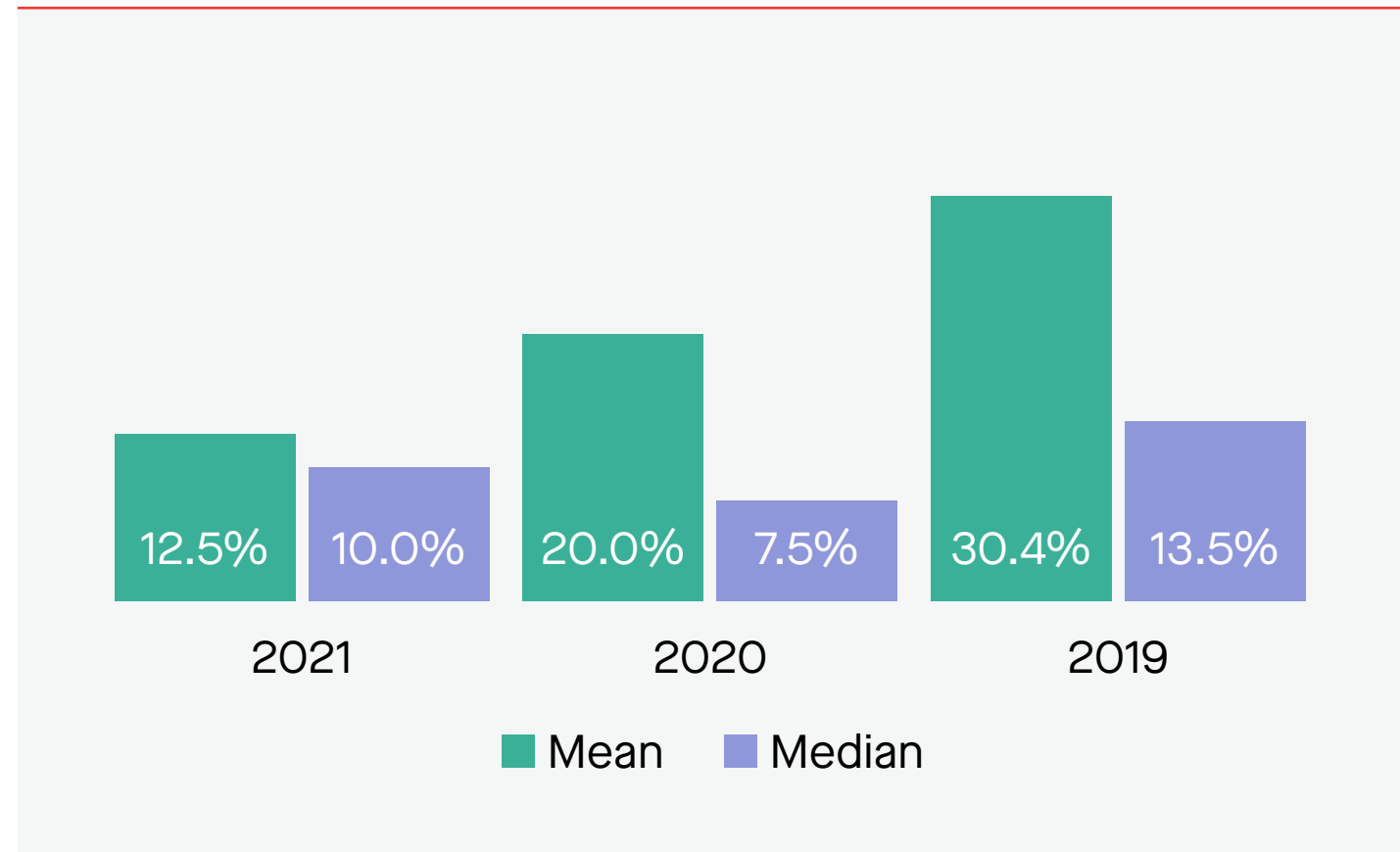


Percentage of employees who received a bonus

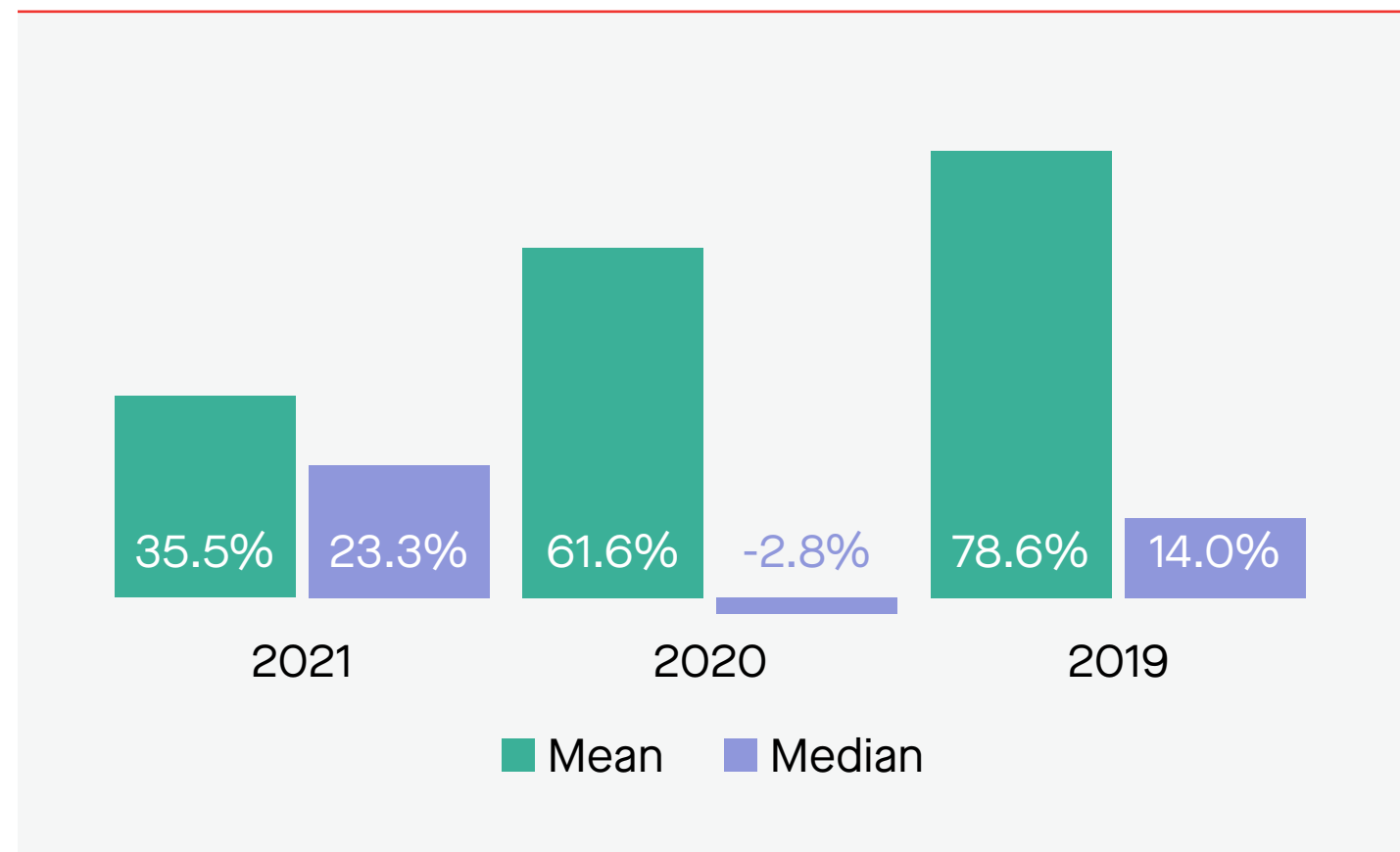


