

## Gender and Ethnicity

# Pay Gap

## Report 2020

[➤ Enter report](#)

O<sub>2</sub> welcomes the legislation requiring organisations with over 250 employees to report their gender pay gap annually. We have also chosen to voluntarily publish our ethnicity pay gap and would welcome other organisations joining us.



# Introduction

At O2, we know that businesses have a vital role to play in not only championing, but also building a more equal society. We believe in creating a fairer future for everyone. This starts with our people.

We are passionate about each one of our employees, and committed to supporting and empowering them to grow, develop and progress. Employing individuals from a range of backgrounds brings a diversity of perspective that adds critical value to our business.

As a customer-led organisation, it's essential that we have a diverse, balanced and inclusive workforce. A workforce that truly reflects and understands the needs of the communities we serve.

This year, alongside continuing to voluntarily publish our annual pay gap report despite the UK Government deferring this requirement, we have chosen to also report on our ethnicity pay gap. Racial equality is a core element of diversity, and an area we are committed to improving in our business.

We know that reducing our pay gaps and changing the make-up of our workforce takes time. While we are proud of our commitment to date, we recognise that we have more work to do.

We recognise the importance of transparency in encouraging accountability and inspiring impactful, action-led change. That is why we have, and will continue to, report this data. To hold ourselves accountable. To learn from it. To build a more inclusive workplace. To drive positive change.

