



BT Group plc

# Gender Pay Gap Report 2020

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# Foreword



At BT, we're not only committed to removing any gender pay gap, but we're proactively accelerating the pace on how we achieve this.

Across our business, our Diversity and Inclusion Team are partnering with workstream leads to ensure that our gender equality inclusion interventions are evidence based and are implemented in ways which have the broadest reach and widest impact.

This is our fourth Gender Pay Gap Report and I'm pleased that our 5% median pay gap is significantly lower than the telecommunications industry (11.6%) and the UK (15.5%)\* averages. However, it's still a gap that we need to close and so we are continuing to double our efforts to see this reduce over the next few years.

We know we have some work to do and recognise that this isn't going to be without challenge. In an organisation of our size, any changes in our workforce demographic might not reflect in the pay gap figures in the short term, but over the course of several years.

In this Gender Pay Gap Report we've highlighted some of the excellent initiatives that are taking place across our business to drive gender equality and you'll be able to read more about our broader inclusion activity when we publish our inaugural Diversity and Inclusion Report in May 2021.

## Statutory declaration

I confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Signed by

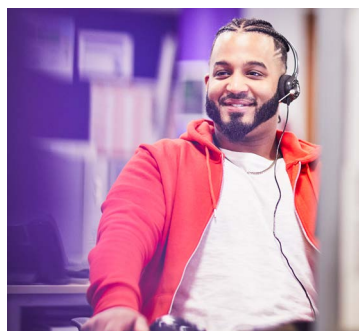
A handwritten signature in black ink, appearing to read 'Alison Wilcox'.

**Alison Wilcox**  
Group HR Director

\* ONS provisional figures for 2020 indicate 11.6% median pay gap for the telecommunications industry and 15.5% median pay gap at UK national level.

# About us

We're one of the world's leading communications services companies, serving customers in the UK and 180 countries worldwide. Our main activities are the provision of fixed-line services, broadband, mobile, TV and network services. We sell communications and IT services to around 1.2 million businesses and public sector organisations in the UK and Republic of Ireland and provide network products and services to more than 1,400 communication providers (CPs) operating in the UK.



## About this data

**1. 2020 Data scoping:** Our report combines data from our legal entities across the UK that have 250 or more colleagues. This includes 82,872\* colleagues across four entities: BT Plc, EE, Openreach and Plusnet, of which 24% are women. The four legal entities' gender pay gap figures are reported in the disclosures section of the report.

Like many companies in the technology industry, BT has fewer women than men at all levels of the organisation. This is a common trend in this sector which attracts a higher proportion of men, notably in specialist and engineering roles.

**2. Changes in 2019:** Openreach separated from BT Plc. As a result, only the bonuses paid to Openreach colleagues from the date of separation could be included in last year's gender pay gap report. This represented only one half of the year and excludes the corporate bonus paid in June and accordingly had a significant impact on the Group level 2019 bonus gaps figures as well as Openreach bonus gaps figures. This means that we cannot make a direct comparison between our 2019 and 2020 full year bonus gap figures.

## Broadening gender equality

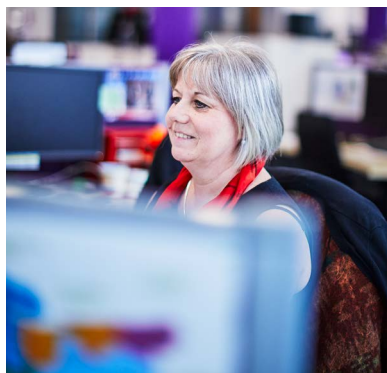
We know that we must broaden the scope for gender equality – removing binary definitions, ensuring that all genders are represented in our workforce, breaking down gender stereotypes in order to create workplace environments where all our colleagues can thrive. Our Gender Equality Network (GEN), one of our ten People Networks, partners across the business to support our gender equality interventions, helping us to connect with colleagues and providing engagement opportunities that help us better understand the issues that our colleagues face.

You can read more about GEN's collaboration with the business on the next page.

\*The BT Group combined data includes five executives contracted to BT Group plc.



