UNICEF UK PAY GAP REPORT 2024





UNICEF UK believes in a better world for every child. Our work is underpinned by the United Nations Convention on the Rights of the Child (UNCRC).

The Convention sets out the rights that all children should have, regardless of their background or circumstances, to enable them to thrive. We are here for every child without discrimination – whatever their ethnicity, sex, religion, language, disabilities, opinion or any other identities. Equity, Diversity and Inclusion EDI are fundamental to achieving UNICEF UK's vision of a better world for every child.

Likewise, we are working towards a culture that empowers and enables all our people to deliver their best work for children. We continue to embed inclusion through our values (Our Shared Commitment) that describe the way we work together. And we are committed to ensure this is reflected in how we manage the pay for our people.

We evidence this commitment by enhancing our pay gap reporting and we deliberately report on more than the statutory minimum gender pay gap requirements. Although our size and the need to preserve the confidentiality of personal data can present challenges, we have made improvements since 2020 by including more characteristics each year:

- In 2021 we added ethnicity pay gaps;
- In 2022 we added Sexual Orientation and Disability pay gaps;
- In 2023 we added Intersectionality (Gender/Ethnicity) pay gaps;
- In 2024 we added LGBTQIA+ pay gaps and started using declared gender rather than gender assigned at birth.

We believe that shining a light on more characteristics creates greater transparency; and allows us to build our understanding of our workforce and any issues we may need to address. Transparency also builds support and trust from our stakeholders, but most importantly our people.

The past year saw us become a disability-confident employer. The process involved us reviewing our inclusive recruitment practices, the result of which has been a positive increase in the number of disabled colleagues. We recognise that recruitment is only one piece of the puzzle, and we still have much more we want and need to do to support our disabled colleagues and encourage more disabled candidates.

2024 also saw us relaunch our diversity monitoring form. We updated the language we use to describe different identities, to more accurately represent our colleagues. As a result, more colleagues completed our diversity monitoring form and this year's report represents on average 322 colleagues (87%) across all categories.

Amid evidence of the growing influence of background on someone's career and earnings progression, we also added socio-economic background to our diversity monitoring form. This asks three questions to determine socio-economic background. We aim to find a way to analyse this data to provide socio-economic pay gaps in our 2025 report.

This is the second year launching our pay gap information well in advance of the statutory reporting deadlines. Being much closer to the actual snapshot day on which the data is measured, it enables us to have a positive impact in addressing our gaps more quickly. We hope to encourage other organisations to also report more and earlier than is required, helping to address the national pay gaps which are larger than our own ones in UNICEF UK.

Our ultimate aim is to maintain gaps as close as possible to zero while recognising that in a relatively small organisation like UNICEF UK, a very small number of people leaving or joining the organisation, particularly in higher paying roles, can create a significant variation in the reported data.

How we calculate our pay gaps



Our figures relate to UNICEF UK as a whole and are based on data from 5 April 2024. At this time, we employed 395 people, of whom 370 are defined under the legislation as 'relevant employees' for the purpose of pay gap reporting. (However, as mentioned above, across all categories an average of 322 colleagues are represented in the reports based on the data they provided.)

- The gender pay gap is the percentage difference in the average hourly pay between men and women working for UNICEF UK.
- The ethnicity pay gap is a measure of the percentage difference in the average hourly pay between White employees and those from the global majority (see 'language' section) working for UNICEF UK.
- The disability pay gap is a measure of the percentage difference in the average hourly pay of employees with no disability and employees with a declared disability working at UNICEF UK.
- The sexual orientation pay gap is a measure of the percentage difference between the average hourly pay of heterosexual employees and lesbian, gay, bisexual, or other diverse sexuality (LGB+) employees working at UNICEF UK.
- The LGBTQIA+ pay gap is a measure of the percentage difference in the average hourly pay of heterosexual cisgender colleagues and non-binary, trans, lesbian, bisexual, queer, questioning or other diverse genders/sexualities at UNICEF UK.