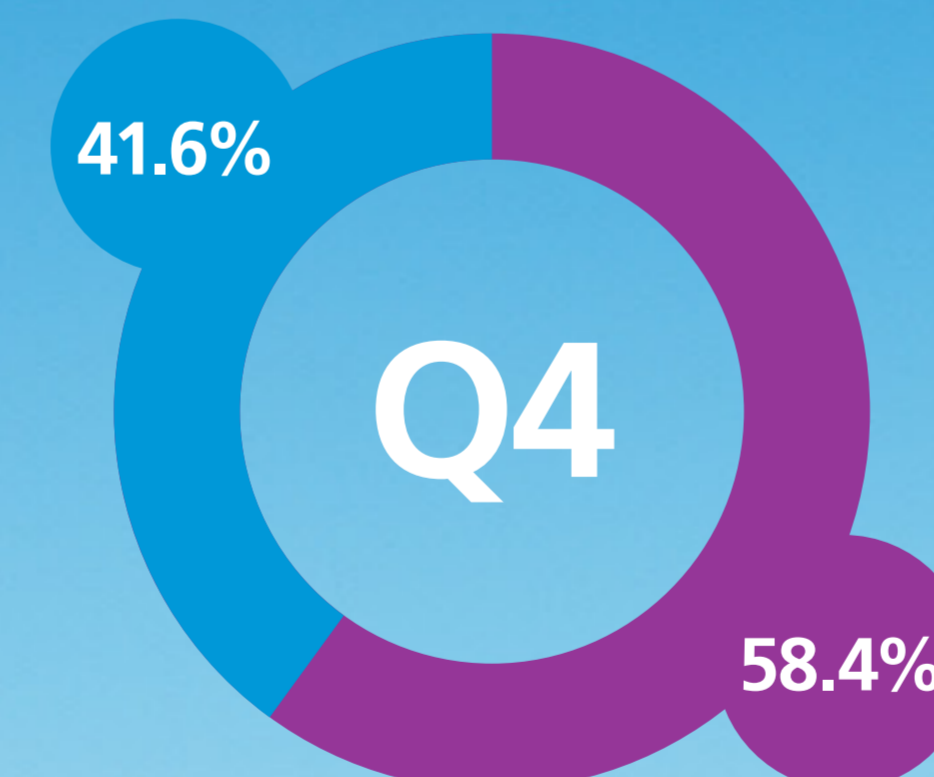
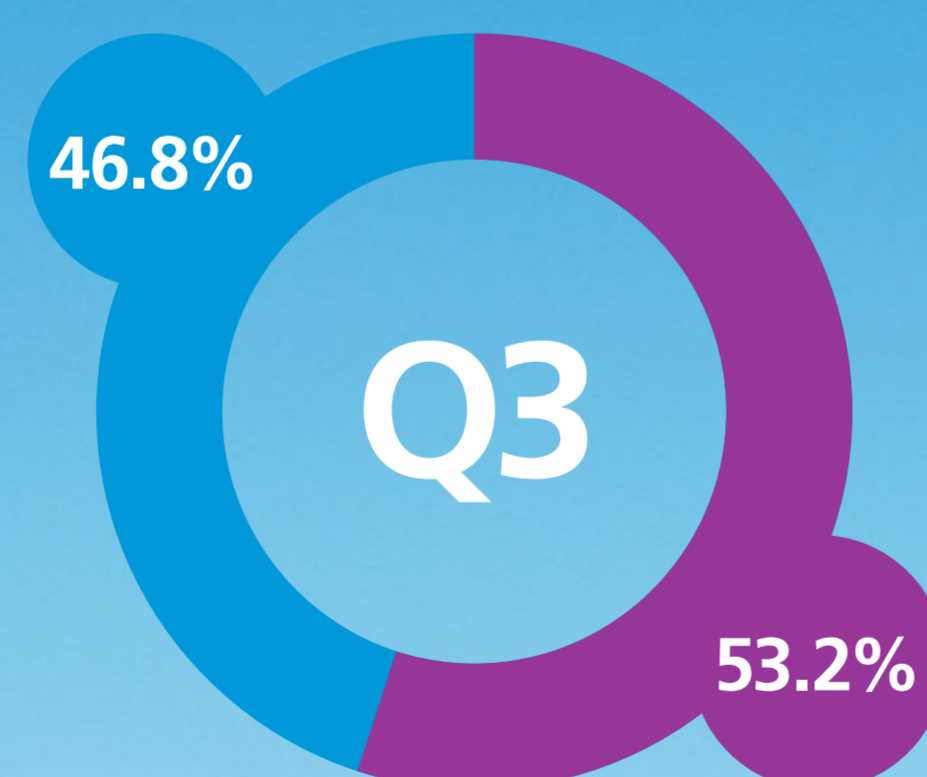
