The Institution of Engineering and Technology

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Board of Trustees

GENDER PAY GAP REPORT

(Note by Morna Dason-Barber. If you have any questions on this paper before the meeting please contact Morna Dason-Barber on +44 (0)7936 341409, or by email mornadasonbarber@theiet.org)

1. Issue

To provide a report to the Board of Trustees about the IET's Gender Pay Gap Report for 2023.

2. Timing

Board of Trustees meeting, 21 March 2024.

3. For Note

The Board of Trustees is invited to note the attached report.

4. Background

4.1. In line with all other UK companies employing more than 250 people, the IET has a legal obligation to publish Gender Pay Report for our UK employees based on a snapshot date of 5 April 2023.

4.2. The report must specify the following key metrics:

- gender pay gap (mean and median)
- gender bonus gap (mean and median)
- proportion of males and females receiving a bonus payment
- proportion of males and females in each pay quartile

4.3. Alongside these figures, as a charity the IET must also publish a 'written statement'. This statement must confirm that the published information is accurate and be signed by an 'appropriate person'. For charities this will be the most senior employee.

4.4. The deadline for publication is 4 April 2024.

5. Key Points

5.1. Whilst both equal pay and the gender gap deal with the disparity of pay women receive in the workplace, they are two different issues:

5.1.1. Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act.

5.1.2. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

5.2. Our mean gender pay gap is 24.4% and our median gender pay gap is 25.4%.

5.3. The IET pay and mean bonus gaps are primarily driven by the high percentage of men in the top quartile and the high percentage of women in the lower quartile.

5.4. Significant focus and actions have been undertaken over recent years to address the gender pay gap. These actions are starting to have a positive impact, as reflected in the latest report, which shows that, in comparison with 2022, our mean gender pay gap has reduced by 4.4%. Our sustained focus and actions has also resulted in a sustained positive increase in the number of women at both the Upper Quartile and Upper Middle Pay Quartiles.

5.5. It is acknowledged that it will take time to balance the profile of the organisation and ultimately close the gender pay gap and we have set ambitious targets to ensure demonstrable progress is made by 2025.

5.6. The IET Gender Pay Gap Report for 2023, attached as an Appendix, has been approved by the Remuneration Committee and will be published on the IET website on 30 March 2024:

https://www.theiet.org/about/vision-and-strategy/iet-gender-pay-gap-report/

6. Risk

There are no additional risk issues related to this report.

7. Resources

There are no additional resource issues related to this report.

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Appendix to T(24)29

IET Gender Pay Gap 2023:

Foreword

Our Gender Pay Gap report for 2023 reflects our ongoing commitment to transparency, equality, and fostering an inclusive organisation. Within this report, you'll see a detailed overview of the Gender Pay Gap (GPG) for our UK workforce, looking at both the progress made as well as our commitments to maintaining positive movements into 2024.

As of the snapshot date of 5, April 2023, our GPG is 24.4%, a reduction of 4.4% from 2022. Key factors positively impacting our position include an uplift in the number of women moving into senior roles. The success of our Women's Leadership Development Programme for example, has seen over 60% of participants experiencing substantial post-programme development. However, challenges persist, particularly in our lower pay quartile, where male representation has decreased and poses an area for focused attention.

A key priority for us is achieving gender parity at all levels and this report acknowledges the targeted interventions we will make. We are committed to ensuring we meet our target of 45% women in the upper pay quartiles, as well as building on our goal of 50% women holding senior management team roles. We aim to meet this through considered and measured programmes of work that centre around internal talent development, structured succession planning and greater awareness of our wellbeing and flexible working initiatives.

As an organisation we remain committed to creating a workplace where talent flourishes irrespective of gender or any individual characteristic. We will continue to ensure our colleague community, as well as the work that we do, reflects our shared values of equality and inclusivity.

Yours sincerely,

Ed Almond

Ed Almond
Chief Executive and Secretary

What is the Gender Pay Gap?

The Gender Pay Gap is a measure which shows the difference between the average pay across all men compared to the average pay across all women within the same organisation.

Measures include the mean Gender Pay Gap, the median Gender Pay Gap and the Gender Bonus Gap and can highlight the imbalance in the ratio of men and women across four seniority and pay levels within an organisation, called quartiles. The Gender Pay Gap should not be confused with equal pay, which is the legal requirement to pay equivalent rates for men and women who carry out the same jobs, similar jobs, or work of equal value. This year's Gender Pay Gap Report is based on a snapshot of our UK workforce on 5 April 2023.

We have a slightly higher percentage of **women 60%** to **men 40%** working across our organisation in the UK and this has remained relatively unchanged since our previous report in 2022.

Our mean Gender Pay Gap for 2023 is **24.4%** compared to **28.8%** in 2022*. This is a reduction of **4.4%**.

Gender Pay Gap

2023 Mean	2023 Median
24.4%	**25.4%**
2022: 28.8%	**2022:** 23.7%

Gender Bonus Pay Gap

2023 Mean	2023 Median
40.4%	**0%**
2022: 48.5%	**2022:** 0%**

72.9%

% Men who are paid a bonus

78.3%

% Women who are paid a bonus

*We have updated the scope of our reporting methodology this year to ensure we are accurately reporting data on IET and IET Services UK-based employees. All figures in this 2023 report have been updated to reflect this and ensure consistency with the Gender Pay Gap reporting regulations.

