GENDER PAY GAP REPORT 2023





Introduction

'Healthy discontent is the prelude to progress" Mahatma Gandi

This quote encapsulates my feelings about our latest gender pay gap data — our hourly pay gap has increased this year and whilst I understand the reason for this is largely down to changes in our executive team — where two female members moved on and only one joined, it's a data point I want to see improvement in.

Building on our work around inclusion and diversity in 2022 this year, I am proud of our new I&D handbook developed in collaboration with our colleague networks. It outlines an action plan that aims to improve inclusion and diversity in OS, and will evolve over time because we know that this isn't a one-off initiative. In that context, we are publishing this year's Gender Pay Gap report recognising that we still have work to do, and sharing our commitment to continue doing that.

OS continues to work toward a more equal gender balance in our workforce, so I'm pleased that we have maintained the proportion of female talent this year. However, it is disappointing for us all that this year's hourly pay gap has increased. OS is a place where careers can flourish — nearly a third of all our vacancies went to internal talent over the past year. Building on this strength we have explored how we ensure that women in OS are best supported and set up to take every advantage of the career mobility that our culture offers.

As well as career mobility, our I&D actions look to other underlying cultural enablers that we know affect diversity, and can often lead to barriers to some women progressing. I'm committed to closing the pay gap but it's not something we can achieve in isolation and without a plan which takes a long-term view of the problem.

As always, we continue to challenge ourselves and others to ensure that our uniqueness — our diversity — continues to be something we can celebrate and benefit from. The gender pay gap is one important part of the range of data and insights we will continue to pay attention to.

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.



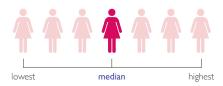
total hourly earnings of all women



divided by the total number of men

divided by the total number of women

The mean pay gap is the difference between the two



- The median is the figure at the mid point when the hourly earnings of women and men are listed from lowest to highest.

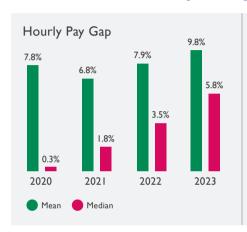
 The median pay gap is the difference between the mid point in the range for all women and the mid point in the range for all men.
- The mean is calculated by adding up the hourly earning of all men and the hourly earnings of all women and dividing each figure by the number of men and women. The mean 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.

Gender Pay 2023 - reporting period:

Bonus Gap - any incentives paid during this time period (e.g Delivering Success June 2022)

Pay Gap - Snapshot of pay, allowances & premiums paid in April 2023 payroll

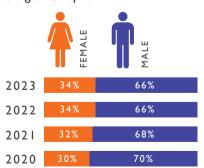
OS Gender Pay Gap at a glance



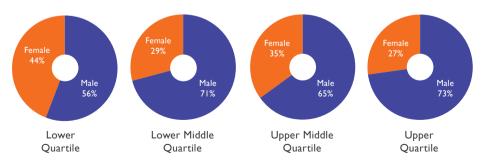




OS gender split



Gender Distribution by Hourly Pay Quartile



Understanding the Gap – Hourly Pay

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

We saw a slight increase in hourly pay gap during 22-23 reporting period due to a number of women leaving OS from our Executive & Senior Leadership Team roles, resulting in the female average pay figure decreasing and widening the absolute difference per hour.

OS continue to have a higher proportion of men across all quartiles of our pay. OS has seen an increase in men in the lower quartile this year, due to recruitment into areas that tend to attract largely male applicants, like Data & IT Trainees in Technology and Field Surveying.

This measure is less affected by a handful of considerably lower or higher salaries, therefore more representative. But it does not consider one of the most significant factors in determining a gender pay gap: the higher rates of pay of a majority male Executive Leadership Team.

All our new joiners are enrolled into the salary sacrifice pension scheme. The salary sacrifice arrangement allows employees to make contributions to their pension before PAYE tax and National Insurance contributions are deducted. This means that their contributions are taken out of their gross pay and they will pay less tax.

The hourly rate of pay reference for Gender pay calculations is after any salary sacrifice deductions have been made.

This pension scheme membership currently has 71% of women in this scheme, compared to 57% of men. This also continues to contribute to the hourly pay gap.

Pay Gap





Hourly Remuneration

Women's mean hourly rate is 9.8% less Mean pay per hour for men: £22.07 Mean pay per hour for women: £19.91 Difference in pay £2.16

XpertHR = Mean Pay Gap 14.3%

Women's median hourly rate is **5.8%** less Median pay per hour for men: £19.40 Median pay per hour for women: £18.27 Difference in pay £1.13

XpertHR = Median Pay Gap 9.4%

Understanding the Gap – bonus

Mean Bonus Gap = 21.5%

In £ terms \blacktriangleright male annual bonus £1,698 female annual bonus £1,332 = an absolute difference of £366

- The highest contributors to our mean bonus gap are those sitting in our upper quartile of pay. This is due to the number of females versus males in our Executive Leadership Team at the time of reporting. Payments in the report relate to the 2021/22 financial year and were mainly for Delivering Success paid in June 2022.
- At OS we have a number of bonus schemes, which are calculated as a percentage of base pay. Since we have a mean pay gap, this feeds through into creating a gap in bonus payments. In 2021/22 we had a higher number of bonus payments, at a higher level, made to senior males.

