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ANNUAL REPORTING 2026

PAY GAP REPORT

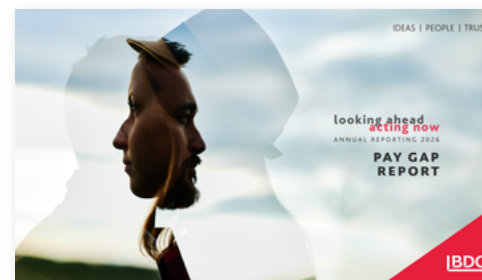
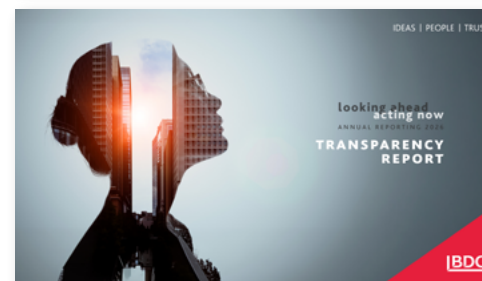
START

BDO

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This report is one of a suite covering the Financial Year 2026 / 2027
all of which can be accessed on our [website](#) in the [Reporting Portal](#) section.



Foreword

We are encouraged by the progress we have made in improving representation across BDO UK and by the impact of the actions we have taken to create a more inclusive workplace. We recognise that meaningful change takes time and we remain focused on building a firm where everyone has equal opportunity to thrive and succeed; within BDO UK we call this approach 'Every One, Every Day'.

At BDO UK, creating an environment where every colleague feels valued, respected and able to succeed remains a strategic priority.

By placing people and culture at the heart of our strategy, we have continued to build a firm where inclusion and belonging are embedded in everyday experiences.

This not only supports our people to thrive but also strengthens our ability to attract, develop and retain the diverse talent that drives our long-term success.

Our latest pay gap data highlights both the progress we have made and the opportunities that remain.

Pay gaps are complex to understand and require long term commitment to close, which is why it is so important for BDO UK and other organisations to continually review progress, seek to understand where barriers remain and take action to address them. For the first time we are publishing our socioeconomic pay gap data as an additional data point. Expanding our pay gap reporting reiterates the importance of our commitment to take action and reflects our belief in the transparency, accountability and need for continuous improvement.

When we reflect on the results for this year, we have seen encouraging improvements, particularly in the representation of women and ethnic minority colleagues within our partnership and senior leadership population.



This trajectory reflects the sustained focus and investment we have made in creating more equitable pathways for progression.

We recognise that our pay gaps are influenced by year-on-year changes in workforce demographics, meaning progress is not always linear across every measure.

While some of our pay gap metrics have improved this year and others have remained stable, our focus remains firmly on maintaining momentum and accelerating change where further improvement is needed.

We know that representation at senior levels continues to be a key driver of pay gaps. That is why we remain focused on creating equitable opportunities for progression, supporting career development and addressing barriers that may impact colleagues from underrepresented groups.

In November 2025 and January 2026, we launched our refreshed inclusion and belonging strategy and social mobility strategy respectively.

Both strategies introduced stronger governance, clearer accountability and a renewed focus on supporting progression. They build on the progress already made and provide clear frameworks for driving sustainable, measurable change across the organisation.

We are pleased that we have made progress over time with our pay gaps, and we remain committed to building a more inclusive and representative firm. We will continue to invest in the leadership, behaviours and initiatives that help close our pay gaps and ensure everyone has the opportunity to succeed at BDO UK.



Mark Shaw

**MANAGING
PARTNER**

Louise Sayers

**EXECUTIVE BOARD
MEMBER: PEOPLE,
CULTURE & PURPOSE**

Declaration

We confirm that BDO LLP's pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Gender pay gap

Employee data*

Hourly pay gap

Mean

10.06%

▲ Increased by 0.17 percentage points since 2025 (9.89%)

Median

5.84%

▼ Decreased by 1.49 percentage points since 2025 (7.33%)

Hourly pay quartiles

	Female % of employees		Male % of employees	
	2026	2025	2026	2025
Upper	38.79%	39.18%	61.21%	60.82%
Middle Upper	47.25%	46.12%	52.75%	53.88%
Lower Middle	52.79%	53.98%	47.21%	46.02%
Lower	46.10%	47.17%	53.90%	52.83%