BSI Standards Institution

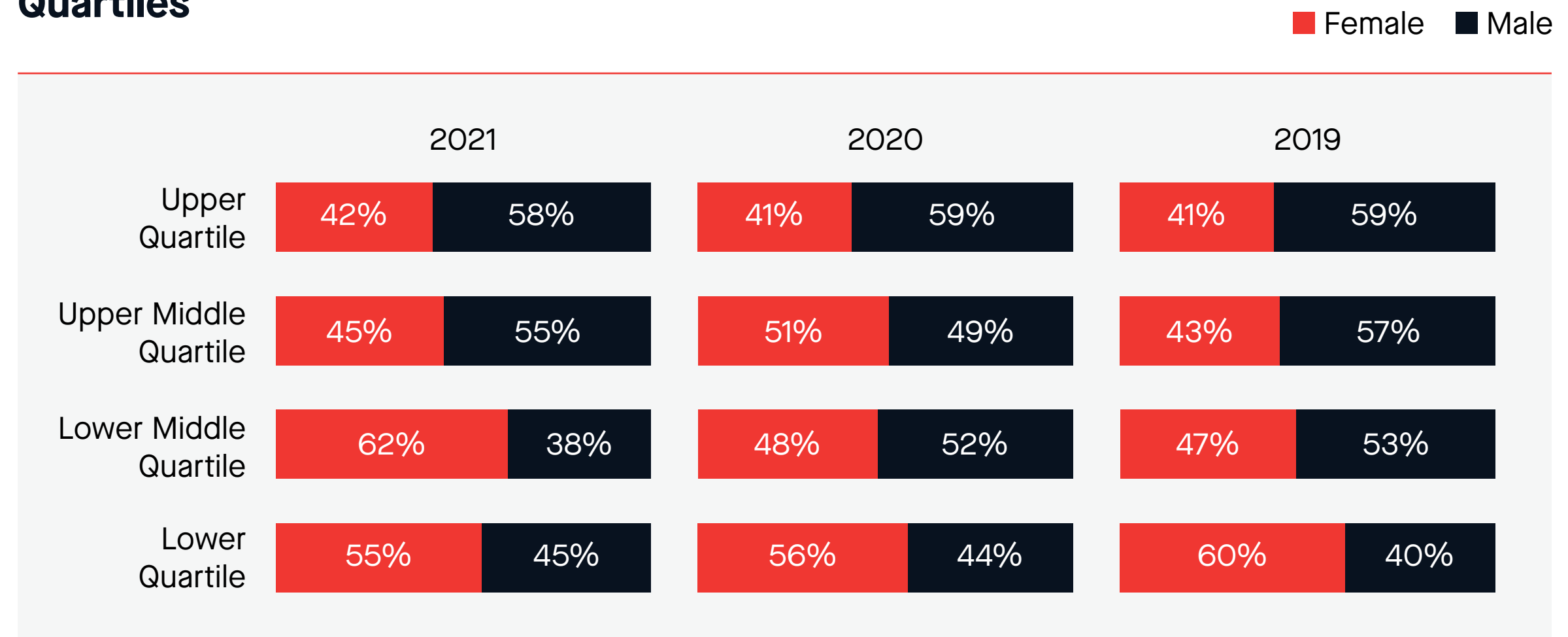
Gender pay gap



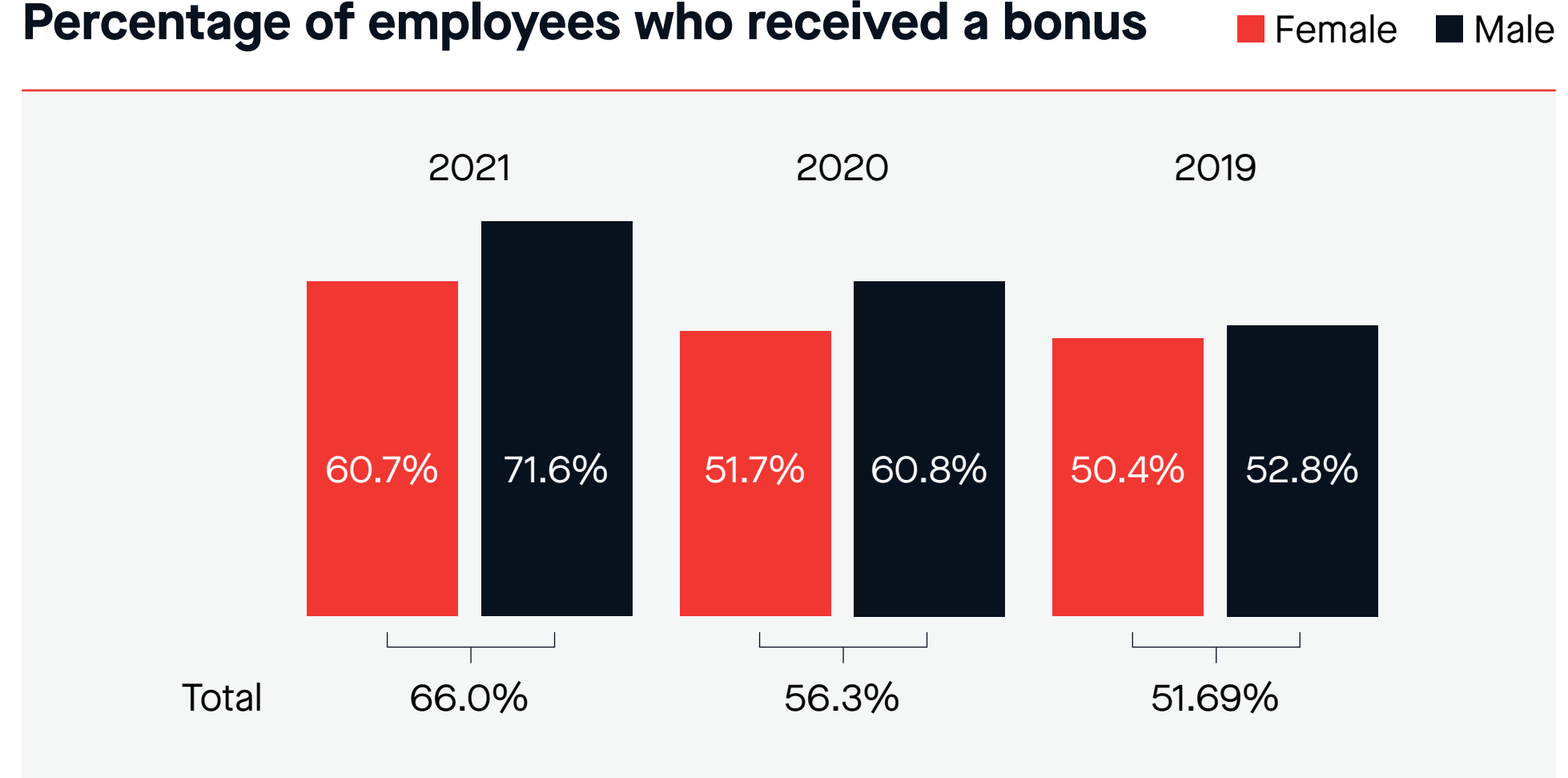
Gender bonus pay gap



Quartiles



Percentage of employees who received a bonus



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