Median Bonus Gap = 9.6%

In £ terms ► male annual bonus £1,147

female annual bonus £1,036

= an absolute difference of £111

XpertHR = Median Bonus gap 15.2%

- This year OS has seen an increase in the bonus gap due to several women in senior roles leaving the business and not being eligible for the Executive or Senior Leadership bonus payment.
- Our bonus pay gap is also impacted by payments made under our Sales Incentive Plans. Until the roles are equally filled by both genders, this will continue to contribute to the position. The impact feeds through to the bonus gap as most eligible sales roles are the time of reporting were held by men.

What are we focusing on?

Attraction and selection

At OS, we have a dedicated in-house Resourcing team that partners with our business teams to design, support, and manage inclusive hiring strategies. This is an important part of how we ensure our recruitment approach reduces risk of bias and positively encourages applicants from any underrepresented group, as it gives us the flexibility and insight to select the right strategies, at the right time, in the right way. This year, we are focused on increasing the range of job boards where we advertise, particularly diversity job boards. We have also made our adverts clearer about hybrid and flexible working at OS, as we know this is sometimes especially important to women with caring responsibilities. Our early careers schemes have also been an area of focus for us this year because they are an important way we build a pipeline of diverse talent into our technical roles, and we're pleased that our 2023 geospatial graduate scheme has a 50/50 gender split.

Growth and career progression

At OS, we continue to support people to develop and progress their careers. That might look different depending on individual aspiration, so we're proud of the different ways we empower people in OS to grow – whether that's through our sponsorship of on-the-job apprenticeship qualifications, our new Data Academy that's retraining people who want a new career path in data, or our upcoming Leadership Development schemes to grow our leaders of the future.

A focus for us this year will be our new Womens Leadership Development programme. We know that representation at the most senior levels in OS isn't where we'd like it to be, so we're launching a new programme to actively support women in OS who aspire to progress into senior leadership roles in future. Our Women+ colleague network – which continues to thrive and grow in OS – have helped us develop this programme, which will support women with the skills and confidence they need to feel empowered to leverage their unique strengths.



What are we focusing on?

Ways of working

We continue to embed our commitment to flexible working and hybrid because we believe that work is what you do, not where you are. To support that, this year we've made our job adverts clearer about what hybrid looks like and promoted a new Lifestyle break policy with all employees. We're encouraged that people in OS are more positive this year about the autonomy they have to decide how they do their work.

Allyship

This year, we launched our Action for Allyship programme - to help us all amplify and advocate for those who may find it harder to access opportunities. Over the next year, every employee in OS will join the programme, and new joiners to OS will have Allyship as a feature of their induction journey, so everyone has tools and confidence to call out unacceptable behaviour when they see it.

Leadership

Each of our employee networks is sponsored by a member of the Executive Leadership Team to ensure that their collective voice is amplified at this level and that support can be offered when and where it's needed to achieve the networks' objectives. We've also held two CEO Forums with employee network leads since creating our Inclusion and Diversity action plan. These quarterly sessions allow Nick Bolton, CEO, to hear directly from the groups, both about the work they're doing and how they feel OS is supporting them to meet their targets.



A message from Philippa Hird, Senior Independent Non-Executive Director & Chair, Remuneration Committee Gender representation at all levels remains personally very important to me. Our diversity is key to our tensile strength and underpins our success and I am encouraged by the work we have done this year to develop a range of long-term strategies that look to address some of the underlying challenges.



There has been a change at the senior leadership level over the past year, and it has been good to have welcomed one woman onto the executive team and one onto the board following competitive recruitment processes. I am also encouraged that we have worked with specialist recruiters on some campaigns to ensure that we reach the widest possible pool of potential applicants and that we have a 50/50 split of male and female applicants at review.

I welcome the introduction of two important new programmes this year – Ignite women leaders and Action for Allyship – which both aim to support a culture in OS where women can continue to develop and grow. The impact of these initiatives will become clearer over the coming years, but I'm already encouraged to see that in 2023, more than half of internal promotions have been to women in OS. Growing this pipeline of talent means we can deliver the development and growth opportunities which are so important to many women wanting to progress their careers here at OS.

Improving our gender balance at every level of the business remains the priority and it is right that OS continues to put full attention to supporting its female talent.

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