We show two measures of base pay gaps for our whole workforce and each of these groupings:

The median

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

The mean

This is the average value of all salaries and is influenced more by the highest and lowest salaries in the organisation.

Our pay gaps are not a measure of equal pay – we are committed to ensuring that our colleagues

are paid equally for doing the same or equivalent work across our organisation. We ensure our reward practices are fair, transparent and equitable. This includes sharing salary ranges and the detail of our job evaluation scheme, and an updated Reward Policy, with equity part of our philosophy and practice. The Equality and Human Rights Commission supports such transparency, providing evidence connecting it with the lowering of pay gaps.

Pay gaps measure the difference in average earnings of different groups – for example, the gender pay gap is often driven by a higher concentration of men in the higher-paying roles in an organisation.

UNICEF UK does not operate a bonus scheme. Therefore, our bonus gap, which we are required to report under the UK gender pay reporting regulations, is 0%.

Our use of language

It is important to note that there are limitations to the language used, and individuals may choose to identify themselves in different ways. However, we are proud this year to be able to report on colleagues' disclosed gender, rather than their legal or gender assigned at birth as reported to HMRC.

We use the term 'global majority' to describe communities we previously described as 'minoritised ethnic communities.' Otherwise, we state the specific ethnicity we are referring to, in this case Black, Asian, mixed heritage or other global majority community, recognising that these groups are not homogeneous. Unfortunately, due to the small size of our workforce, we are often unable to report on more than just the White/Global Majority gaps.

This year is the first year we are also reporting on our LGBTQIA+ pay gaps. These differ from our Sexual Orientation pay gaps as they enable us to include our trans and non-binary colleagues while still ensuring anonymity.

Intersectionality

An intersectional analysis acknowledges how multiple identities can interact to create unique and compounded experiences of marginalisation. For example, the national pay gap for black women is significantly greater than either the pay gap for gender or for ethnicity on their own. We report from an intersectional framework where we can,

provided it does not make people identifiable. Given the size of our workforce, we report on gaps where the data represents 5% of the workforce or more (accepting potentially large fluctuations in our pay gaps year on year).

Headlines for 2024

Gender

Our commitment and hard work have resulted in some positive results for gender and we are really proud to have effectively reduced our gender pay gap to zero this year.

Ethnicity

We are also pleased that 95.7% of our colleagues felt safe to declare their ethnicity, and that our ethnicity pay gap has decreased for the third year in a row (while acknowledging that it remains too high).

Disability

Our colleagues who are disabled make up 9.7% of our workforce (an increase from 4.2% in 2023). The number of colleagues declaring their disability has doubled in the past year – 14% of colleagues starting between April 2023 and April 2024 identify as disabled. However, as the role levels are in the lower quartiles, this also results in a larger pay gap.

Median pay gap

2024 0.1% 2023 0.5% (down 0.4 percentage points)

Median pay gap

2024 12.2% 2023 14.1% (down 1.9 percentage points)

Median pay gap

2024 10.1% 2023 8.3% (up 1.8 percentage points)

Sexual Orientation

We've had positive movements in the number of people who identify as lesbian, gay, bisexual or other diverse sexuality (6.4% to 10%), as well as the number of colleagues sharing their identity (87%). However, as the role levels are in the lower quartiles, this also results in an increase in our pay gap.

Median pay gap

2024 13.2%

2023 6.2%

(up 7 percentage points)

LGBTQIA+

We are also celebrating that 18% of new starters in the past year identify as LGBTQIA+, bringing the total community to 9.7% in UNICEF UK. However, we need to focus on reducing our LGBTQIA+ pay gap in 2025 as well as helping people feel comfortable to share their identities – 20.8% did not declare or preferred not to say.

