



Gender and Ethnicity Pay Gap Report 2022

A commentary on our progress in
closing our gender and ethnicity
pay gap.

bhf.org.uk

Introduction from our Chief Executive, Dr Charmaine Griffiths



Dear all,

At British Heart Foundation (BHF) we are determined to ensure equality and diversity runs through every area of our work. It simply makes us a more effective team as we strive for a world free from the fear of heart and circulatory diseases for all.

Building a fair, inclusive workplace takes commitment, action and engagement from everyone in our BHF team. Our most recent engagement survey shows us that 73% of colleagues feel they belong at BHF, which is encouraging, but we won't stop our work until every colleague feels that way.

As part of this, we've been striving to close the pay gap and are delighted gaps have closed significantly this year. Our median gender pay gap now stands at just -0.1% for 2022, down from -1% in 2021. This means that on average our male colleagues are paid 0.1% less than our female colleagues, vs -1% in 2021 – our hard work is paying off. We've also included data in here on our ethnicity pay gap as, whilst not currently a legal requirement, it is important to us to share transparently.

I am incredibly proud of our team's achievements to grow who we are as a BHF this year. We launched *Igniting Change*, our first organisation-wide equality, diversity and inclusion strategy and welcomed new colleagues to help lead this work within BHF and beyond.

This pay report continues to be an integral building block of our plans around equality, diversity and inclusion and paints a picture of the clear progress we're making as we strive to shape BHF for the future.

Dr Charmaine Griffiths

Chief Executive, British Heart Foundation

A handwritten signature in black ink that reads "Charmaine Griffiths".

I confirm the gender pay gap data contained in this report is accurate.

What is the gender pay gap at BHF?

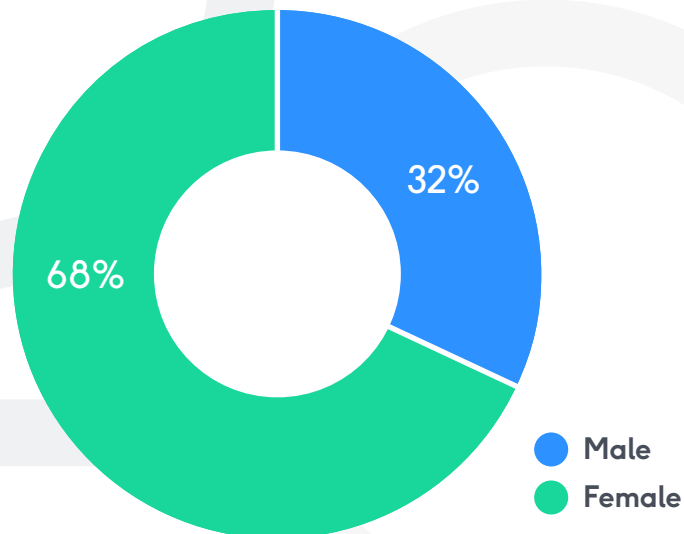
Median



Mean



BHF staff gender split



What do our median figures show?

We are moving in the right direction at BHF, with our median gender pay gap reducing from -1% in 2021 to **-0.1%** in 2022. Women are still paid more than men, but the gap has narrowed since last year.

We also no longer have a bonus median pay gap. In 2021 women earned 17.2% less than men – now the gap is **0%**.

What do our mean figures show?

Our mean gender pay gap shows a larger gap than previously, rising from 3.7% in 2021 to **10%** in 2022.

Our mean average for 2022 demonstrates a different story to our median figures. This is largely due to the impact of furloughing BHF staff at the height of the pandemic. This will be covered in more detail later on in this report.

What is our staff breakdown?

- 68% of BHF staff are female and 32% are male.
- 51% in the lowest paid quartile are male.
- 62% in the highest paid quartile are female.

We will look more closely at the pay quartiles later on in this report.

51%

in the lowest paid quartile are male



62%

in the highest paid quartile are female





A closer look at the median gender pay gap

Median

2021

-1%

2022

-0.1%

The median pay gap is calculated by finding the exact middle point between the lowest and highest paid man in an organisation, and the lowest and highest paid woman. We compare these two figures and show the difference as a percentage.

The median average is used over the mean average as a comparator with other organisations because it is generally more representative of colleague pay. The mean can easily be inflated for example, by the pay

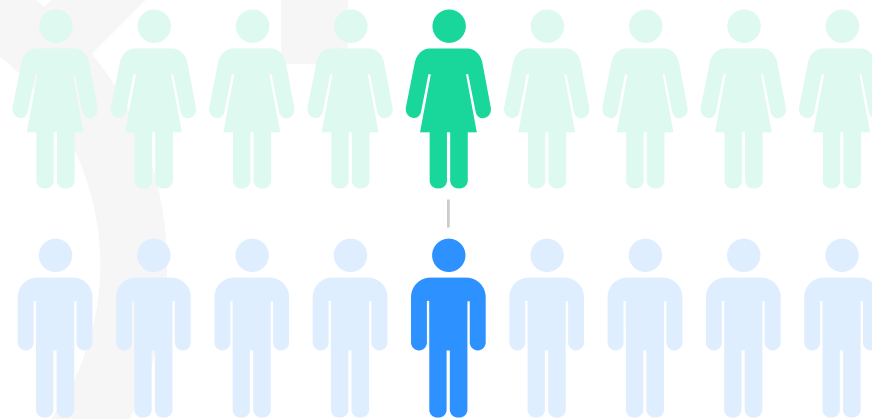
of a few highly paid colleagues. And at BHF, the mean figure does not accurately represent the experience of most of our colleagues.