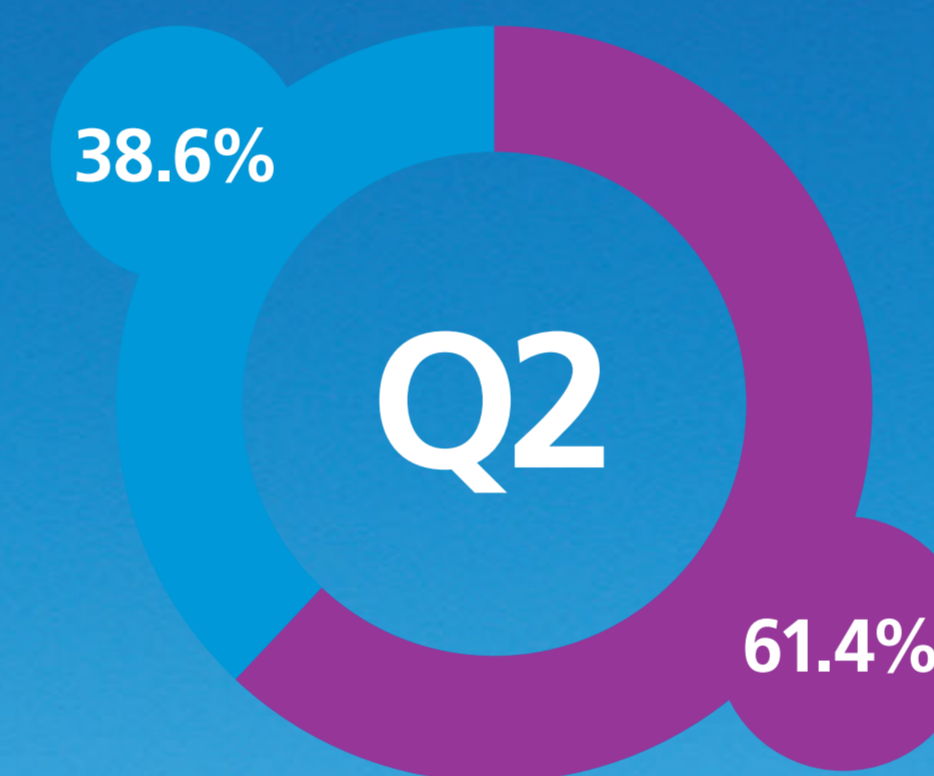
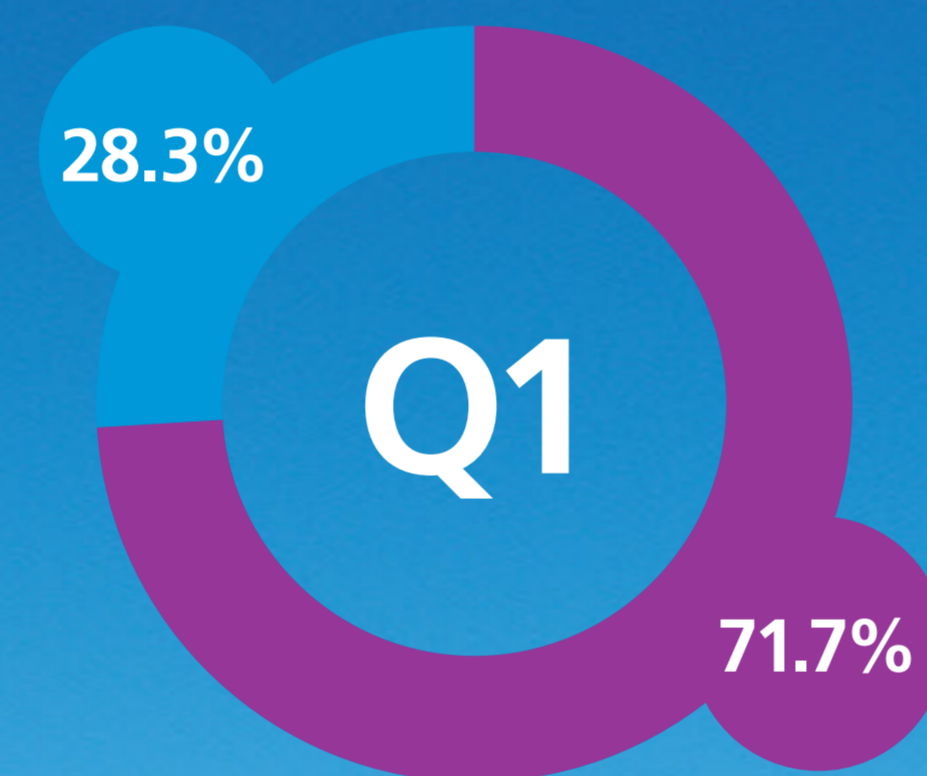


