

THE CARBON TRUST

UK gender pay gap reporting

2021-2022

Introduction

- Creating an equitable environment, which offers equal opportunities to all of our staff at the Carbon Trust is a key priority for us. Reducing our gender pay gap is a significant part of this commitment.
- Our pay gap for the last financial year (April 2021-2022) is 18.5%. While this gap is similar to other environmental and science consultancies, and echoes a wider gap seen across STEM industries, we do not consider this acceptable and are actively working to reduce.
- We have engaged external consultants this year to help us develop and enhance our approach to diversity, equity and inclusion. This appointment is just the start of a long-term project, but we are already making good progress.



Key terms explained

- When considering pay gap figures, it is important to note the differences between equal pay and the pay gap. The pay gap can also be calculated using two methods; median and mean.

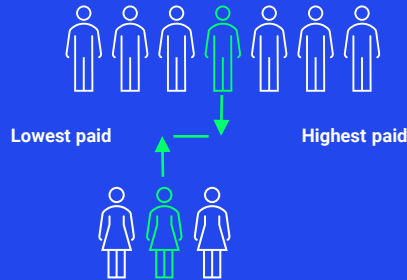
Equal pay:

Our people should not be paid differently for equal work.



Median pay gap:

The difference in hourly pay between mid-points of two groups, when salaries are listed by size.



Mean pay gap:

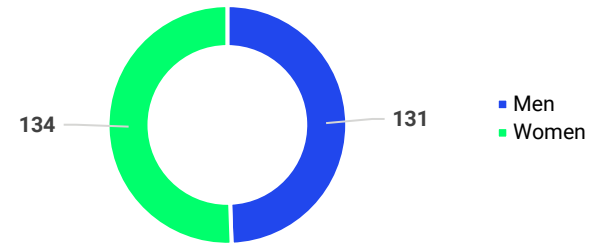
The difference in the average hourly rate for men vs women. This applies to fully paid staff.



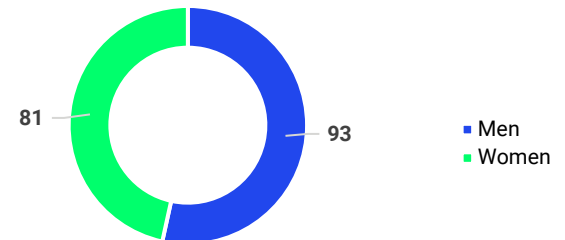
UK employee population reporting

- This year, 2022, is the Carbon Trust's first year of formally reporting its UK gender pay gap.
- A total of 265 employees are included in the gender pay gap report, comprising 134 women and 131 men.
- During the year we saw an increase in women at all levels, both from those joining the organisation and those progressing within the Carbon Trust.
- A total of 174 employees are included in the bonus pay gap reporting, of which 81 are women and 93 are men.
- The bonus population is smaller than the pay population as a number of employees were not eligible for bonuses as they joined the Carbon Trust later in the year.

Employees included in the Pay Gap (full pay only)



Employees included in the bonus pay gap (all even if not on full pay)



Pay gaps 2022

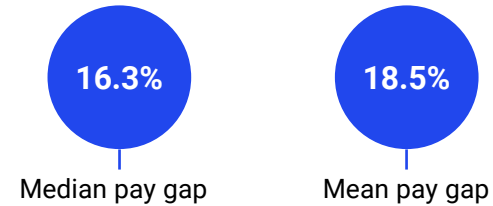


Our mean pay gap of 18.5% for the last financial year is a result of more men in higher pay quartiles and more women in lower pay quartiles.

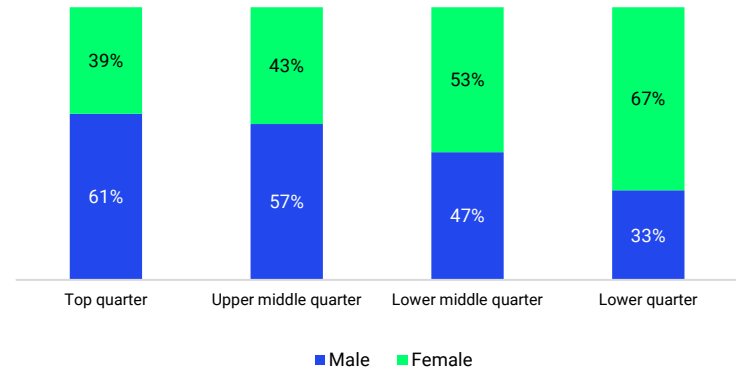
We are actively working to reduce this gap by:

1. Setting a target for women to make up at least 40% of our leadership and management positions. Nearly half (47%) of management level employees are now female, along with 35% of leadership staff.
2. Ensuring all job descriptions are gender neutral, using mixed panels for hiring, and setting defined competencies and assessment tasks during the interview process.
3. Having a banded system for salaries to ensure consistency of pay along with being transparent about our promotion and bonus schemes.
4. Significantly improving our flexible working and family friendly approaches to support the balancing of work and home commitments. This aims to help with retention and career progression for staff with caring responsibilities.
5. Along with fair pay, we also want the Carbon Trust to be a safe, supportive and welcoming environment for all staff. We are working with external consultants to enhance our approach to diversity, equality and inclusion.

Pay gap - employees fully paid as of April 2022



The Carbon Trust UK pay quartiles by gender



Bonus gaps 2022

In 2022, 70.5% of men and 58.3% of women received a bonus. All colleagues (except interns) are eligible for a bonus.

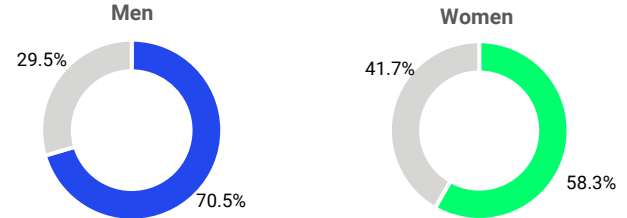
Our 2022 median bonus gap is 17.5% and our mean bonus gap is 42.5%.

There are a number of reasons for this gap:

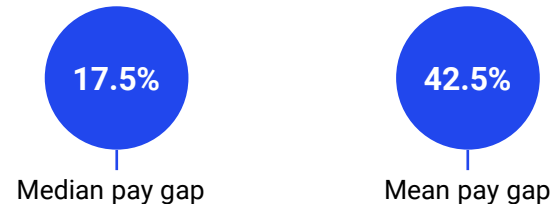
- We have a higher representation of male staff in the upper quartile and this impacts our gender bonus gap.
- The final payment of an old bonus scheme, tiered towards more senior colleagues, is included in this date. This scheme has since been phased out.
- Finally, we have grown rapidly over the last 18 months, with a large cohort of female hires joining later in the year. As a result of this timing, they were ineligible for bonuses, further increasing the bonus gap.

We are actively working to support recruitment, retention and progression in 22/23 with the aim of reducing these gaps in coming years.

% employees receiving a bonus



Bonus pay gap – all employees From April 2021 to April 2022





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"I confirm that the information in this statement is accurate."

Hilary Hume Smith
Head of People