The calculations on our median gender pay gap show that in 2022, women were paid 1p more than men, compared with 19p more in 2021. Our median average is decreasing, but is still in favour of women, which is unusual – both in the charity sector and more widely.

Calculating the median gender pay gap

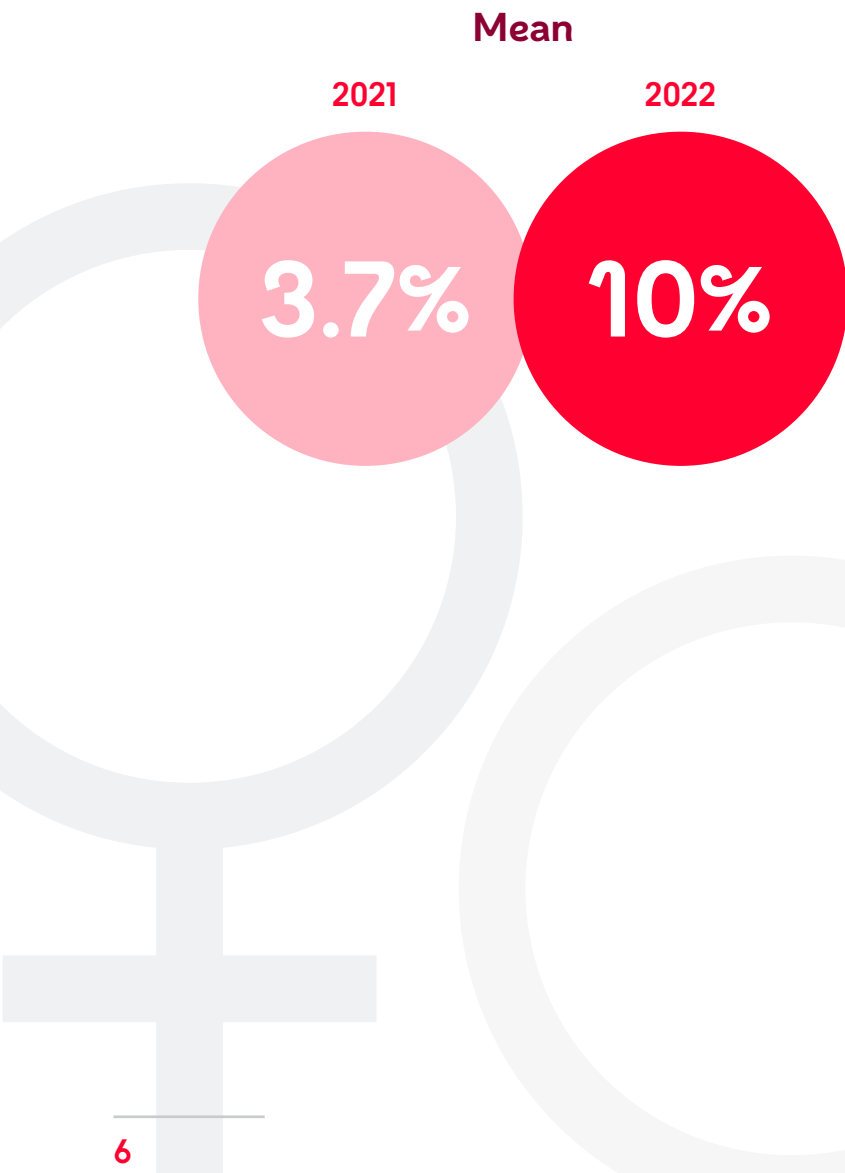
Median

Lowest
hourly
rate



Highest
hourly
rate

A closer look at the mean gender pay gap



The mean gender pay gap is calculated by adding up the hourly pay of all female employees and dividing this figure by the total number of female employees at the organisation.

Then, we do the same calculation for male employees and compare the results.

The difference between these two figures is reported as a percentage and is known as the **mean gender pay gap**.

The significant increase in the mean average from 3.7% to 10% for 2022 is due to our furloughed colleagues being included in the 2022 calculation (they were excluded in the previous year's calculation). This is because the gender pay gap calculation excludes staff that are paid less than their basic pay e.g. those on maternity, paternity, sick leave, furlough.

Why is there such a big difference?

Retail makes up 84% of our colleagues (3,263). Most colleagues furloughed by BHF were working in our shops and stores, which had to close their doors during the pandemic. Although comparable to the rate of pay within the retail sector, a significant proportion of our retail colleagues occupy the lowest pay quartile at BHF.

The remaining 16% of staff at the organisation (632) are likely to occupy the lower middle and upper middle pay quartiles.