While we are pleased to have seen improvements in key areas of Gender and Ethnicity and see more colleagues employed across other minority groups, we know we have more work to do and are committed to reducing all pay gaps closer to zero. Our pay gaps are largely driven by underrepresentation of global majority, disabled and LGBTQIA+ colleagues in higher-paying roles within our organisation, and the small size of some of these groupings makes their statistics particularly sensitive to changes in the individual incumbents in our higher paying roles. Achieving greater diversity in our leadership is an ongoing goal for us and we are developing plans to improve this.

Median pay gap

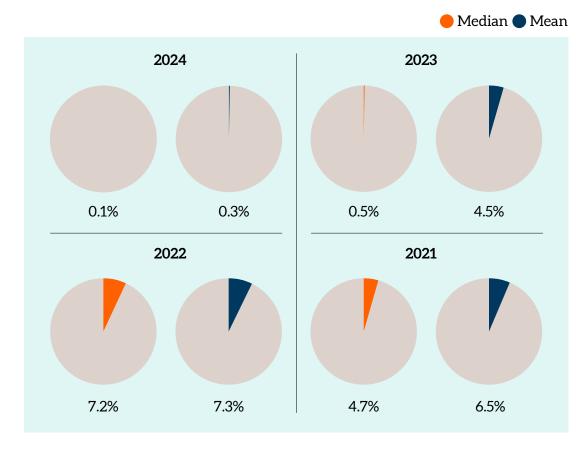
2024 12.6%

(first year of reporting)

More detailed analysis

GENDER

This year we shift from using gender assigned at birth to gender as identified by colleagues. We feel this is right. However, our data therefore represents only 84% of the workforce as we exclude non-binary colleagues and those who did not declare, as per government guidance. Non-binary colleagues make up less than 1% of our workforce – we hope to see this figure increase in future years.



- 77% of our workforce are women –
 79% in 2023.
- Unlike many UK organisations, the representation of women is high at all levels in UNICEF UK, including in our leadership roles more than 76% of colleagues in all quartiles are women.
- The percentage of women in the upper quartile remains high (78%) – higher than in the entire workforce (77%).

Our gender pay gap continues to be very low by UK and charity sector standards.

- The <u>2023 Office for National Statistics (ONS)</u> analysis says the national median for all employees is 14.3%.
- In a <u>survey of 100 large charities</u> in 2023 the median for all employees was 6.8%.

Pay gaps by quartile

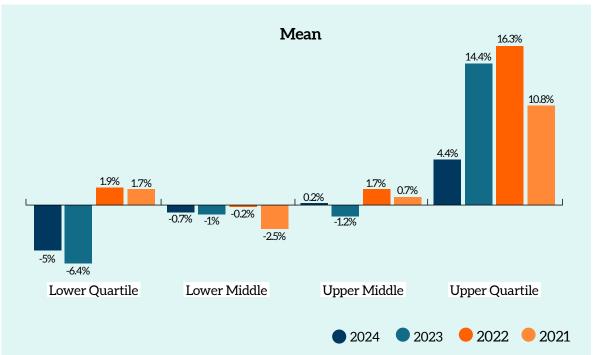
A pay quartile represents a quarter of the workforce ranked by hourly pay from the lowest to highest.

Our pay quartiles highlight negative median pay gaps (pay gaps in favour of women) in 3 of the 4 quartiles.

The median gaps in the table below show that among our lower earners (lower quartile), women earn 10.6% more on average than men. It also shows that for the first year among our highest earners (upper quartile) women earn more than men (5% more on average).