Bonus pay gap

Mean

39.77%

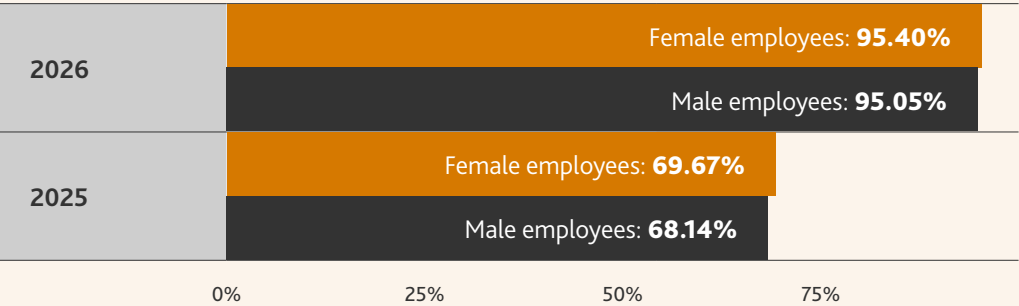
▲ Increased by 7.77 percentage points since 2025 (32.00%)

Median

34.17%

▲ Increased by 14.73 percentage points since 2025 (19.44%)

Percentage of employees receiving a bonus



What the data is telling us

Factors influencing our gender pay gap

Our median gender pay gap has reduced to its lowest level since reporting began, indicating that pay outcomes for the typical male and female colleague are becoming more closely aligned. Our mean gender pay gap has increased slightly, highlighting that progress remains uneven and that representation at more senior levels continues to influence outcomes.

Despite increased female representation at partner level, the movements across quartiles do not all show the shifts we are aiming for and therefore greater focus is needed on strengthening female progression throughout the pipeline.



Both the mean and median gender bonus gaps have increased this year. Bonus gaps are influenced by a number of factors, particularly representation at senior grades, where bonus opportunities and amounts are typically higher.

It is also important to note that bonus gap calculations are based on the actual bonus amount received, rather than a full-time equivalent value. Unlike hourly pay calculations, bonus payments are not adjusted or pro-rated for reporting purposes. As more women than men work part-time at BDO UK, this can contribute to a wider bonus gap even where bonus outcomes are proportionate to working patterns.

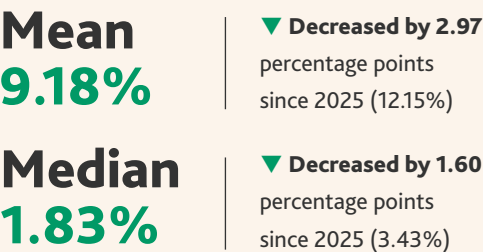
The proportion of colleagues receiving a bonus has significantly increased this year because we have introduced a new recognition platform which gives all colleagues a small monthly allowance to recognise peers.

* In line with pay gap regulation, UK employees only

Ethnicity pay gap

Employee data*

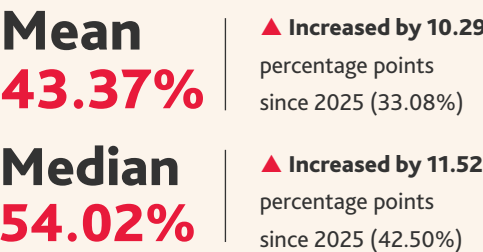
Hourly pay gap



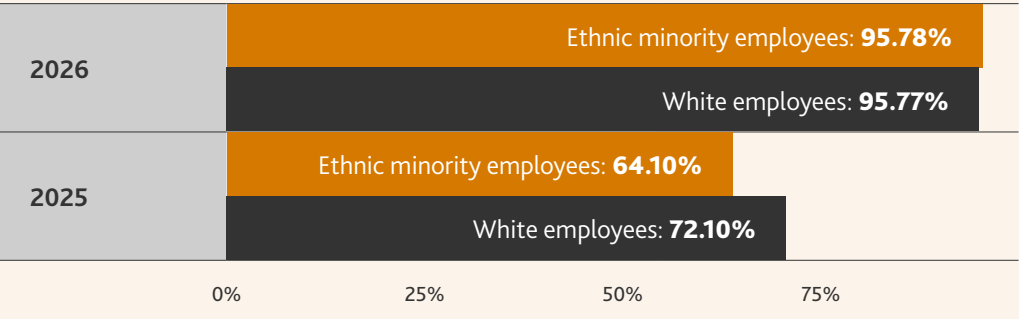
Hourly pay quartiles

	Ethnic minority % of employees		White % of employees	
	2026	2025	2026	2025
Upper	29.09%	27.12%	70.91%	72.88%
Middle Upper	40.88%	43.02%	59.12%	56.98%
Lower Middle	39.64%	38.98%	60.36%	61.02%
Lower	33.88%	36.62%	66.12%	63.38%