It is recognised that the mean average can be inflated by the pay of a few high wage earners. Because of this, it is not reflective for most BHF colleagues, and therefore isn't used for comparative purposes.



Bonuses at BHF

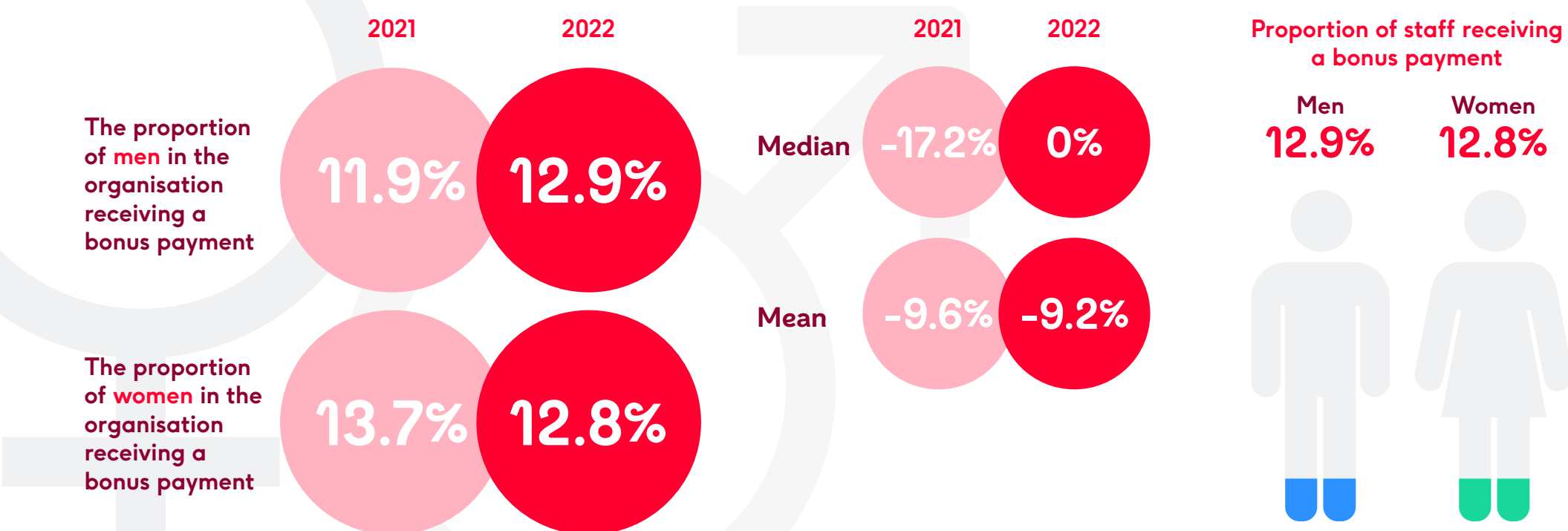
At BHF we do not pay typical performance related bonuses (we closed our retail incentive pay scheme in 2020). So, when we compare the gender pay gap for bonuses we include long service awards, employee referral bonuses, and exceptional awards where individuals have gone above and beyond in their role in our calculations.

In 2021, the median average for bonus payments meant that **women** received **17.2% more** than men, and the mean average for bonus payments showed **women** receiving **9.6% more** than men.

Now, our long service and referral bonuses are set amounts with clearly defined criteria. This has helped us achieve a reduction in our gender bonus gap. From 2021–2022 the **percentage of men** who

received a bonus payment increased to **12.9%** from 11.9% while the **percentage of women** who received a bonus payment decreased to **12.8%**, down from 13.7%.

These figures mean that the median bonus pay gap for 2022 was **0%**. While we have successfully closed the gender pay gap here, there is more work to do.



Gender split across the quartiles

The proportion of men and women in each quartile

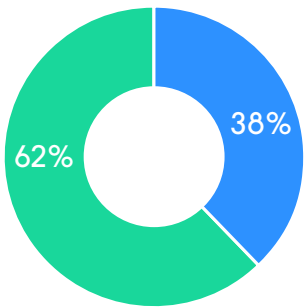
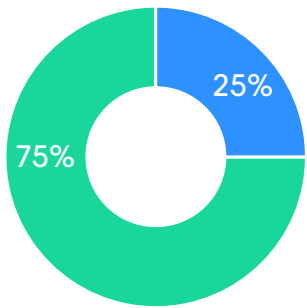
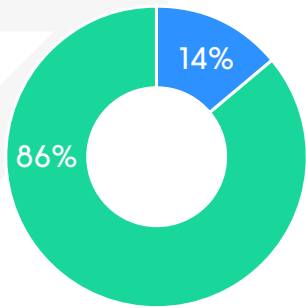
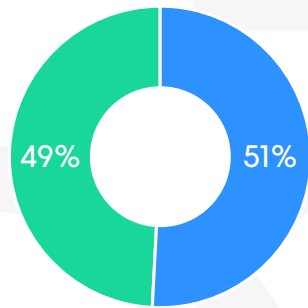
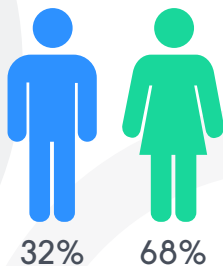
To determine pay quartiles, employees are arranged into four equal parts referred to as 'quartiles'. The pay quartiles show the proportion of male and female employees in each, ranging from the lowest paid quartile to the highest paid quartile.