Trends

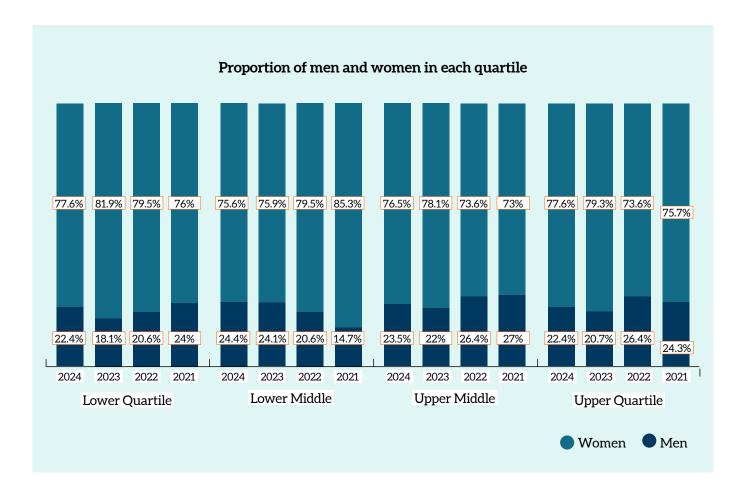




Gender quartiles – Proportion of men and women at UNICEF UK

Gender quartiles tell us the proportion of men and women in each quartile.

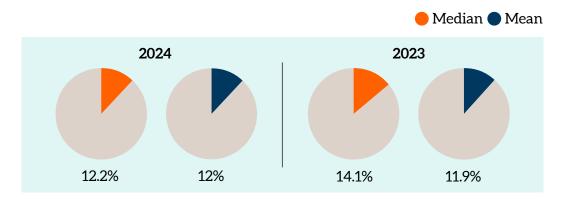
Our quartiles show that we employ more women than men in all 4 quartiles:



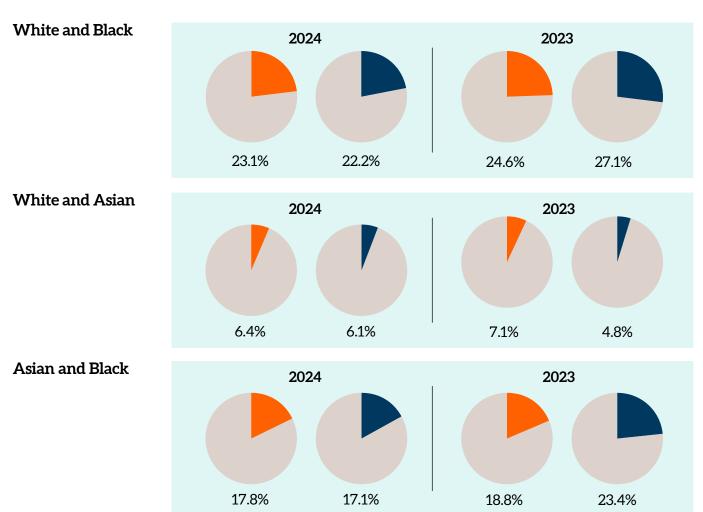
ETHNICITY

We report a reduction of 1.9 percentage points since 2023, taking our median pay gap down to 12.2% in 2024. Greater than we would want it to be, this is due the lack of representation in higher paid roles – something we will continue to focus on to bring our pay gap closer to zero.

28% of our colleagues are from the global majority, up from 26% in 2023. It was our aim last year to improve the number of people sharing their ethnicity, so we are pleased to report this has increased from 90.6% in 2023 to 95.7% this year.



We have had slight improvements in the pay gaps among different ethnic groups.



While we are gaining improvements, the pay gap for our Asian colleagues, and more notably Black colleagues, remains too high, and sadly mirrors <u>national statistics</u>.