Bonus pay gap



Percentage of employees receiving a bonus



What the data is telling us

Factors influencing our ethnicity pay gap

We have seen a reduction in both our median and mean ethnicity pay gaps this year, demonstrating continued progress in creating a more equitable distribution of pay across the organisation.

Representation of ethnic minority colleagues at partner level has increased and accordingly this has had the greatest influence on our ethnicity pay gap.

Our analysis continues to show that pay gaps are relatively small across most grades and reflects our commitment to fair and transparent progression. This provides reassurance that our primary opportunity for further improvement lies in continuing to strengthen representation at the most senior levels of the firm.



The mean and median ethnicity bonus gaps have increased this year. As noted for gender, bonus gaps are influenced by a number of factors, including representation at senior grades where bonus opportunities and values are typically higher.

The proportion of colleagues receiving a bonus has significantly increased this year following the introduction of our new peer-to-peer recognition platform, which enables all colleagues to celebrate and reward the contributions of others through a monthly recognition allowance.

Our ethnicity disclosure rate is 89.55% of colleagues, however incomplete data may influence the reported pay gap figures. We continue to encourage disclosure to further strengthen the quality of our data and enhance our understanding of colleague experiences and outcomes across the firm.

* In line with pay gap regulation, UK employees only

Socioeconomic pay gap

Employee data*

Hourly pay gap

Mean
-0.03%

Median
4.21%

Hourly pay quartiles

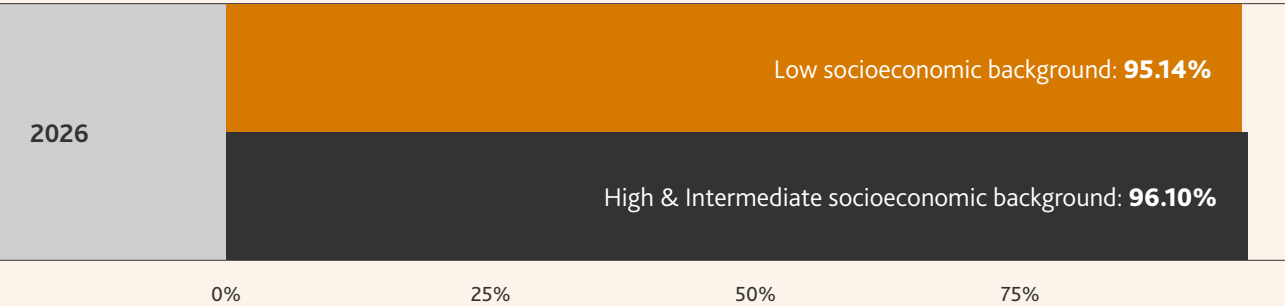
	Low socioeconomic	High & intermediate socioeconomic
	2026	2026
Upper	19.96%	80.04%
Middle Upper	17.45%	82.55%
Lower Middle	19.87%	80.13%
Lower	20.61%	79.39%

Bonus pay gap

Mean
-1.21%

Median
6.69%

Percentage of employees receiving a bonus



What the data is telling us

Factors influencing our socioeconomic pay gap

This year, we have chosen to publish our socioeconomic pay gap for the first time, reflecting our commitment to transparency and the importance we place on social mobility.

As this is our first year of reporting, we do not have year-on-year data or an established benchmark against which to measure progress. Establishing this baseline is an important step in helping us understand how socioeconomic background is reflected across our organisation and where differences in representation may contribute to the pay gap.



Our initial analysis shows relatively small mean and median pay gaps between colleagues from lower socioeconomic and those from intermediate and higher backgrounds. Access to bonus opportunities is also relatively consistent across socioeconomic groups, although differences remain in bonus values and workforce composition across grades

Our analysis is based on the 80.08% of colleagues who have shared their socioeconomic backgrounds. As we have learned through reporting on our gender and ethnicity pay gaps, meaningful change takes time and progress is not always linear. We will use the insights from this first report to deepen our understanding, inform our actions and track progress over future years.