At BHF, men make up the largest proportion of colleagues in the lowest pay quartile (51%), and women make up the largest proportion of colleagues in the upper pay quartile (62%).

The lower quartile is the only one to see the gender split between men and women reduce for 2022. The lower middle, upper middle and upper quartiles all show a widening gender pay gap, with women

occupying higher percentage than previously (despite only a 1% increase in female colleagues overall). This could be due partly to early successes of the organisation's *Igniting Change* strategy for equality, diversity and inclusion, which includes aspirational goals in relation to the proportion of women in senior leadership roles – indicating increasing opportunities for internal promotion within BHF for women than in previous years.

Overall gender split 2022



2022	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
Male	51%	14%	25%	38%
Female	49%	86%	75%	62%

Comparable gender median averages in the charity sector

Charity	Median Average (2021)	Median Average (2022)	Median Bonus Pay (2021)	Median Bonus Pay (2022)
The Wellcome Trust Ltd	Women earn 87p for every £1 that a man earns (13.2% lower than men)	Women earn 85p for every £1 that a man earns (15.4% lower than men)	Women earn 77p for every £1 that a man earns (22.8% lower than men)	Women earn 85p for every £1 that a man earns (15.2% lower than men)
Cancer Research UK	Women earn 69p for every £1 that a man earns (31% lower than men)	Reported data not yet available	Women earn £1.00 for every £1 that a man earns (0% lower than men)	Reported data not yet available
British Heart Foundation	Women earn £1.01 for every £1 a man earns (1% higher than men)	Women earn £1.00 for every £1 that a man earns (0.1% higher than men)	Women earn £1.17 for every £1 that a man earns (17.2% higher than men)	Women earn £1.00 for every £1 that a man earns (0% higher than men)
Marie Curie	Women earn 86p for every £1 that a man earns (14.2% lower than men)	Reported data not yet available	No bonuses were paid	Reported data not yet available
Alzheimer's Society	Women earn 79p for every £1 that a man earns (21% lower than men)	Reported data not yet available	No bonuses were paid	Reported data not yet available

Source: Data obtained from government portal, awaiting 2022 data upload for other charities listed.

Closing the gender pay gap

“

Ensuring diversity across our colleague recruitment journey has been a key focus for the organisation to support closing our gender and ethnicity pay gap, and we have made great progress in the last year. However, there is still much to learn and much to improve on. We will continue to hold ourselves to account in these areas, building on our good foundations to make a positive change for both current and future colleagues.

Kate Russell
Head of Recruitment, BHF

As part of our drive for inclusivity all our job **advertises promote our approach to flexible working** from day one. One of the key benefits of this is the opportunity to enhance our ability to attract from a wider talent pool.

- To ensure we get the best possible field of candidates we use specialist software – a **gender bias decoder** – to ensure the words we use, and what we say when advertising, is balanced and does not deter anyone from applying.
- When candidates apply for a role at BHF we only ask relevant questions and do not ask candidates to provide current salary details during the application process.
- To help hiring managers reduce any potential bias in the shortlisting process we rolled out **anonymous CV software** for all positions. Soon, we will roll out our interview guide builder and inclusive recruitment guidance to ensure a consistent experience for our candidates.
- Our graduate programme – **GradUnique** (an important pool of future leaders) – has a good gender balance.
- We're a member of the **Tech Talent Charter** to help promote diversity across Technology and we continue to look for new initiatives to sign up to in order to broaden our talent pool even further.

What is the ethnicity pay gap at BHF?

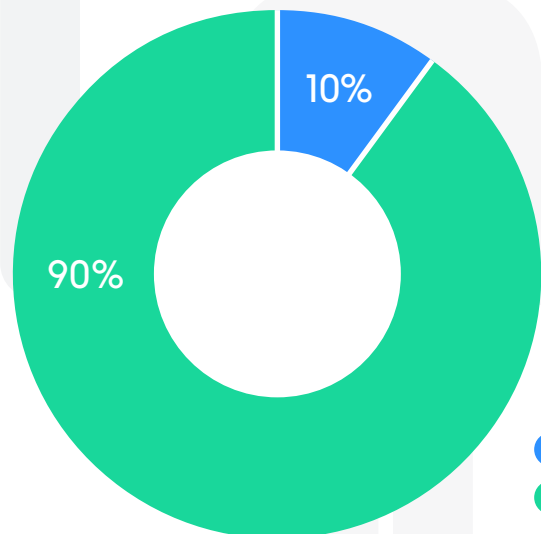
Median

-12.2%

Mean

-13.9%

Overall ethnicity split 2022



● Ethnic minorities
● White

What is the ethnicity pay gap at BHF?

The ethnicity pay gap is the difference in average pay between white colleagues and ethnic minority colleagues, regardless of the work they perform. We are committed to improving our equality, diversity and inclusion practices, and, although it is not currently a legal requirement, collating and presenting this data underlines our ongoing commitment for all ethnic groups at BHF.