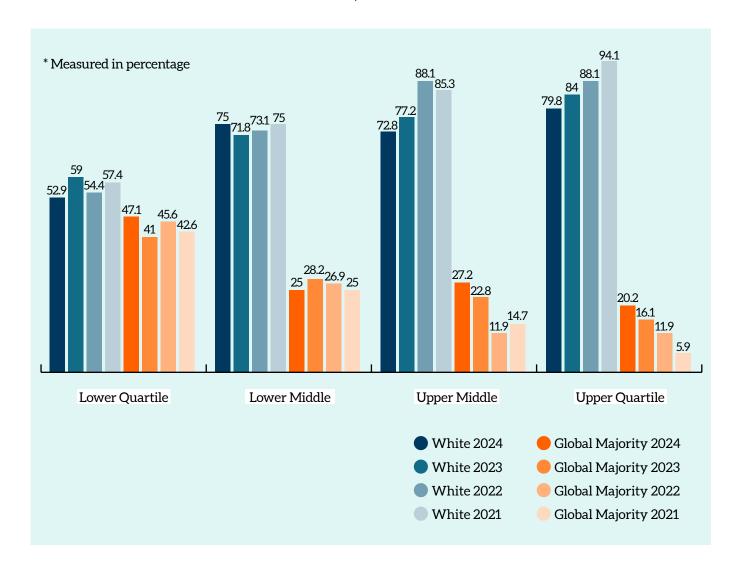
Ethnicity pay quartiles

A pay quartile represents a quarter of the workforce ranked by hourly pay from the lowest to highest. The pay quartiles are then broken down by ethnicity.

Proportion of the workforce who declared their ethnic identity.

2024 95.7% 2023 90.6%

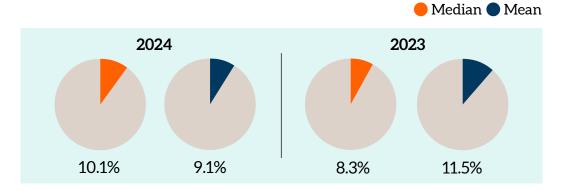
The proportion of White colleagues and colleagues from the global majority in each quartile at UNICEF UK since 2021 are as follows (data excludes 'did not say'):



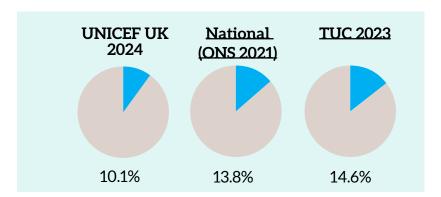
- We are committed to further reducing pay gaps by focusing on improving representation in higher paying roles.
- Our distribution has improved over time, particularly in the top two quartiles.
- There are more than twice as many colleagues from the global majority in the lower quartile
- as there are in the upper quartile, which results in our median ethnicity pay gap of 12.2%.
- In 2023, over 40% of new appointments were of the global majority, and our focus must remain on ensuring this continues, but with a greater proportion of appointments to high-level posts.

DISABILITY

Our pay gap continues to be due to the lower representation of disabled colleagues in our higher paying roles in the upper quartiles:

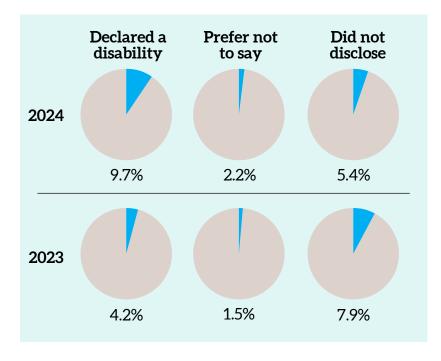


National comparisons of the median pay gap show ours is currently lower:



The proportion of disabled colleagues in the workforce has increased. Overall, more colleagues are declaring their disability status:

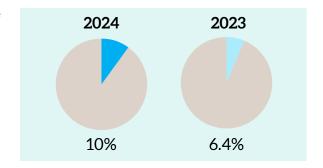
Disability status



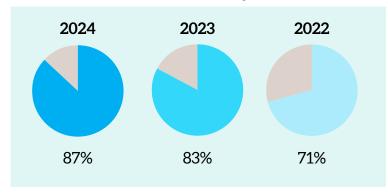
Given the small size of these populations the data can't be shared by quartiles, which impacts the level of analysis we can provide. It also means we might expect greater variations from year-to-year, as the effect of individuals joining and leaving have more impact on the average statistics.