Publishing the data is an important first step. We are committed to being transparent about what it tells us and to using the evidence to support our wider work on social mobility and creating more equitable opportunities for progression.

* In line with pay gap regulation, UK employees only

Combined gender pay gap

Gender pay gap including equity partners*

Combined hourly pay gap
(Including equity partners and employees)

Mean
31.64%

▼ **Decreased by 1.40**
percentage points
since 2025 (33.04%)

Median
7.71%

▼ **Decreased by 0.70**
percentage points
since 2025 (8.41%)

Hourly pay gap
(Equity partners only)

Mean
12.99%

▼ **Decreased by 2.86**
percentage points
since 2025 (15.85%)

Median
14.29%

▼ **Decreased by 0.55**
percentage points
since 2025 (14.84%)

Our mean gender pay gap increases significantly when we include equity partners in our overall calculations, reflecting that we have more male than female equity partners.

Encouragingly, both the mean and median combined gender pay gaps have decreased compared to last year, demonstrating improved representation within the partnership this year.

Looking at equity partners alone, both mean and median pay gaps have also reduced, while female partner representation has increased over time, so the overall trend is positive.

We recognise that future progress may not follow a straight line. Increasing the number of women entering partnership can temporarily increase pay gaps where those individuals join at earlier stages of the partner earnings curve.

For this reason, we assess progress using both pay gap data and representation data rather than focusing on a single metric alone.



* In line with pay gap regulation, UK employees only

Combined ethnicity pay gap

Ethnicity pay gap including equity partners*

Combined hourly pay gap
(Including equity partners and employees)

Mean
36.53%

▼ Decreased by 2.91
percentage points
since 2025 (39.44%)

Median
6.76%

▼ Decreased by 1.05
percentage points
since 2025 (7.81%)

Hourly pay gap
(Equity partners only)

Mean
7.08%

▲ Increased by 3.39
percentage points
since 2025 (3.69%)

Median
-2.06%

▼ Decreased by 0.35
percentage points
since 2025 (-2.41%)

Our mean ethnicity pay gap increases significantly when we include our equity partners, however we are encouraged that the mean and median pay gaps have both decreased this year.

Looking at equity partners alone, in terms of the hourly pay gap, the mean has increased and the median has decreased. A significant contributor to this is that we have more ethnic minority equity partners this year than we did last year. New equity partners, whether through promotion or lateral hire, tend to join towards the bottom of the partner equity curve. This increases the pay gap in the short term despite being a step in the right direction towards closing the gap in the longer term.



We are pleased that ethnic minority representation among partners has increased over the reporting year and that we have exceeded our 2026 ambition of 10% ethnic minority partners (10.8% end of FY26). We remain committed to continuously improving this representation.

We continue to monitor and balance the challenge of recruiting for a more diverse partnership and the impact of this on the pay gap.



* In line with pay gap regulation, UK employees only

Combined socioeconomic pay gap

Socioeconomic pay gap including equity partners*

Combined hourly pay gap
(Including equity partners and employees)

Mean
-12.03%

Median
1.84%

Hourly pay gap
(Equity partners only)

Mean
-1.60%

Median
5.37%

When we look across all colleagues and equity partners, the mean combined socioeconomic pay gap is negative, indicating that average remuneration is higher for colleagues from a low socioeconomic background than for colleagues from high and intermediate socioeconomic backgrounds combined. This outcome is likely to be influenced by the number of higher earners from low socioeconomic backgrounds within the partnership. At the same time, the median pay gap is much smaller, suggesting that pay at the midpoint of the two groups is broadly aligned.

Looking at equity partners alone, the mean pay gap is close to neutral, suggesting little overall difference in average partner remuneration between those from low socioeconomic backgrounds and those from high and intermediate socioeconomic backgrounds combined.



The higher median pay gap may reflect differences in seniority, length of time in partnership and progression within the partner population, as partner earnings typically increase over time.