What do our median figures show?

In 2022, the median average was **12.2% higher** for ethnically minoritised colleagues in comparison to white colleagues.

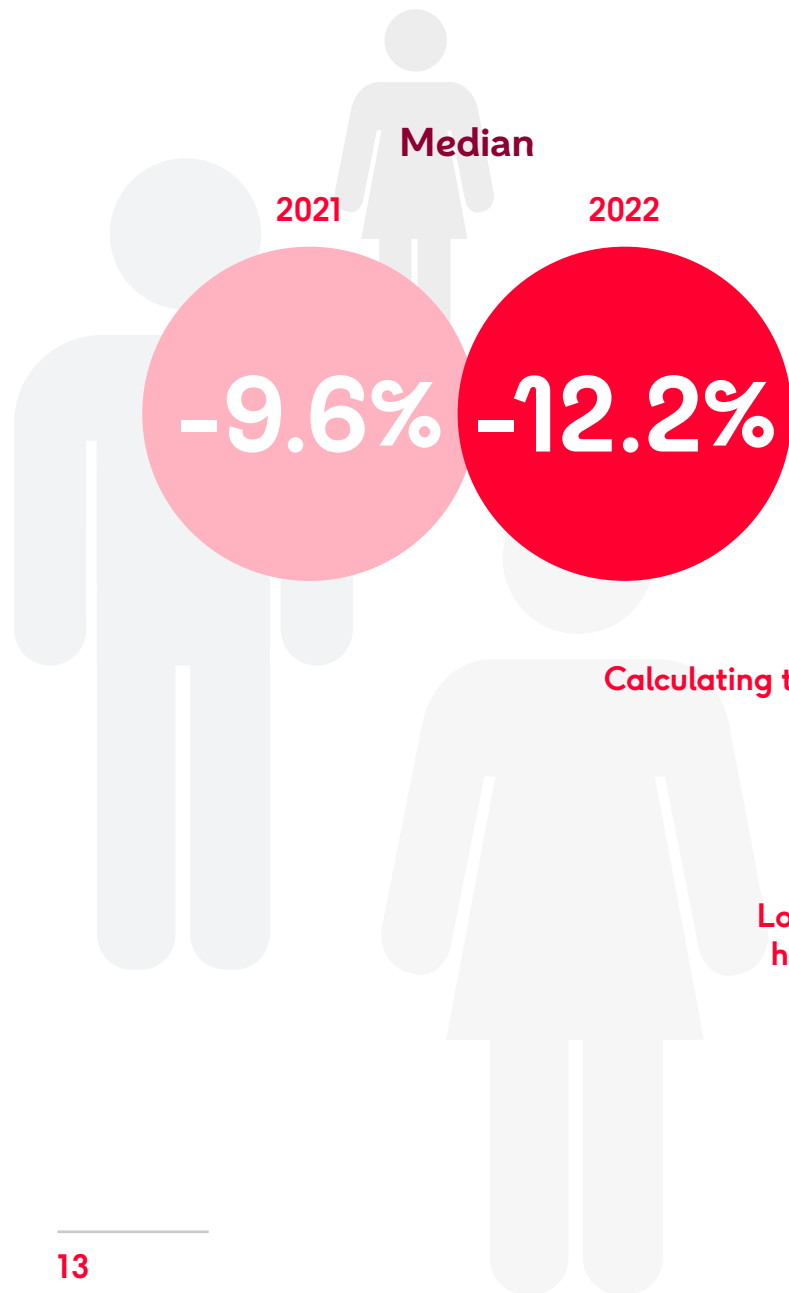
What do our mean figures show?

Our mean ethnicity pay gap shows a similar picture, with the mean hourly pay for ethnic minoritised colleagues **13.9% more** than white colleagues.

What is our staff breakdown?

Ethnically minoritised colleagues make up 10% of the overall workforce at BHF, but account for 14% of staff in the upper pay quartile.

A closer look at the median ethnicity pay gap

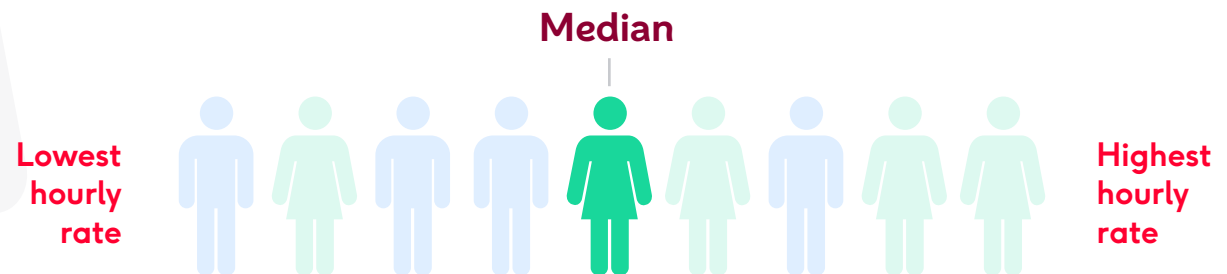


The median pay gap is calculated by finding the exact middle point between the lowest and highest paid white colleagues at the organisation, and the lowest and highest paid ethnic minoritised colleagues. We compare these two figures and show the difference as a percentage.