SEXUAL ORIENTATION

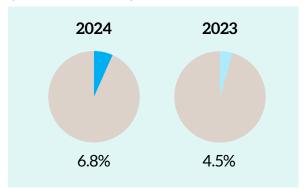
We are pleased to report an increase in colleagues who are lesbian, gay, bisexual or other diverse sexuality this year:



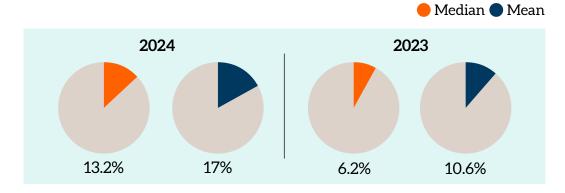
The proportion of colleagues who shared their sexual orientation continued to grow:



So too did the proportion who preferred not to say:



Recruitment of these colleagues has tended to be in lower paying roles, resulting in an increased pay gap:



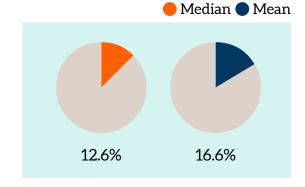
Our focus therefore should remain on improving representation of Lesbian, Gay, Queer, Questioning, Bisexual, Pansexual, Multisexual, Omnisexual and Bi-romantic colleagues in our upper quartiles.

Given the small size of these populations the data can't be shared by quartiles, which impacts the level of analysis we can provide. It also means we might expect greater variations from year to year, as the effect of individuals joining and leaving has more impact on the average statistics.

LGBTQIA+

This is our first year reporting our LGBTQIA+ pay gaps which compares average pay of heterosexual cisgender colleagues (representing 69.5% of the data set) and the average pay of LGBTQIA+ colleagues (9.7% of the data set).

20.8% of the workforce did not declare or 'preferred not to say' what their gender or sexual orientation was. We hope more people will share year-on-year and are working to support this.



Unsurprisingly, our LGBTQIA+ pay gaps echo our sexual orientation pay gaps where there is clearly a need for improvement.

The pay gap appears to be due to the lack of LGBTQIA+ colleagues in our upper quartiles. Given the small size of these populations the data can't be shared by quartiles, which impacts the level of analysis we can provide.

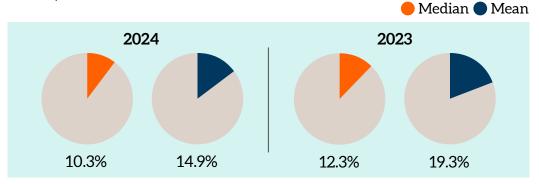
INTERSECTIONALITY: GENDER AND ETHNICITY

There is a lot of evidence that pay gaps are inter-related and so being in more than one minoritised group can significantly magnify the size of the pay gap. We have reviewed gender alongside our largest ethnicity groups and can report the following pay gaps.

The increase in the number of men identifying as from the global majority has enabled us to report on this pay gap for the second year running.

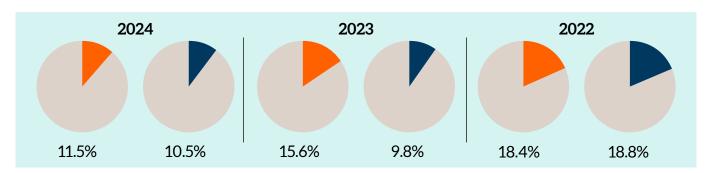
White men and men from the global majority.

Our pay gaps have reduced this year



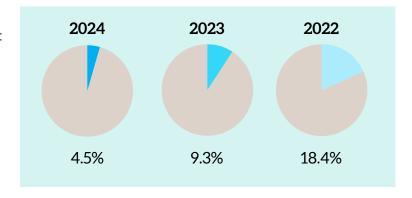
White women and women from the global majority.

