BUSINESS IN THE COMMUNITY ETHNICITY PAY GAP REPORT 2022

One of the key calls to action in our <u>Race at Work Charter</u> is to capture ethnicity data and publish our progress to ensure a transparent workplace for diversity fairness - the same way in which we measure our Gender Pay Gap.

This is important to us and part of our commitment at Business in the Community (BITC) is to ensure that ethnic minority colleagues are represented at all levels in our own organisation. This is a key part of our continued focus on attracting and retaining a diverse workforce where all colleagues can thrive in an inclusive environment and ensures our colleague make-up reflects the communities we work with.

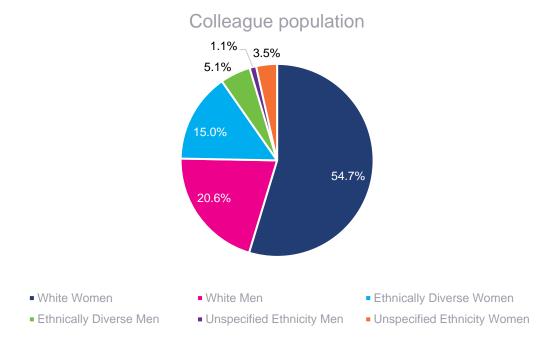
At the moment there is no legal requirement for BITC to measure and report this data, but as we encourage and support other organisations to do this, we must lead by example.

We have found that our median ethnicity pay gap is 0.7%. We will continue to focus on our <u>race commitments</u> to our colleagues and be transparent in our progress, using our ethnicity targets as a key driver of change.

We are determined to continue to play our part in creating a fairer society.

Mary Macleod Chief Executive, Business in the Community

About BITC



We are a medium size employer with 253 full-pay relevant colleagues on the snapshot date of 5 April 2022. We are predominantly female and are striving to increase our ethnic minority headcount to reflect the communities we are based in.

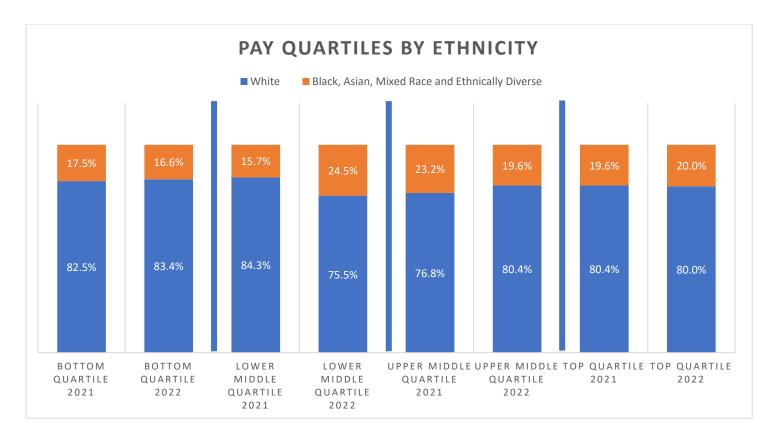
For the purposes of calculating our ethnicity pay gap, we removed 12 colleagues, 3 male and 9 female who had chosen not to disclose their ethnicity. This means these calculations are based upon a headcount of 241 people.

Ethnicity Pay Gap 2022

There is currently no legal requirement to report on ethnicity pay gaps, but we believe in the interests of transparency and to measure inclusivity that it is the right thing to do.

To calculate our ethnicity pay gap we have used the full-pay relevant data that is used for gender pay gap reporting on 5 April 2022 and divided colleagues into two ethnicity groups: (i) White, and (ii) Black, Asian, Mixed Race and other ethnically diverse colleagues, based on the self-declared ethnicity data that individuals have provided to us. We have a 96.6% self-disclosure rate for our data on ethnicity.

By using the same calculation approach as that for the gender pay gap, we can establish if there is a Black, Asian, Mixed Race and ethnically diverse pay gap in FTE salaries.



By looking across the salary distribution in pay quartiles, we can see that ethnically diverse colleagues make up 20% in the top quartile, this is an increase of 0.4% from 2021.

There has been a 3.6% decrease in the upper middle quartile and a 8.8% increase in the lower middle quartile with a very small decrease in the bottom quartile of 0.9%. As previously indicated, percentage changes represent a small number of individuals, and we will monitor carefully to identify any long-term trends.

The figure below represents the pay gap of all White colleagues vs all Black, Asian, Mixed race and ethnically diverse colleagues shown as a percentage of White colleagues' salaries.

Our Ethnicity Pay Gap – All Colleagues

All White Median £20.78ph

All Ethnically Diverse Median £20.63ph

Our median Ethnicity pay gap for all colleagues is 0.7%

All White Mean £23.12ph

All Ethnically Diverse Mean £22.39ph

Our mean Ethnicity pay gap for all colleagues is 3.2%

This means that, on average, our Black, Asian, Mixed Race and other ethnically diverse colleagues are paid 0.7% less than our White colleagues.



Ethnicity by Gender

Female White Median £20.60ph

Female Ethnically Diverse Median £20.76ph

2020 BITC Black, Asian, Mixed Race and ethnically diverse median pay gap female: -1.7% 2021 BITC Black, Asian, Mixed Race and ethnically diverse median pay gap female: 0% 2022 BITC Black, Asian, Mixed Race and ethnically diverse median pay gap female: -0.8%

Female White Mean £22.01ph

Female Ethnically
Diverse Mean £22.33ph

2020 BITC Black, Asian, Mixed Race and ethnically diverse mean pay gap female: -5.0% 2021 BITC Black, Asian, Mixed Race and ethnically diverse mean pay gap female: -3.6% 2022 BITC Black, Asian, Mixed Race and ethnically diverse mean pay gap female: -1.5%

If we then look at our female colleagues and compare all ethnically diverse female colleagues against all White female colleagues, we see that the mean and median are zero or negative figures. This means that our Black, Asian, Mixed Race and ethnically diverse female population are paid on average exactly the same or more than our White female population.

Taking the same approach and comparing all Black, Asian, Mixed Race and ethnically diverse male colleagues against all White male colleagues:

Male White Median £22.26ph

Male Ethnically Diverse Median £16.50ph

2020 BITC Black, Asian, Mixed Race and ethnically diverse median pay gap male: 6% 2021 BITC Black, Asian, Mixed Race and ethnically diverse median pay gap male: 11.1% 2022 BITC Black, Asian, Mixed Race and ethnically diverse median pay gap male: 25.9%

Male White Mean £26.07ph

Male Ethnically Diverse Mean £22.56ph

2020 BITC Black, Asian, Mixed Race and ethnically diverse mean pay gap male: 21% 2021 BITC Black, Asian, Mixed Race and ethnically diverse mean pay gap male: 4.3% 2022 BITC Black, Asian, Mixed Race and ethnically diverse mean pay gap male: 13.5%

Whilst we see there is a much larger gap amongst Black, Asian, Mixed Race and ethnically diverse male colleagues and their White male colleagues' median pay at 25.8%, we need to acknowledge that we are working with tiny data sets. This in no way discounts our efforts to strive for an inclusive workforce, however; in fact, this makes us more committed to inclusive recruitment practices to increase our male ethnically diverse workforce.

Going Forward

We will continue to monitor and review our data to ensure we maintain our focus on inclusivity, using our ethnicity targets to focus our actions through our race commitments. We work closely with our colleagues in our BITC Cultural Awareness Network to eliminate any bias in our recruitment process for roles, look at ways to improve our recruitment strategy and focus on the development of colleagues, particularly using mentoring and coaching.

Jane Ingram
Head of Human Resources