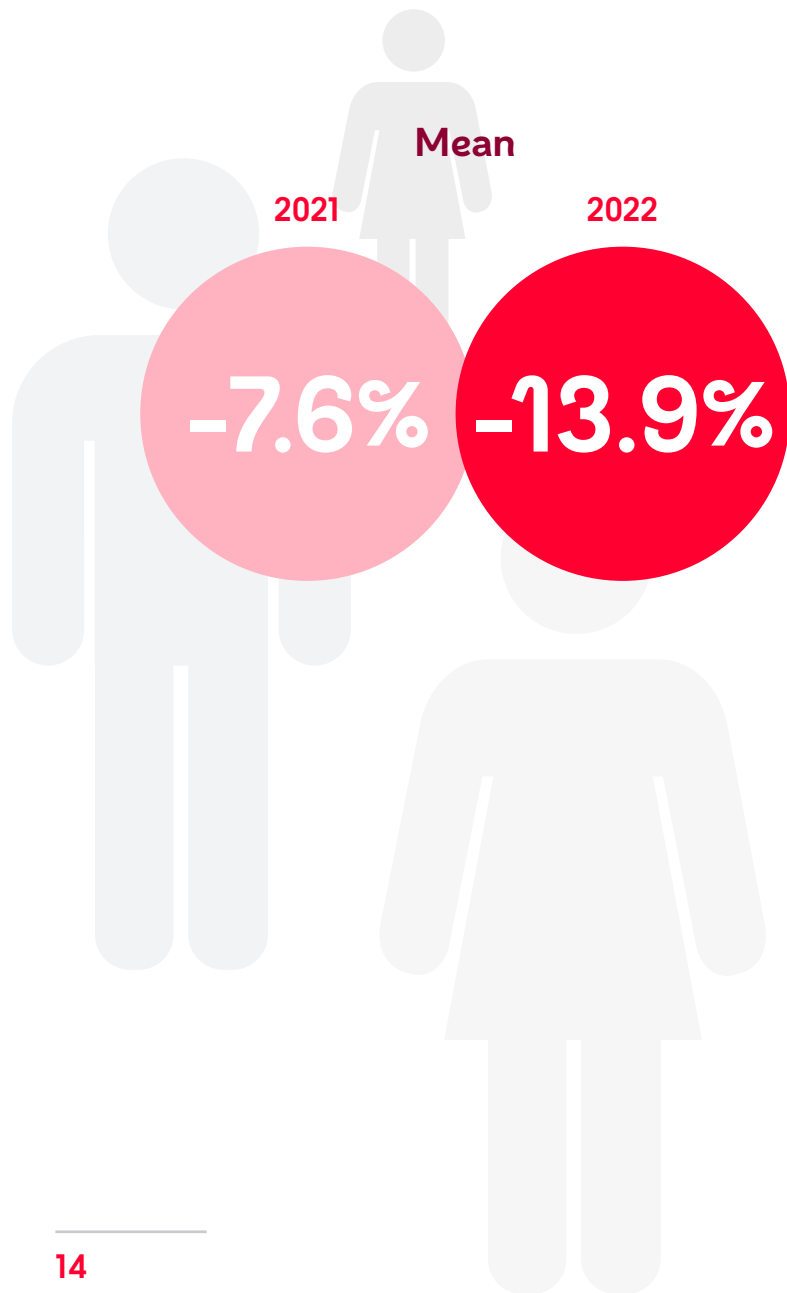
The median average is used over the mean average as a comparator with other organisations because it is generally more representative of colleague pay. The mean

can easily be inflated for example, by the pay of a few highly paid colleagues. And at BHF, the mean figure does not accurately represent the experience of most of our colleagues.

The median for ethnic minoritised colleagues is **12.2% higher** than that of white staff. Whilst ethnically minoritised colleagues make up 10% of the overall workforce; they account for 14% of staff in the upper pay quartile.



The mean ethnicity pay gap at BHF



The mean ethnicity pay gap is calculated by adding up the hourly pay of all white employees and dividing this figure by the total number of white employees at the organisation.

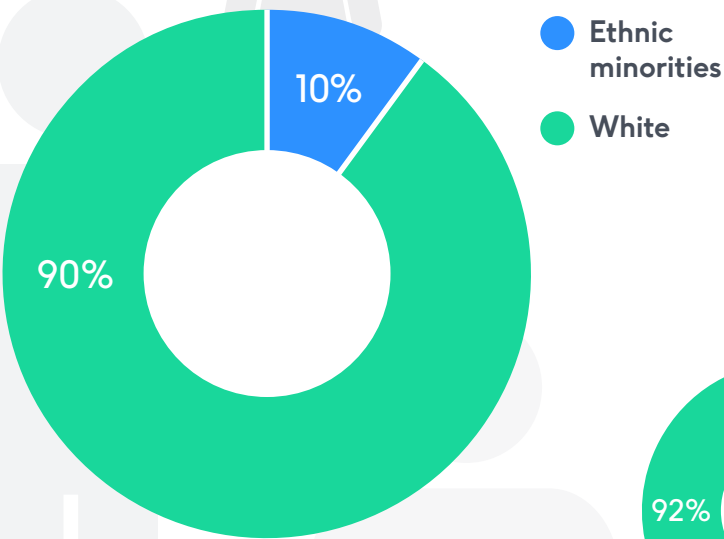
Then, we do the same calculation for ethnic minoritised employees and compare the results.