The median gap has fallen for the third consecutive year:



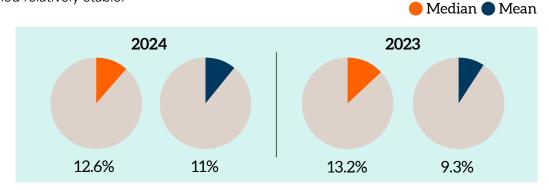
White women and Asian women.

The median pay gap between has also fallen:



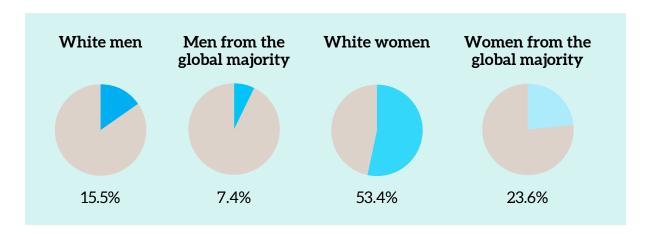
White women and women from other Global Majority communities.

The pay gap has remained relatively stable:



Workforce ethnicity/gender breakdown.

Excluding 'prefer not to say' and those who did complete the form, the dataset proportions are as follows:



Overall, we note a reduction in intersectional pay gaps, though they are still far higher than we want and something we will continue to address. The low number of colleagues from the global majority in upper quartiles is the main factor for the gap. There are many intersections that we can't report on due to the small data sets.

Due to the small sample sizes in some groups, the impact of an individual employee joining or leaving can be significant and so we can expect more year-to-year variations in the ethnicity figures compared to the gender pay gap analysis. The key for us is to maintain progress in achieving a more diverse senior and higher-paid population in the organisation.

Our commitment and actions

Our work to improve diversity language, become an anti-racist organisation, and the relaunch of our diversity monitoring form have been successes this year. More people completed their diversity monitoring form, so that, on average 322 people are represented in each report. We are proud that our pay gap reports reflect how people identify their gender (rather than gender assigned at birth).

This year, we also became a disability-confident employer. The result has been a very welcome increase in disabled colleagues in the organisation.

The success of both attracting more colleagues from minoritised groups, and ensuring they feel able to declare their identities to us is the first step, but we want to do more to ensure representation in the upper quartiles to reduce our gaps. Our focus on our biggest gaps last year (for ethnicity and intersectionality) has resulted in them falling. We now need to bring this focus to our disability, sexual orientation and LGBTQIA+ gaps, as well as continuing to reduce our ethnicity pay gaps, particularly for Black colleagues.

Our ultimate commitment to reduce pay gaps remains steadfast. The most critical actions for us are to ensure diverse representation of all groups across our organisation, but particularly in higher paying roles.

Our ongoing commitments and priorities are:

- Fund the upward movement of salaries to the market position.
- Embed our Work-Life Policy to support being a consistently high-performing organisation, where wellbeing is of paramount importance. We trust colleagues to plan where and when they work, ensuring that work patterns are shaped by the demands of roles and teams as well as an individual's health, caring or other commitments at home.
- Embed our Early Moments Leave Policy that equalises our parental leave and pay provisions for all employees giving 52 weeks leave and 26 weeks full pay to all employees who are new primary caregivers. This is 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 to 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.

It is also crucial that we continue to build a more inclusive culture and deliver our other current equity, diversity and inclusion priorities:

- Taking action in response to our Anti-Racism Review
- 2. Enhanced EDI learning and engagement
- 3. Enhancing accessibility and disability inclusion
- 4. A focus on trans and non-binary inclusion
- 5. Social and economic inclusion plans
- 6. Making sure we are inclusive by design, with each team having their own inclusion action plan in addition to cross-organisational EDI projects.

We have made good progress by national and sector standards, but we want to drive systemic change and continue our progress to being a more equitable organisation. Equity, diversity and inclusion are fundamental to achieving UNICEF UK's vision of a better world for every child. We are here for all children without discrimination – to protect and uphold their rights. And we mirror that ethos in our ways of working, our culture and our ambition.

Martyn Dicker Director of People