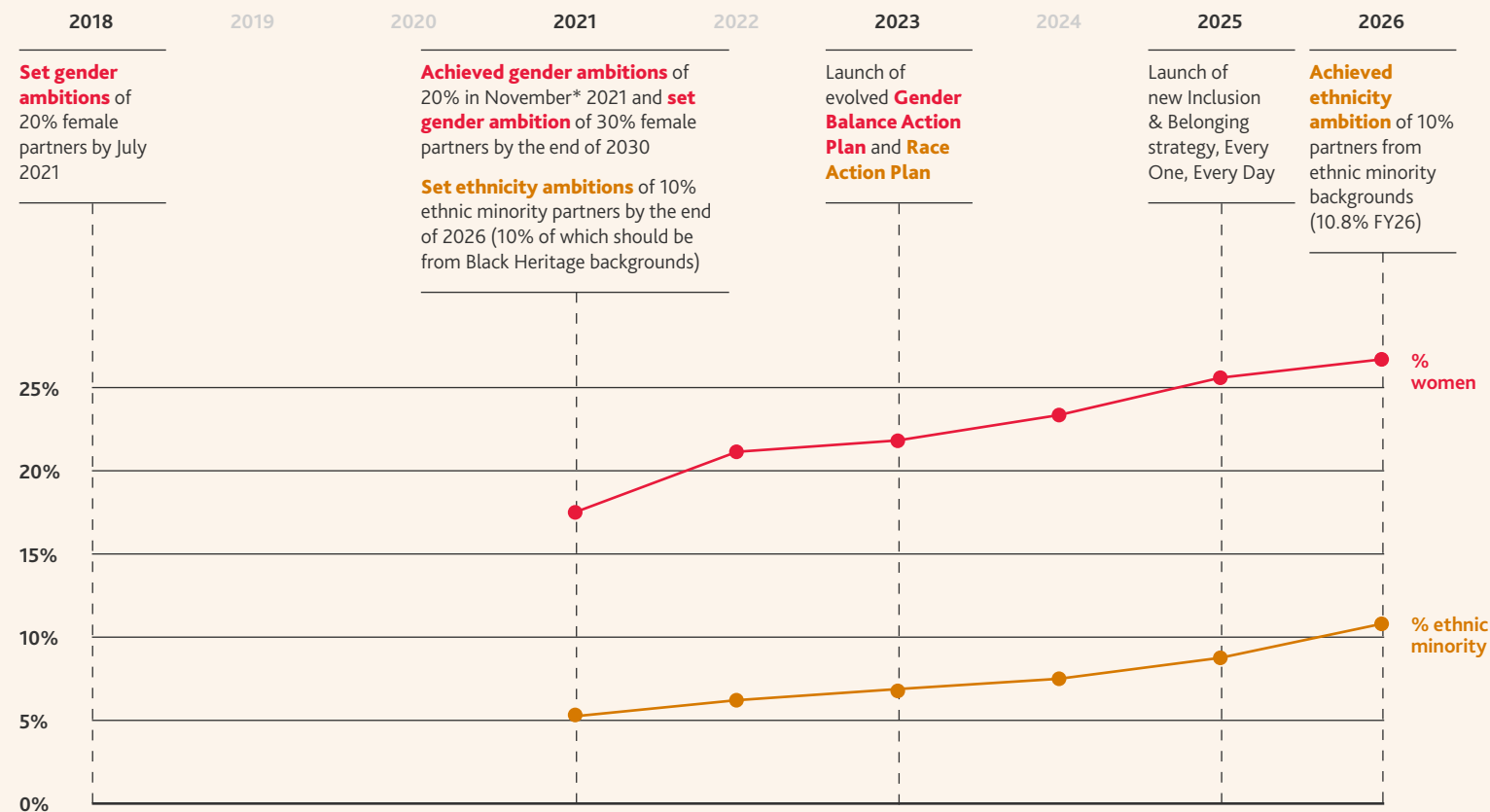
As with all pay gap analysis, representation is an important factor in understanding the overall picture; it is important to consider not only pay outcomes, but also who reaches partnership and how individuals progress once they are there. For this reason, we do not view a negative pay gap as evidence that socioeconomic background has no influence on career outcomes. We assess progress through a combination of pay gap and representation data, recognising that progression, seniority and access to opportunities across the firm all play an important role in shaping long-term outcomes.



Closing our pay gaps

Gender and ethnicity: The last five years

Partnership representation over time



Since launching our original gender and ethnicity ambitions, representation within the partnership has improved as we anticipated.

Progress has not been linear and data shows that continued focus is required particularly on the progression of underrepresented groups into senior leadership roles.