The difference between these two figures is reported as a percentage and is known as the **mean ethnicity pay gap**.

Ethnic minoritised colleagues are paid 13.9% on average, more than their white counterparts. This is partly because while ethnically minoritised staff make up 10% of the overall staff population, they account for 14% of staff in the upper pay quartile.

Ethnicity split across the quartiles

Overall ethnicity split 2022

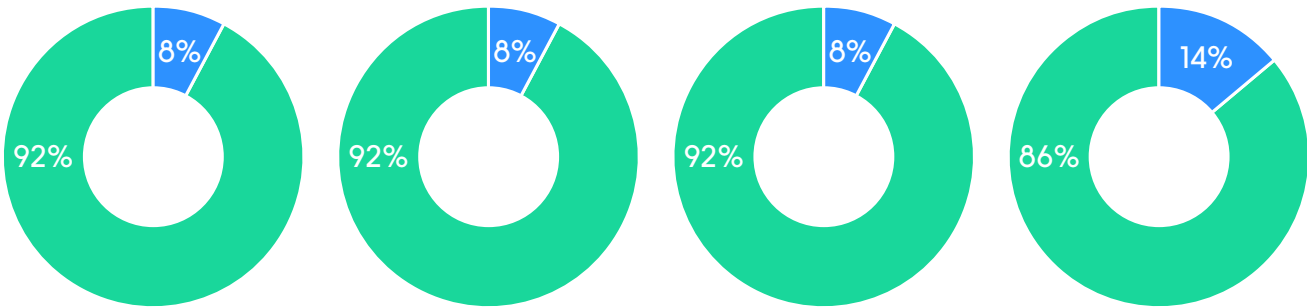


The proportion of white and ethnic minoritised staff in each quartile

To determine pay quartiles, employees are arranged into four equal parts referred to as 'quartiles'. The pay quartiles show the proportion of white and ethnic minoritised employees in each, ranging from the lowest paid quartile to the highest paid quartile.

White colleagues make up the largest proportion of staff in the lowest pay quartile (92%) and (86%) of the upper pay quartile.

Ethnic minority colleagues make up 14% of the upper quartile.



2022	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
White	92%	92%	92%	86%
Ethnic minority	8%	8%	8%	14%

Closing the ethnicity pay gap

Making positive changes for the future of BHF

Representation goals within our EDI Strategy

In May 2021 we launched our first '*Igniting Change*' EDI Strategy, which set representation goals across the organisation and within our senior leadership group. We are making great progress in achieving these goals, so the profile of our colleagues reflects the local population. We will look into the barriers that prevent key demographic groups applying for roles and progressing at BHF, and review our internal promotions and training to ensure suitable routes for progression. We will ensure the right accountability and mechanisms exist to help us make progression opportunities fair. We will ensure any recruitment and development policies are clear, transparent, and implemented consistently across the organisation.

Building accountability

Our senior leadership group have all adopted an EDI objective as part of the organisation's performance process, to help create an

environment that will encourage people to stay and progress their career with BHF. We will continue to build the EDI capacity of our senior leaders, so that they are able to embed inclusion in their every-day decision-making.

Local recruitment focus in retail

Our largest proportion of colleagues are based in retail (84%). Of these, 92% are white and 8% are from ethnic minoritised backgrounds. Our desire is to see our retail colleagues better reflect their local communities. Therefore, we are encouraging more recruitment from the local area. We are using two recruitment agencies that specialise in reaching ethnically diverse communities and those that live with a disability.

We are also continuing to ensure our graduate programme – **GradUnique** (an important pool of future leaders) – has a good gender balance.

When advertising roles we do not request qualifications unless absolutely necessary.



Gender and ethnicity pay gap: building on our promises

It's unusual for women to earn a higher median hourly rate of pay than men. Only **22%** of all companies in Great Britain have a median average that is higher for women than men, and BHF is unique in the charity sector.