# Our figures - Gender

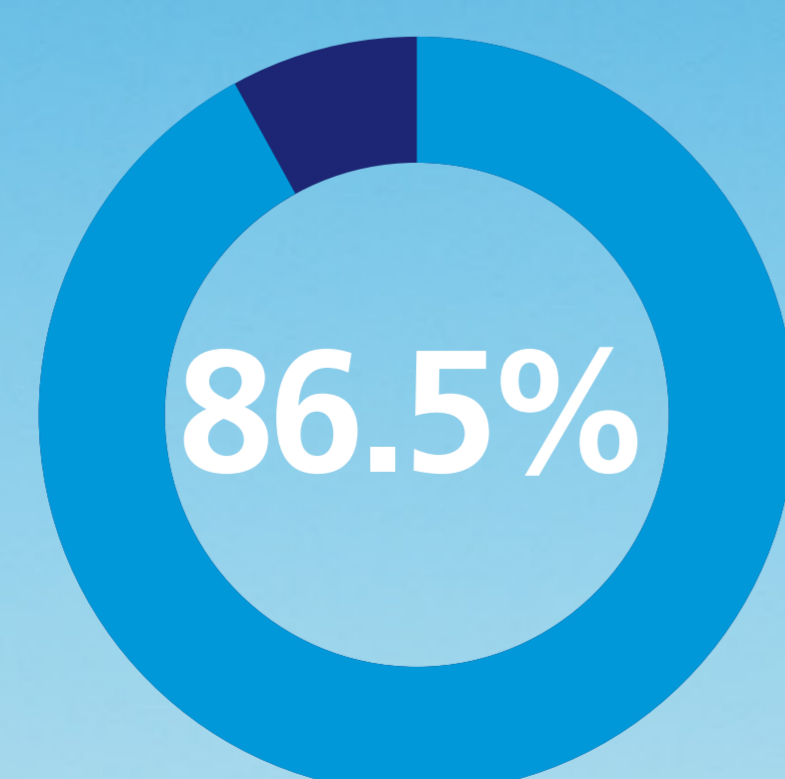
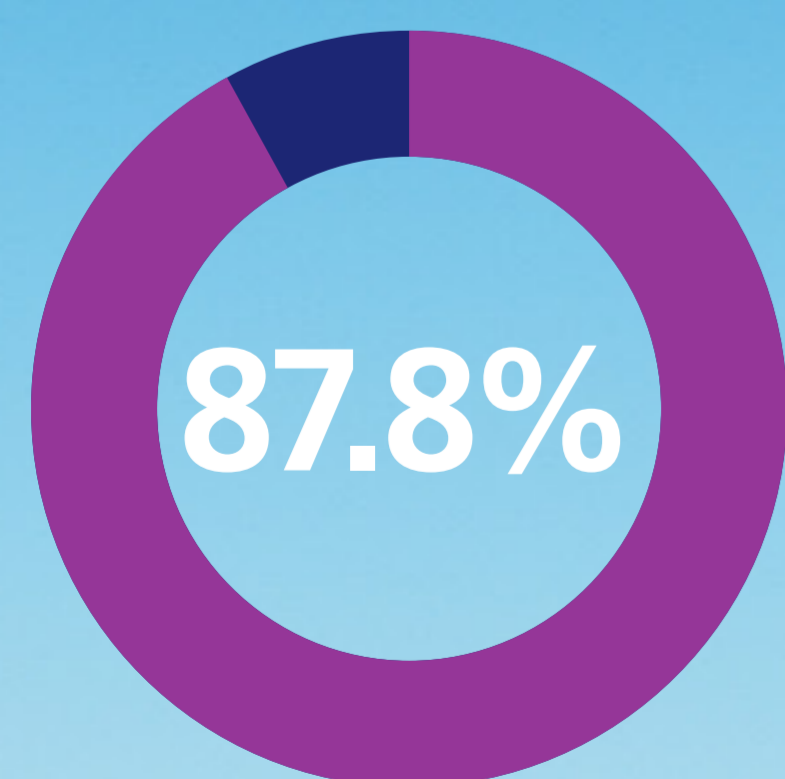
Out of the total number of employees at O<sub>2</sub>



