



Ordnance Survey Limited

Gender Pay Gap Report 2018



Introduction

At Ordnance Survey (OS), we have a gender pay gap that is well below the national average. Since reporting our gender pay gap last year, we've continued to embed a sustainable inclusivity agenda across OS. In driving to achieve greater gender balance across our business, we have focused on building an inclusive organisation. This starts from the very first touchpoint a potential employee has with us, 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

We recognise that some of the changes we've made this year have had a temporary adverse impact on some of our metrics. We anticipated this impact which is due to a shift in our gender balance. The great news is we're proactively bringing more women into our business. During 2019, we'll see the benefits filter through from the recent introduction of a new career architecture coupled with our reward framework – both of which are designed to ensure all employees, including new joiners, can see a clear career pathway through the business.

This year we've also proactively addressed the gender balance of our Executive, and the team currently comprises four women and five men. We are also pleased to have increased the number of female non executive directors on our main board which now comprises two women and five men.



Our ambition is to encourage and support our workforce at all levels and continue with our inclusivity agenda. I'm confident we're taking the right actions to close the gap and ensuring OS is a great place to work for every member of our team.

As Acting Director HR, I confirm the data reported is accurate.

Hazel Hendley, Acting Director HR



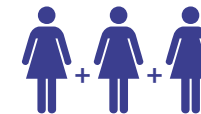
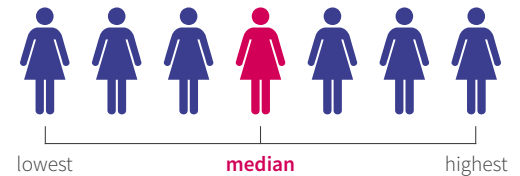
Gender pay gap reporting explained

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's important to note that this is different from Equal Pay, which is the requirement to pay women and men equally for the same, or similar, work.

As an employer with more than 250 employees, OS 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 earnings 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.



total hourly earnings
of all women

divided by the total
number of women

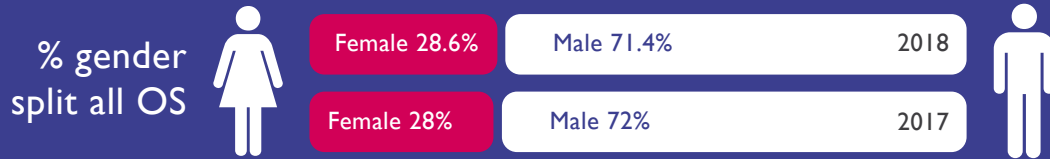
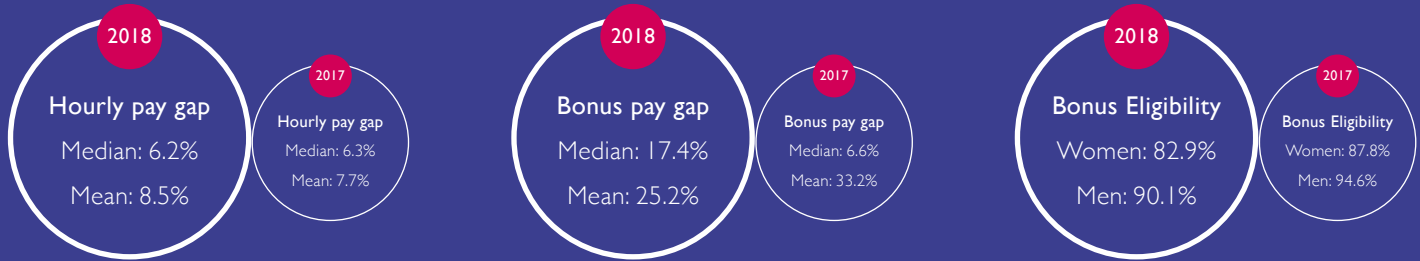