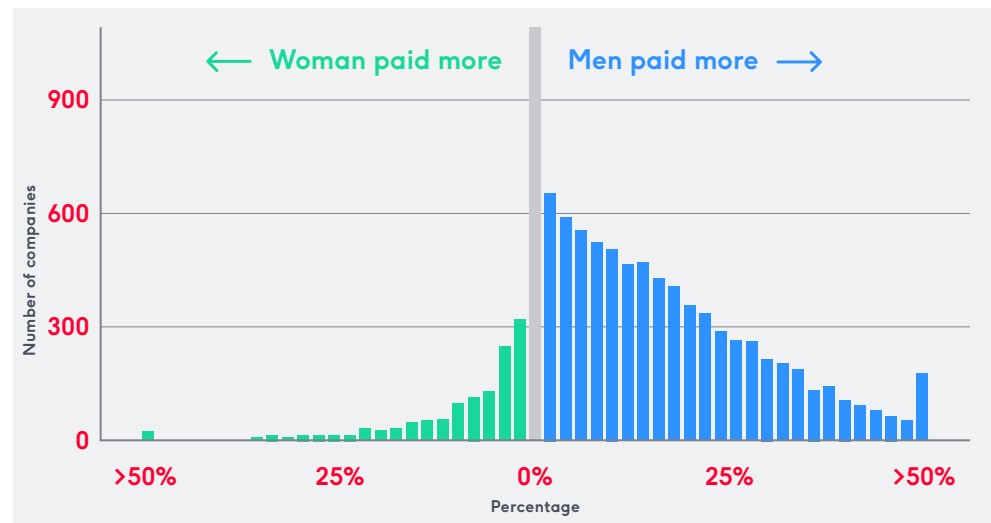
Ethnicity pay gap reporting is not currently mandatory, although there are calls to make it mandatory from April 2023. We have decided to

report and publish our mean and median averages, as well as our quartile data, and will look to extend reporting to bonuses as we progress our inclusion work. This puts us in an advantageous position, by **showing our commitment to this agenda**, and places us among a relatively small number of organisations that are monitoring their ethnicity pay gap.

The second chart shows the median gross hourly earnings in Great Britain from 2012–2018. Chinese, Indian and mixed ethnic groups earn higher median hourly pay than White British people. Consequently, the higher median hourly pay of our ethnic minoritised colleagues, is **comparable to national trends**.

78% of companies pay men more

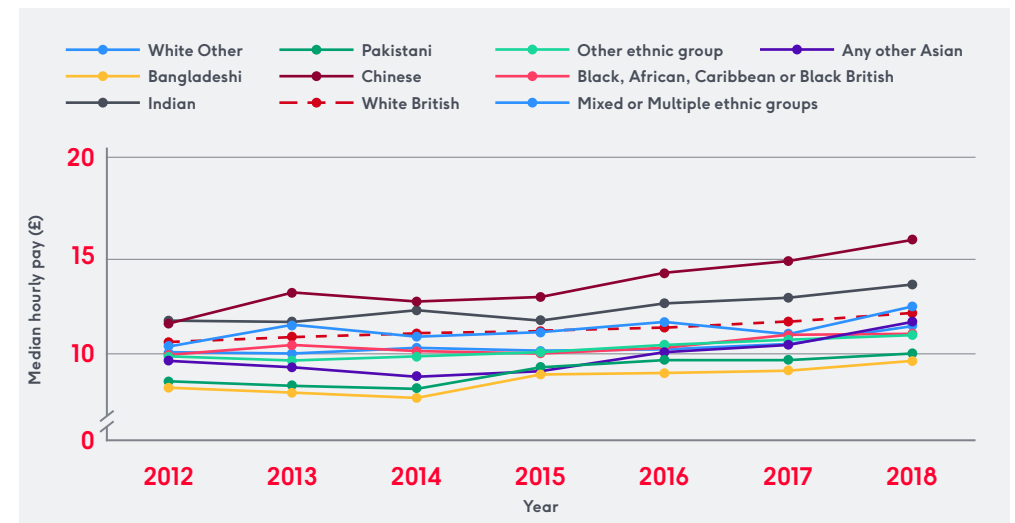
Median hourly gender pay gap at companies in Great Britain



Source: BBC (10,016 companies that reported their pay data).

Median gross hourly earnings (including overtime)

For all employees aged 16 and over, Great Britain, 2012 to 2018





Next steps for closing the gender and ethnicity pay gap

In the coming months and years, we will look across the board at equality, diversity and inclusion to understand more deeply where our shortcomings lie, and how we can improve on these to support a better, fairer and more inclusive colleague experience at BHF.

Igniting Change, our EDI strategy, has SMART goals in relation to gender and ethnicity – not just for our overall colleague population, but in relation to the composition of our senior leadership team as well. In the long-term, we believe that this will result in closing the Gender and Ethnicity Pay gaps even further.

We will continue to work with specialist recruitment agencies to ensure that we attract talent from diverse communities that reflect the range of local communities that we serve across the United Kingdom. Looking more closely at our recruitment and people processes, we want to make them as inclusive as possible, and identify where any barriers to progression might exist. That way, we can ensure improvements to the experience our colleagues have at BHF.

We have a number of affinity groups and key stakeholders in the EDI space to hold us to account, offer areas for further improvement and help us deliver on our promises. By taking the time to work with these stakeholders and put their ideas into practice, we can work together to influence our culture and create a real sense of belonging for everyone at BHF.

We will continue to monitor our progress through our governance committees to ensure that our activities are appropriate and proportionate to achieving our **aims in creating equality for all**. While we may not have all the answers yet, we are committed to sharing our successes, failures, and learnings, to evolve our actions as we go. We look forward to building on our foundations as an inclusive and responsible organisation, keeping equality at the heart of BHF's culture.



