

Gender Pay Gap Report 2019

Ordnance Survey Limited





Introduction

Ordnance Survey are proud to have a gender pay gap that is well below the national average – but we recognise there is always more to be done. Since reporting our gender pay gap last year, we have continued to embed a sustainable inclusivity agenda across Ordnance Survey.

Our focus on gender balance starts from the very first contact an employee has with us and continues through increasingly flexible contracts; ongoing support for our women's network; and a significant programme of work to bring greater transparency to our career and reward frameworks.

The work we have done to introduce a cohesive career architecture and reward framework means job roles are assessed based on their content, and gives all employees the ability to understand the progression routes through our business that are open to them.

As we balance our workforce at all levels and continue with our inclusivity agenda, I am confident that we are taking the right actions to close the gap and ensure OS is a great place to work for every member of our team



Hazel Hendley, HR Director

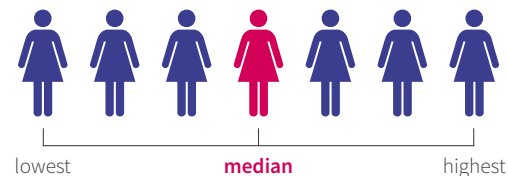
Gender pay gap reporting explained

The Gender Pay Gap shows the difference between the average hourly rate of pay of women and men in an organisation, expressed as a percentage of the average male earnings. It is important to note that this is different from Equal Pay, which is the requirement to pay women and men the same for the same, or similar, work.

As an employer with more than 250 employees, Ordnance Survey reports its Gender Pay Gap under The Equalities Act 2010 (Gender Pay Gap Information) Regulations 2017.

We publish a number of calculations following the methodology as set out by the Regulations.

- **The median** is the figure at the mid point when the hourly earnings of women and men are listed from lowest to highest. The median pay gap is the difference between the mid point in the range for all women and the mid point in the range for all men.
- **The mean** is calculated by adding up the hourly earning of all men and the hourly earnings of all women and dividing each figure by the number of men and women. The mean pay gap is the difference between the two.
- We also publish **the median and mean gap for bonuses** along with the proportion of men and women who receive a bonus.
- And to provide context to these calculations, we publish the **gender distribution by hourly pay** across OS in four equal quartiles.



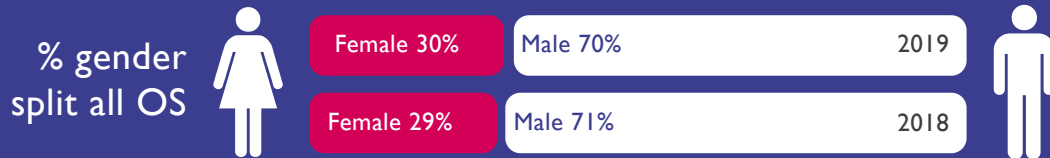
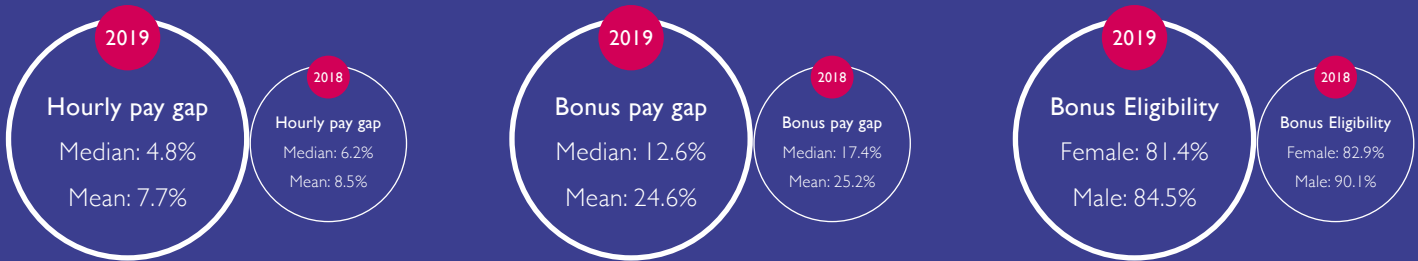
divided by the total number of women



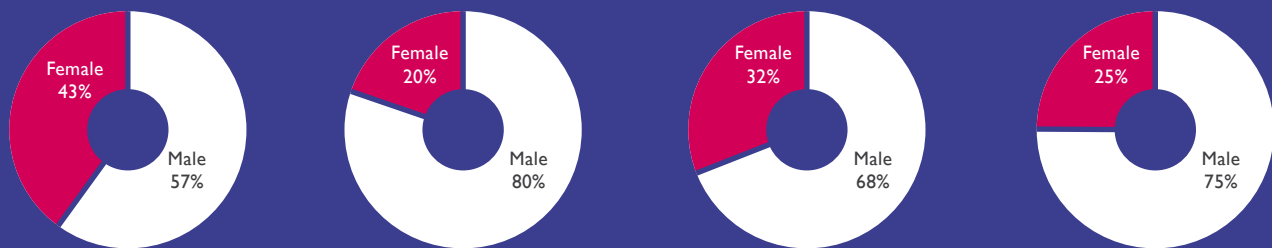
divided by the total number of men

The **mean** pay gap is the difference between the two

OS GPG at a glance



Gender Distribution by Hourly Pay Quartile



Lower Quartile Lower Middle Quartile Upper Middle Quartile Upper Quartile

Understanding the Gap – Hourly Pay

Gender Distribution

A gender pay gap is often the result of having a lower proportion of women than men in more senior positions - which then flows through to higher average hourly pay & bonus payments for men.