The proportion of males and females according to quartile pay bands (Q1 is the highest paid quartile)



% receiving bonus

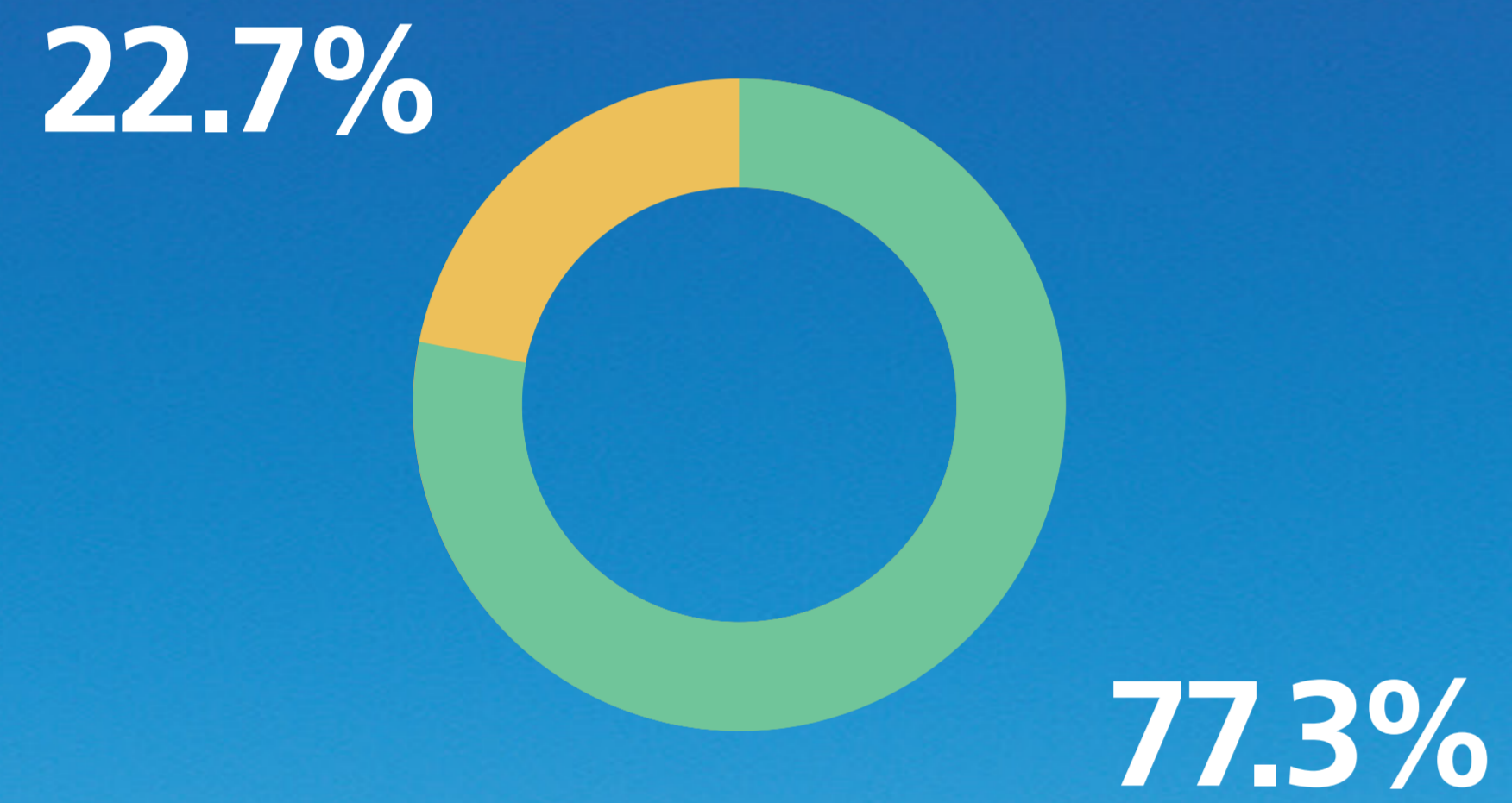


Mean gender pay gap	13.5%
Median gender pay gap	23.6%
Mean bonus pay gap	23.9%
Median bonus pay gap	21.7%

