



# Investing for impact

Combined pay gap report  
September 2024

IDEAS | PEOPLE | TRUST



# Foreword

At BDO, we are committed to ensuring that we help our people, the business world, and society to succeed. Ensuring all of our people are paid fairly is a crucial part of this. A key part of our people proposition is our desire to attract, develop and retain the best and brightest talent from a diverse range of backgrounds. As a large employer of 8,000 people, we know that the positive actions we take have a real impact on society as a whole.

Analysing our pay gaps is one way for us to ensure that we regularly review and stay accountable for equality.



One of the fundamental parts of our firm's philosophy is to encourage people to be themselves. We try to achieve this by creating an inclusive workplace where everyone feels valued.

This year marks my last year as BDO's Managing Partner. With regards to our pay gaps and increasing diversity at senior levels, there is still more to do both as a firm and a profession.

I am incredibly proud to have seen the progress we've made over the last eight years, and I have no doubt that Mark Shaw and his new leadership team will continue to have meaningful conversations and take real actions to increase representation across all levels as we work towards closing our gender and ethnicity pay gaps.

As Paul mentions, there is still some way to go with regards to reducing significantly and closing our pay gaps. However, to achieve this, we continue to be on the right track to increase diversity and representation at senior levels within the firm. Looking ahead to the future, I am confident that we can continue to make good progress.





# Our Calculations

Gender pay gap information falls within The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 ('the Regulations'). The Regulations require employers with 250 or more employees to publish statutory calculations each year showing how large the pay gap is between male and female employees.

We publish our gender pay gap in line with the Regulations and because we know it is important to be transparent. The data is in keeping with the regulatory requirements and is based on 30 June 2024 data for all BDO Services Ltd employees and equity partners. Although not a statutory requirement, we also report on our ethnicity pay gap. The detail is available in our Pay Gap Report 2024. The Regulations require that firms report on employees (employees including salaried partners). However, we think it is important to understand the picture across the whole firm. That is why we are also reporting our gender and ethnicity pay gaps for our equity partners (EPs) and also for our EPs and employees combined.

We have updated our data and calculated the earnings gap for both our EP population and a combined figure for the whole firm to include EPs,



salaried partners and the rest of our employee workforce. Combining the two calculations together isn't straightforward so we've looked at total earnings for equity partners and total earnings for our employees and applied the pay gap calculations.

It is important to clarify the difference between 'equal pay' and 'pay gap'. Equal pay is the right to be paid the same level of pay for 'like work, work rated as equivalent and work of equal value', whereas the gender/ ethnicity pay gap is the difference in average pay and bonuses received by male and female individuals and white and ethnically diverse individuals within a workforce, irrespective of role, responsibilities, or seniority. BDO is an equal pay employer.

Our pay gaps are primarily caused by lack of senior female representation and lack of senior ethnically diverse representation. This is not unique to BDO and consistent with other firms in the Professional Services sector. We have published ambitions to ensure that we make the desired progress. Our ambitions are: to achieve 30% female partners by the end of 2030; and 10% partners to be from ethnically diverse (Black, Asian, Mixed Heritage and Minority Ethnic) backgrounds by the end of 2026, of which we are striving for 10% from Black heritage.

# Gender pay gap

Equity Partners (EPs) and combined employees & EPs

Pay gap 2024		Gender	
		2024	2023
Equity partners earnings gap	Mean	17.6%	18.0%
Equity partners earnings gap	Median	26.6%	23.1%
Combined equity partner and employee earnings gap	Mean	36.54%	36.08%
Combined equity partner and employee earnings gap	Median	8.58%	7.97%

- ▶ Our combined gender pay gap increases slightly when we include Equity Partners (EPs)
- ▶ Our EP pay gap is 17.6% mean and 26.6% median representing an increase in the median and decrease in mean from 2023
- ▶ We may see an increased EP pay gap in the future years as we continue to recruit/promote more junior female Equity Partners, although we continue to bring talent in at all levels across the firm
- ▶ We are encouraged that female partner representation is increasing with six new female equity partners and four new salaried partners included this year
- ▶ We are on track to meet our ambition of 30% female partners by 2030.





# Ethnicity pay gap

Equity Partners (EPs) and combined employees & EPs



Pay gap 2024		Ethnicity	
		2024	2023
Equity partners earnings gap	Mean	10.1%	15.4%
Equity partners earnings gap	Median	5.2%	15.4%
Combined equity partner and employee earnings gap	Mean	44.01%	41.72%
Combined equity partner and employee earnings gap	Median	3.85%	5.00%



- ▶ Our Equity Partner ethnicity mean pay gap has reduced to 10.1% and our median to 5.2%
- ▶ We have increased ethnically diverse representation among equity partners and in the broader partner population this year
- ▶ We have also seen a reduction in our combined median pay gap, however, our combined mean pay gap has increased
- ▶ We are broadly on track to meet our ambition of 10% ethnically diverse partners by 2026 (including salaried partners).

FOR MORE INFORMATION:

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