Ambitions and representation

- ▶ **30% female partners** by the end of 2030
- ▶ **10% ethnic minority partners** (of which 10% to be Black Heritage) by the end of 2026

As part of the new Inclusion and Belonging strategy, 'Every One, Every Day', we are refreshing our gender and ethnicity ambitions from 2027.



* Unfortunately the COVID-19 pandemic impacted us being able to achieve this by July. We made the decision to pause partner promotions and new lateral partner hires on a temporary basis in 2020, meaning we effectively 'lost a year' of our partner pipeline

Closing the gaps

Progress and actions we're taking to close our pay gaps

We remain committed to addressing the factors that contribute to our gender, ethnicity and socioeconomic pay gaps and recognise that sustained progress requires long-term action.

Over the coming year, we will refresh our gender and ethnicity ambitions, extending our focus beyond partner representation to include directors and senior managers, while continuing to strengthen mentoring, sponsorship and development opportunities for underrepresented groups.

We will continue to invest in creating an inclusive environment through practical support, including our Workplace Adjustments Hub, neurodiversity and accessibility resources, menopause support and our 12 colleague networks, helping to foster belonging and support colleagues to succeed.

We will deepen our use of data and colleague insight, improve transparency and continue embedding inclusive leadership and accountability across BDO UK.



We will also maintain our commitments under the Women in Finance Charter, Race at Work Charter and UN Women's Empowerment Principles, while recognising colleagues who make a positive impact through our awards programmes.

To support greater socioeconomic diversity, we will build on our progress in the Social Mobility Foundation Employer Index, expand internship and mentoring opportunities through our partnership with the Social Mobility Foundation, and continue to grow our Explore BDO Insight Programme across more locations.

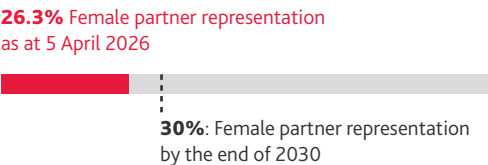
Together, these actions support our ambition to build a more diverse, equitable and inclusive organisation where everyone has the opportunity to succeed.

Progress against our ambitions

Gender

Workforce composition*

	2026	2025
Female	46.23%	46.61%
Male	53.77%	53.39%



Ethnicity

Workforce composition*

	2026	2025
Ethnic minority	35.87%	36.44%
White	64.13%	63.56%

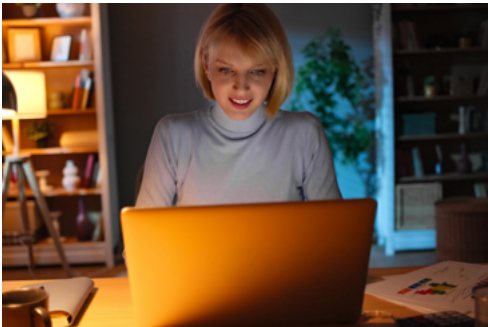


Socioeconomic background

Workforce composition*

	2026
Low socioeconomic background	19.47%
High and intermediate socioeconomic background	80.53%

* of the employees included in the pay gap report calculations



A note on pay gap reporting

Gender pay gap reporting

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 5 April 2026 for all BDO Services Ltd employees and 3 July 2026 for all combined pay gaps, including equity partners.

Combined pay gaps are calculated at the end of the financial year, when profit share is agreed.



Although not a statutory requirement, we also report on our ethnicity and socioeconomic pay gaps. The Regulations require that firms report on employees (employees including salaried partners). We think it is important to understand the picture across the whole firm. That is why we are also reporting our gender, ethnicity and socioeconomic pay gaps for our equity partners and for our equity partners and employees combined.

We have updated our data and calculated the earnings gap for both our equity partner population and a combined figure for the whole firm to include equity partners, 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 the 'pay gap'. Equal pay is the legal right for employees performing 'like work, work rated as equivalent, or work of equal value' to receive the same pay. Pay gap reporting, by contrast, measures the difference in average pay and bonuses received by groups of individuals with specific characteristics across a workforce, regardless of role, responsibilities, or seniority. BDO UK is an equal pay employer.

All calculations are rounded to two decimal places and differences are calculated from these numbers. The combined pay gap numbers for 2025 were rounded differently, explaining the minor discrepancies in the 2025 numbers.

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