total hourly earnings
of all men

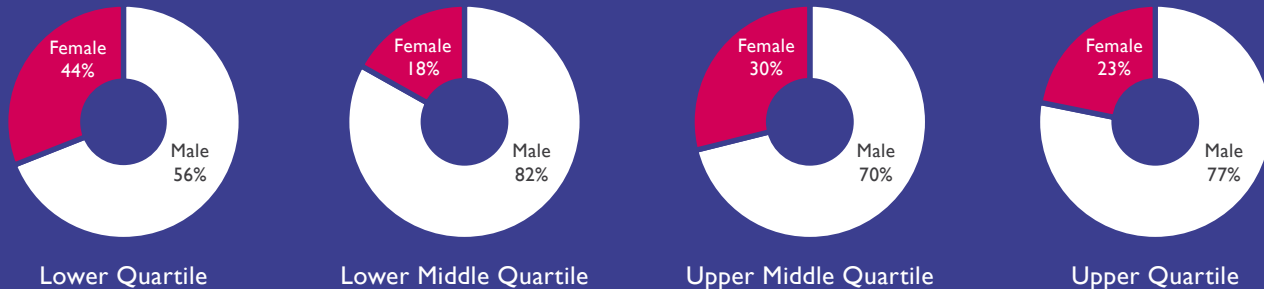
divided by the total
number of men

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

At A Glance



Gender Distribution by Hourly Pay Quartile



Understanding the gap – hourly pay

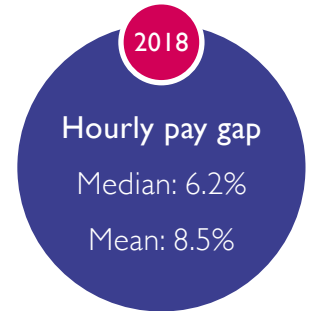
Gender distribution

A gender pay gap can be driven by having a lower proportion of women than men in more senior positions – which then flows through to a higher average hourly pay for men.

The proportion of women in the upper quartile of hourly pay at OS has increased in the last 12 months including at Executive Committee level where four of our nine executive roles are currently held by women. However, we continue to have a significantly higher proportion of men in the upper quartile of our pay ranges.

The proportion of women in our overall population has increased this year. The most significant increase has been in women in the lower quartile of our hourly pay ranges and we have also see an increase in the percentage of women working part time. Based on this shifting workforce composition, we would expect to experience a short term adverse impact on some of our gender pay metrics.

Our commitments to creating an inclusive organisation are 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. We believe these will provide a long-term and sustainable approach to ensuring gender balance at OS in all aspects of work.



% gender split all OS

Female 28.6%

Male 71.4%



Understanding the pay gap – bonus

Bonus schemes at OS

We have a number of bonus schemes at OS, all of which are calculated as a percentage of base pay.

It follows then, that just as there is a pay gap for hourly pay, there will also be one for bonus payments.

Sales incentive payments

Our bonus pay gap is also impacted by payments made under our sales incentive plans .

Sales incentive bonus payments equated to 19% of the total amount paid in bonuses. As men currently hold the majority of our sales roles, these payments increase the average male bonus payment compared with the average female bonus payment.

Executive and senior leader bonus payments

Payments made under this scheme relate to the 2016/17 financial year – when our senior team was predominantly male.

Just as we anticipate the gap reducing because our female new joiners will become eligible for bonus payments, we also anticipate that the improved gender balance in our leadership team will have a positive impact on our gender pay gap in the coming year.

2018

Bonus pay gap

Median: 17.4%

Mean: 25.2%

Commitment to closing the gap

Career architecture and paths

In April 2018 we introduced a new career architecture, fully transparent to everyone and providing the rigour that ensures all roles in OS are levelled appropriately in relation to each other. We're using this architecture to underpin our career paths and enable everyone to see how they can progress in the business.

Our architecture is also helping to highlight where we need to focus our efforts in encouraging greater numbers of women into specific roles or job families at every level of our business – whether through our attraction approaches, mentoring, learning & development, job redesign or flexible working.

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. At OS we're finalising a new pay framework which will improve transparency across our business, ensure consistency of decision making and align with our career architecture. This will also support individuals in making informed choices on their career path through OS, including the remuneration they can expect to receive.

Workplace flexibility

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

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're also active members of Hants Women in IT, and regularly host events and talks open to everyone at OS.

Executive representation

We continue to promote gender diversity at every level in OS and are proud that, at the time of writing, our Executive Committee comprises five men and four women and we have two women non executive directors alongside five men on our main Board.



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

Having joined the OS Board in 2018, I'm hugely encouraged to see the forward-thinking plans and tangible actions being taken at OS every day to embed a sustainable inclusivity agenda.

Across our early careers programmes, talent schemes, learning & development offer and resourcing strategy, we're encouraging and supporting women at every stage of their career and at all levels of our business.

I'm delighted that we'll continue our progress in 2019 through transparent career paths and reward frameworks, and look forward to supporting the business in its drive towards gender balance and quality of opportunity throughout OS.



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