The proportion of women in the upper quartile of hourly pay at OS had increased as at April 2019, including four of our nine executive roles being held by women. However, even though the proportion of women employed at OS has slightly increased, we continue to have a significantly higher proportion of men in the upper quartile of our pay ranges.

Our commitments to creating an inclusive organisation evidenced by transparency of career pathways and reward frameworks, inclusivity throughout the employee lifecycle and support for programmes such as the Women's Development Network will, we believe, provide a long term and sustainable approach to ensuring gender balance at OS in all aspects of work.

Impact of Salary Sacrifice

The hourly rate of pay, as calculated under the Regulations, includes a number of cash allowances outside of basic pay and also considers pay after any salary sacrifice deductions.

At OS, we operate two pension schemes, with all new employees from 1 April 2015 being enrolled into a salary sacrifice pension scheme.

31% of women at OS are in a pension salary sacrifice scheme compared with 22% of men which also contributes to the calculated gap.



% gender split all OS

Female 30%

Male 70%



Understanding the Gap – Bonus

2019

Bonus pay gap

Median: 12.6%

Mean: 24.6%

Bonus Schemes at OS

We have a number of bonus schemes at OS all of which are calculated as a percentage of base pay. This feeds through into creating a gap for bonus payments.

Sales Incentive Payments

Our bonus pay gap is also impacted by payments made under our Sales Incentive Plans. Since the majority of sales roles are presently held by men, these payments increase the average male bonus payment by comparison with the average female bonus payment.



Commitment to closing the Gap

Career Architecture and Paths

Our career architecture is fully transparent to everyone and ensures all roles in OS are levelled appropriately in relation to each other – regardless of whether the incumbent is male or female.

- The architecture underpins our career paths and enables all employees to see how they can progress in our business
- It also highlights where we can focus efforts in encouraging greater numbers of women into specific roles or job families at every level - through attraction approaches, mentoring, learning and development, job redesign & flexible working
- In 2020, we plan to create a job levelling panel, training senior colleagues within OS to promote understanding of the process and support consistent decision making

Executive Board Representation

We continue to promote gender diversity at every level in Ordnance Survey and, at the time of writing, our Executive Board is comprised of 6 men and 3 women.

Pay Transparency

Transparency of pay policies and how pay decisions are made is known to have a positive impact on reducing the gender pay gap.

- In 2019 we introduced a new pay framework across our business which is aligned with our career architecture
- This has provided consistency and transparency in decision making; and enables individuals to make informed choices on their career path through OS - including the remuneration they can expect to receive

Workplace Flexibility

We will continue to promote flexible working to existing employees and new recruits. This includes part-time work; remote working; and compressed hours, and is fully supported by our wellbeing agenda which focuses on enabling people to enjoy and achieve both their personal and professional commitments and goals.

Commitment to closing the Gap

OS Women's Development Network and Women in IT

Our Women's Development Network provides opportunities for targeted learning coupled with colleague support and aims to actively encourage women to feel confident in making the most of every opportunity at OS. We are also active members of Hants Women in IT and regularly host events and talks open to everyone at OS.

- In March 2019 we celebrated International Women's day and ran a workshop on Cognitive Bias. As a result of feedback are making specific reference to Menopause within our revised Wellbeing Policy.
- In November 2019 we trained two groups of key recruiters on Unconscious Bias
- Our Apprenticeships, IT Trainee scheme and Geospatial Graduate Programme provide a pipeline of early talent and we will develop these opportunities to understand how to make them attractive to all

A message from Phillipa Hird, NED & Chair, Remuneration Committee

I'm pleased to report that OS has seen a gradual year on year improvement in our Gender Pay Gap and our figures are also below UK averages, but we are certainly not resting on our laurels.



I know that we are working hard to embed our career paths and reward framework, and I especially encourage all employees to get involved in the OS Mentor network launched in Autumn 2019. It can be immensely helpful to get a fresh perspective from someone who hasn't worked with you before to see things differently. The network was set up in response to feedback gathered through Glint surveys on the importance of professional and career development and has proved very successful, both for mentors and mentees.

The RemCo ensure that gender balance is considered as part of all reward initiatives, starting with recruitment practices onwards and we are very supportive of the training provided to OS Managers to help them understand and combat cognitive bias. I am particularly looking forward to seeing initiatives that reduce the bonus gap going forward.

Useful resources

For information regarding Gender Pay and access to gender pay gap reports for other organisations, please visit: <https://gender-pay-gap.service.gov.uk/>

If you want to learn more about how the gender pay gap is calculated, further information is available at: www.acas.org.uk/genderpay