**Median Gender Bonus Pay Gap is 0% due to our Share in Success scheme and both men and women at the median point receiving the same bonus payment. Please see the glossary at the end of the report for key terminology.

IET gender profile by pay quartile:

Men Women

Upper Quartile

Upper Middle Quartile

Lower Middle Quartile

Lower Quartile

The top two pay quartiles by year:

Women in Upper Quartile

Women in Upper Middle Quartile

Key factors adversely impacting our 2023 position:

There has been continued negative movement in the Lower Quartile which is now comprised of **27% men** compared to **73% women.** This reflects a year-on-year **decrease of 3%** in the number of men in the Lower Quartile.

At the time of reporting **there was a greater gender imbalance** in our Executive team, which consists of six men and three women – all within the Upper Quartile of pay. This has subsequently been reduced to five men and three women.

During the snapshot period, within the Upper Quartile, a temporary additional Executive role was held by a man and this role has since been removed. Although there is a **successful strategy in place to develop and promote talent internally,** it resulted in three internal male promotions to Executive positions, all within the Upper Quartile, including our Chief Executive and Secretary role (CES), during the reporting period.

Additionally, **several women holding senior roles** left the organisation due to restructuring at the end of 2022.

Key factors positively impacting our 2023 position:

Our **Women's Leadership Development Programme** has seen success across two cohorts, with over **60% of participants** experiencing significant development post-programme.

There is a **continued increase** in the success of women securing roles within the Upper Middle Quartile, with **62% women** compared to **38% men,** indicating a year-on-year increase of **4.9%**.

There has been an **increase in internal recruitment** and promotion compared to external hires, with **35%** attributed to internal moves in 2022, as opposed to **18%** in 2020.

The implementation of **structured succession planning** has led to **72%** of our long-term role successors being women.

Looking ahead

We're committed to maintaining positive movements into 2024, by:

Achieving a greater gender balance at all levels of the organisation

Ensuring we meet our target of 45% women in the Upper Quartile

Building on our goal of 50% women holding senior management team roles

We aim to achieve these commitments through targeted interventions:

1. Mentoring:
We are currently operating a successful internal mentoring scheme and will continue to build on the importance of mentoring in accelerating the careers of women.

2. Wellbeing:
We know that different life stages can have a negative impact on women's careers; as such we will be reviewing our wellbeing agenda.

3. Re-orientation:
We will introduce a structured re-orientation programme for colleagues returning from extended leave such as maternity, shared parental and adoption leave to support women and their careers.

4. Profile-raising:
We will continue to raise the profile of women in the IET; including ensuring the opportunity for our women's leadership development programme alumni to deliver learning sessions to the wider organisation.

5. Leadership Development:
We will deliver our third Women's Leadership Development Programme in 2024.

6. Flexible working for all:
We will ensure more men are aware of the flexible working arrangements on offer.

7. Coaching for line managers:
We will invest in offering coaching development for all line managers; we know through research that women in particular, thrive in a coaching culture.

8. Succession planning:
We will continue to ensure fair and inclusive succession planning.

9. Gender balance in recruitment:
We have set ourselves a target of no single-gender interview-lists. We will monitor and report on our success in achieving this target within our 2024 gender pay gap report. To evolve best practice, we'll continue to work with EDI-focused networks such as 'Women in Tech' and 'Women in Data' and review our recruitment partners and platforms.

10. Menopause support:
We will supplement our existing menopause support (which includes a Menopause and Andropause policy, menopause guide, and menopause support group) to include menopause coaching during 2024 alongside launching the nationally recognised 'Menopause Passport'.

11. A robust and transparent reward structure:
Our new reward structure enables us to keep track of pay progression and to benchmark every role against the external market. It also allows us to ensure consistency to other elements of reward beyond pay – for example notice periods and bonus entitlements.

> We remain committed to creating a workplace where talent flourishes irrespective of gender or any individual characteristic.

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Glossary

Executive team:
Our Executive directors hold roles within the Upper Quartile of pay.

Senior roles:
This term denotes employees who hold roles within the Upper Quartile and the Upper Middle Quartile for pay.

Quartiles:
Quartiles are the titles used to sort data into four quarters. The data here is based on roles and their respective pay.

Mean:
The average of a data set, found by adding all numbers together and then dividing the total sum by the number of numbers.

Median:
The average of a data set, found by ordering all salaries and selecting the one in the middle.

Mean Gender Pay Gap:
The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

Median Gender Pay Gap:
The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

Mean Gender Bonus Gap:
The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

Median Gender Bonus Gap:
The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

Our bonus system (inc. Share in Success):
We operate a management bonus scheme as well as a Share in Success scheme for all eligible employees across the organisation.

The Institution of Engineering and Technology is registered as a Charity in England and Wales (No. 211014) and Scotland (No. SC038698). The Institution of Engineering and Technology, Futures Place, Kings Way, Stevenage, Hertfordshire SG1 2UA, United Kingdom.