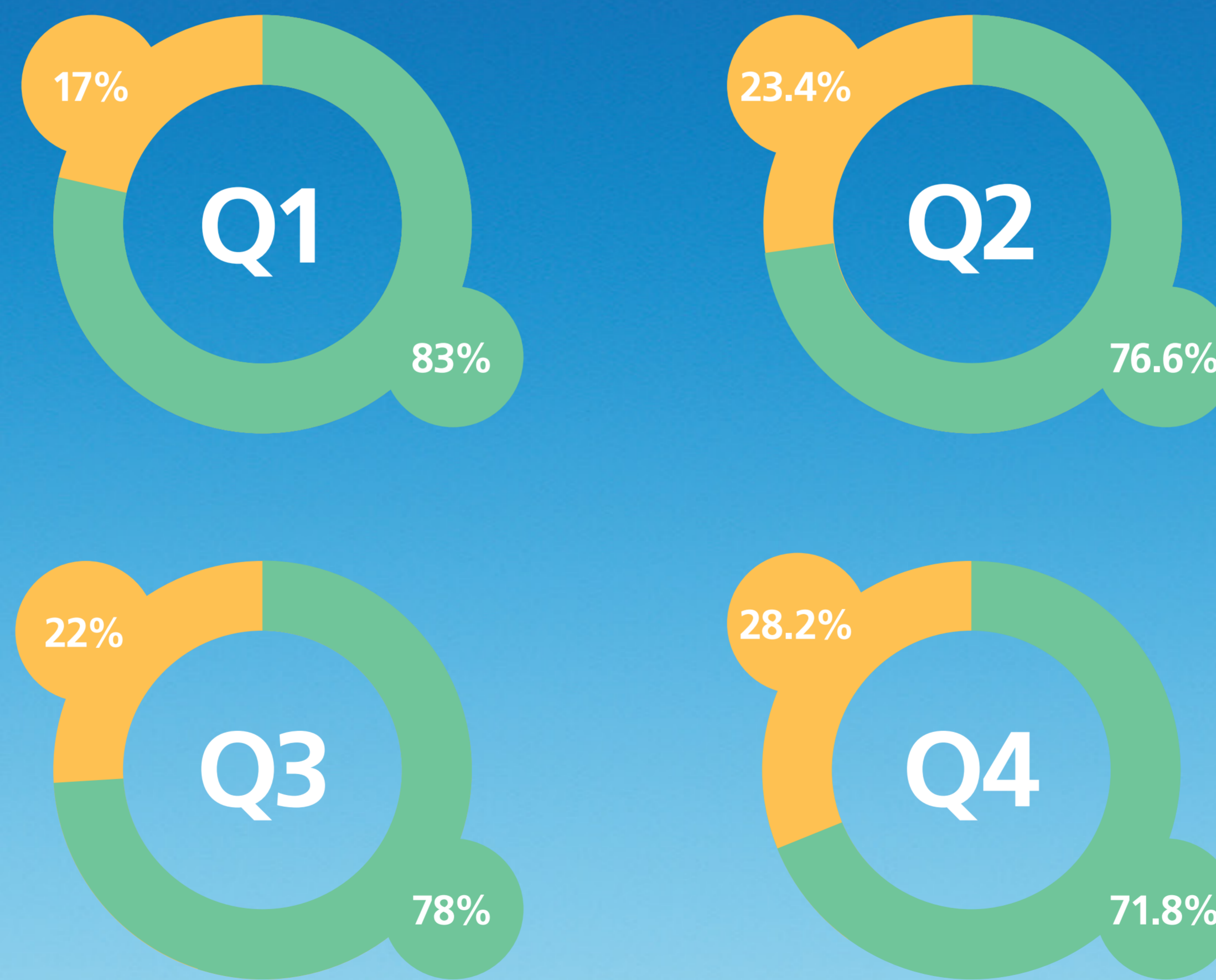


# Our figures - Ethnicity

Out of the total number of employees at O<sub>2</sub>



The proportion of BAME and White employees according to quartile pay bands (Q1 is the highest paid quartile)



% receiving bonus



● Black, Asian & Minority Ethnic (BAME) ● White

Mean ethnicity pay gap	15.4%
Median ethnicity pay gap	16.4%
Mean ethnicity bonus pay gap	48.1%
Median ethnicity bonus pay gap	39.9%

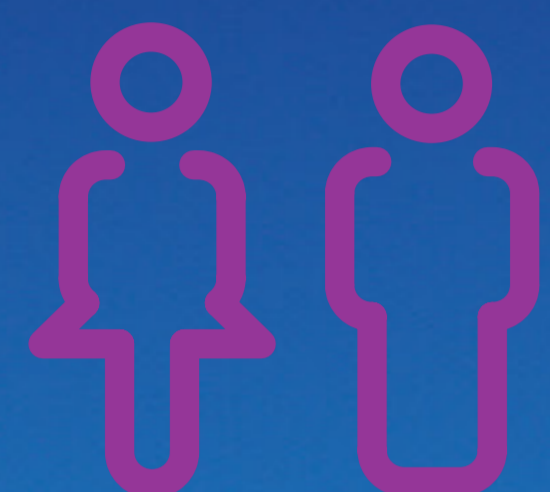
## Ethnicity in detail

Reported Ethnicity Group	Mean Pay Gap	Median Pay Gap	Mean Bonus Gap	Median Bonus Gap
BAME	15.4%	16.4%	48.1%	39.9%
Asian	10.6%	6.1%	47.7%	20.7%
Black	30.3%	42.8%	55.2%	66.4%
Mixed	26.7%	37.8%	35.4%	44.2%
Other	5.8%	8.9%	54.4%	49%
Not declared	0.3%	-13.3%	23.1%	-13.5%

N.B. These calculations are based on a total ethnicity data disclosure rate of 82%, which includes 73% of our people who have disclosed and 8.6% who have chosen not to declare.



# Behind the numbers



## Gender

We are proud of the progress we have made so far in increasing gender balance and representation across the business, including:

- Improving our mean gender pay gap by 2.9 percentage points since 2019. This demonstrates the steady progress we have made increasing gender representation within our most senior roles.
- Improving our bonus mean and median pay gaps by 10.1 percentage points and 6.5 percentage points respectively since 2019.



## Ethnicity

Our ethnicity pay gap analysis has highlighted where we can take specific and targeted positive action to drive progress towards becoming a truly representative workforce. We recognise that:

- Significantly higher proportions of our BAME colleagues work in roles within lower pay quartiles.
- This imbalance is then reflected in the higher ethnicity bonus gap.

We also recognise that levels of BAME representation vary by specific ethnicity groups. This variation is then reflected in the pay gaps between different ethnicity populations. It is important to us that we are open about these differences; that's why these variations are included, and will continue to be included, within our reporting.

Collating and analysing data on our ethnicity pay gap is the first step towards making positive change. Armed with this insight, we will take specific and targeted action to progress towards becoming a truly representative workforce.



