GENDER PAY GAP 2021



As a human rights organization we believe in equality of opportunity for all. Similarly, as a progressive employer we know that treating all our colleagues fairly and working together through 'Our Shared Commitments' is the right thing to do and it enables us to achieve the best possible outcomes for children. Gender equality and removing gender pay gaps are important components of our Diversity and Inclusion Strategy.

The gender pay gap is a measure that compares the difference between the average earnings of men and women in an organization, expressed as a percentage of men's earnings. It is not a measure of equal pay, which is the difference in pay between men and women for doing the same or equivalent jobs.

UK employers with 250 or more employees are required to publish specified measures of their gender pay gap annually. We welcome this transparency that upholds

equality of opportunity and fairness for all and promotes equality, diversity and inclusion in the workplace.

Our latest gender pay gap report is based on data from 5 April 2021. At this time, we employed 298 relevant people with 67 (22.5%) being men and 231 (77.5%) being women. During 2021, some of our employees were temporarily furloughed under the government's Coronavirus Job Retention Scheme, but as we made up their pay to 100% of normal earnings they are included in the analysis.

Unlike many UK organizations, the representation of women is high at all levels of our organization, including in our senior leadership roles, with women representing more than 73% of colleagues in all our pay quartiles. This helps to explain why our gender pay gap is comparatively low compared to the wider UK economy.

This data reflects gender identity as it is disclosed. However, the current government reporting arrangements do not allow us to reflect individuals who do not self-identify as men or women.

Gender Pay Gap Measures

Our 2021 gender pay gap is as follows:

4.7% Median

The median is the middle value when all the values are arranged from highest to lowest and so the best and most representative measure of any gap for the typical employee.

6.5%

Mean

The mean pay gap shows the percentage gap in average salaries of men and women. It considers the full range of pay in the organization. The mean is influenced more by the highest and lowest salaries in the organization.

Our gender pay gap is significantly lower than the UK whole-economy median level of 15.4% (as reported by the Office for National Statistics (ONS) Annual Survey of Hours and Earnings, 2021). It is also lower than the not-for-profit sector as a whole (20.8% median and 18% mean as reported by ONS 2021 survey).

This year we are reporting an increase in our median pay gap and a slight decrease in our mean pay gap

over the previous year - in 2020, the median figure was 0% and the mean figure was 6.8%. While we want to remove our pay gap and the influence of gender on our pay levels every year, in a relatively small organization, factors such as staff turnover mean that we might reasonably expect to see year-on-year variations of around 5%. To an even greater extent, we might see changes in the gaps across the pay quartiles.

Our commitment and actions

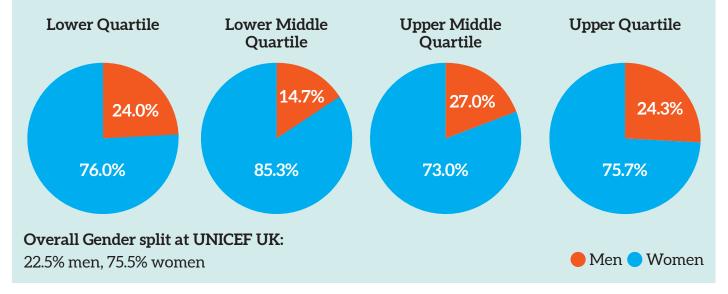
We have implemented further changes since our previous gender pay gap report, designed to maintain and ensure true gender equality in work and pay arrangements at UNICEF UK. It often takes a few years for policy changes to take effect fully and many will not yet have impacted our pay gap (which reports on data from April 2021). We remain committed to gender equality with actions including:

- A sector-leading move of equalising our parental leave and pay provisions for all employees; giving 52 weeks leave and pay for 39 weeks, at different rates, to all employees who are new primary caregivers. This benefit is provided regardless of gender or sexual orientation or the route to parenthood. Women's disproportionate responsibility for care and domestic labour impacts their ability to enter, return or progress at work on an equal footing with men. Through parental leave and progressive policies, we're addressing gender stereotyping and ultimately this should help us in reducing and removing the gender pay gap.
- Our reward practices are transparent internally. We share the salary ranges available within different pay bands and the job levels of all our roles and the detail of our job evaluation scheme. The Equality and Human Rights Commission supports such transparency, providing research evidence that it is associated with the lowering of gender pay gaps.
- We used a portion of our annual pay award in the last two years to fund the upward movement of some of those employees at lower positions in their pay ranges relative to the market position. This should benefit the relative pay position of less experienced employees in their pay range, and women tend to have shorter average service than men and are at a lower position in pay ranges than men.
- Strengthening our recruitment practices to reduce the likelihood of gender pay differentials being replicated from the external market and using a

- new recruitment platform that anonymizes and debiases hiring decisions.
- Our Diversity Action Group will regularly review how changes in our workforce impact the gender pay gap and what further actions or adjustments may be needed.
- We have introduced, through extensive collaboration, a set of newly articulated values, which includes 'inclusion and belonging' and outlines how we embrace diversity in all its forms, awareness of our own power and privilege, and feeling able to bring our full selves to work.
- We will focus on equity and inclusion as we develop and implement our talent management strategy, which will further our gender equality goals.
- We have a gender network, which supports colleagues and helps celebrate women.
- We are moving to review the extent and causes of any pay gaps for other groups of our employees. Our Diversity and Inclusion Strategy recognises the importance of attracting and retaining diverse and talented people with the skills, ambition and drive to help us lead and deliver our plans. We continue to focus on increasing the number of colleagues who identify as people of colour and monitor how people from minoritized communities will have an intersecting impact on the gender pay gap. This year we reported on our Ethnicity Pay Gap for the first time.

Breakdown of Gender Pay Quartiles

A pay quartile represents a quarter of the workforce, ranked by their hourly pay rate. The government requires this figure to be published to show the distribution of men and women across the range of pay in the organization. The pay quartiles are then broken down by gender. Across the UK economy, men are over-represented in the top quartile and the highest paid jobs and women prevalent in the lowest paying roles in the bottom pay quartile. The proportion of men and women in each quartile at UNICEF UK is as follows:



Additional payments

UNICEF UK does not currently operate a bonus scheme. However, the legislation requires us to report the following:

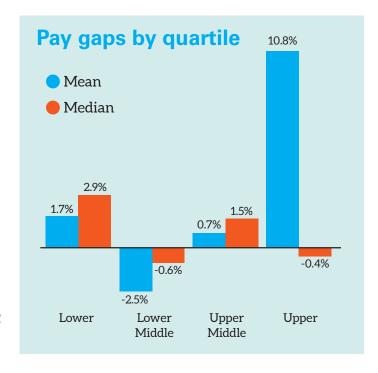
- The mean gender bonus gap is: 0%
- The median gender bonus gap is: **0**%
- The proportion of men employees receiving a bonus is: 0%
- The proportion of women employees receiving a bonus is: 0%

Understanding the gap

Observing a change in both our mean and median figures from April 2020, we interrogated our data to understand the change.

We have a much higher representation of women across all pay quartiles (ranging from 73.0% to 85.3%). This year there has been a nine percentage point increase in the proportion of men in the upper middle quartile, meaning that there are more men paid above the average pay in the organization than in our report 12 months ago. We have also seen an increase in women

in the upper quartile so this disbursement of women across our quartiles is not altogether negative and our pay gap still remains more positive than the sector. However, our aspiration is to see the amount of women in each quartile matching, or exceeding, the overall percentage of women in the organization.



Jon Sparkes Chief Executive