# What we're doing



## Accountability, commitment & transparency

Internally we will report our progress against our diversity targets every quarter. Transparency is a key agent for change and reporting this data embeds accountability for progress within our senior leadership team, ensuring positive change remains a priority.



## Supporting, developing and growing talent

We remain committed to driving greater equality across the business, notably in our approaches to recruitment, engagement, development and progression. We have already made progress, for example offering bespoke development initiatives, mentoring and work experience specifically targeted at our female and BAME colleagues.



## Building allies

In September, we will be launching our O2 Inclusion Allies programme. This will focus on providing our leaders and our people with the understanding, skills and tools to be able to influence and drive positive, tangible change. This is central to building an inclusive culture and will be crucial to driving impactful change, both inside and outside of O2.



## Leadership & representation

We remain focused on how we attract, hire and engage with diverse talent at every level. We already have a majority female Executive Committee, but this is not enough. It must extend to a broader range of leadership roles and encompass ethnicity representation.



## Listening to our people

It's critical that our people feel comfortable, and empowered, to be their whole selves at work. We continue to work closely with our Employee Networks, BAME@O2 and our Women's Network, to ensure we're always listening, reviewing our efforts and challenging ourselves to improve.



# Looking to the future

At O2, every decision is made with our people in mind. We have taken great care to build an inclusive workplace where diversity is not only welcomed, but celebrated.

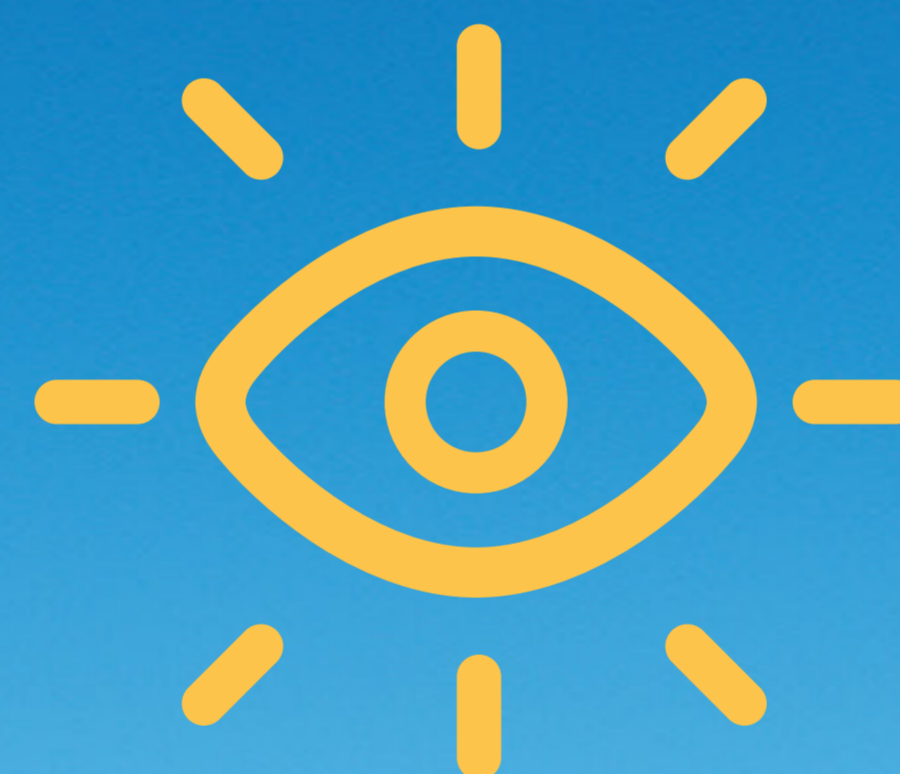
But we know there is always room to do more. We will not stop until we have fulfilled our ambition of being a leading inclusive employer. That's why we pledge to:



Voluntarily report both our gender and ethnicity pay gaps.



Set targets to create accountability and drive progress.



Use insight to inform an approach that drives positive action and increases equality.



Continue promoting a company-wide focus on action and allyship. Accountability and sponsorship for diversity and inclusion and social equality may sit with our Executive team, but responsibility rests with all at O2.



# Statement

To become a leading inclusive employer in the UK, we are committed to building accountability and sponsorship for diversity, inclusion and social equality at every level of our business.

Approved by:

**Mark Evans**  
CEO

**Catherine Leaver**  
HR Director