## About us/continued



## Broadening the scope of gender equality – partnering with our Gender Equality Network

**The issue** – Gender equality is all too often thought of as an issue affecting only women. The Gender Equality People Network, supported by the business, used International Men’s Day to highlight that gender equality affects all genders and to start a discussion about flexible working and caring responsibilities for men, men’s health and breaking cultural stereotypes of masculinity.

**What we did** – In supporting the business to achieve a balanced workforce that reflects all aspects of the diverse societies in which we operate, we held a Group wide, open to all online event that explored the question “What Does It Mean To Be A Man In 2020?”. This event encouraged the exploration of gender as a social construct, the negative impacts of gender stereotypes and the importance of gender equality allies.

The panel included speakers from The Good Lad Initiative and Music Football Fatherhood as well as representatives from BT’s Pride, Armed Forces, Carers and Ethnic Diversity People Networks.

### **The impact**

- Over 400 colleagues joined the event, resulting in thought provoking, unique insights into the experiences of men in the workplace.
- Myth busting conversations encouraged participants to discuss subjects that were often felt ‘taboo’.
- Greater openness and awareness about men’s health and access to support.
- Commitment from the business to run this event on an annual basis.

## About us/continued

### Gender in focus – how we're closing our gap

## TechWomen



**Our TechWomen programme** continues to help women in key commercial, operational and technical roles develop their careers – from those starting out to those further along the career path. Last year, 95% of those completing the course said they felt confident driving their career.

After listening to feedback from women on the programme, we realised that people need different types of support at various stages of their career. So, we split the course into two streams; one for those who are just starting their careers, and another for those who are further along the career path. By the end of March 2020 almost **1,700 women had completed** or were progressing towards completion of the programme.

## Tech Talent Charter

We continue to be signatories of the Tech Talent Charter and are **committed to increasing inclusion** and diversity within our tech workforce by collaborating with other signatories to share and learn from best practice examples.



## Skills for Tomorrow

By 2026 we'll **empower ten million people** by helping them gain the skills they need to flourish in the digital world, inspiring confidence, enhancing understanding, unlocking potential and reducing inequality.

We're partnering with some of the UK's leading digital skills organisations to offer everyone **free access to the resources** that work for them. Our Skills for Tomorrow online portal covers everything from getting started and staying safe online, to digital skills for working lives. We're helping to equip children for a digital world so that they can reach their potential through the Barefoot Computing programme.

As **families, businesses and communities** across UK feel the devastating impacts of coronavirus, we've been creating new resources to help with home schooling, offering guidance and training for jobseekers and the vulnerable, and providing vital support so that young people and job seekers can thrive in a digital world and step up to future jobs.

# 10m

People reached by March 2026

## About us/continued

# STEM returners



We continue our focus on **Science, Technology, Engineering and Maths (STEM)** returners, as we have since 2016 when we began piloting a 13-week placement for people who had previously worked in STEM careers and wanted to get back into the sector. The programme helps build confidence and refresh skills. Since we started piloting the scheme, we've helped many women get back into our sector and we're increasing the number of placements we offer.

## Programmes for graduates

We're in the final year of a five-year partnership with Step into STEM. As part of this, **we joined forces with Girls Talk London**, which offers career development advice and mentoring to young women. Every year since the partnership began we've worked with **ten female sixth form students** who are interested in a career in STEM. A one-to-one mentor from BT supports a student as they apply to university. During the five years we've been supporting this initiative we've mentored **50 young women** who have gone on to apply for degrees in STEM subjects.

We're in our fourth year of working with the Institution of Engineering and Technology's (IET) Diamond Jubilee Scholarship Programme, which gives financial and practical support to 75 of the UK's brightest engineering and technology students. The programme encourages female participation by guaranteeing at least half of the places to female students.



**Pauline Narvas**  
*Digital Engineering Graduate  
and Code First Girls mentor*

## International Women's Day

Using **International Women's Day (IWD)** as an opportunity to focus our attention on intersectionality, we held a panellist discussion titled, 'It's more than gender; how our other identities shape our experiences'.

The event included prominent speakers, including **Fara Williams** — Footballer on the England National Team, **Helen Scott** — BBC Essex Presenter, **Moirá Thompson-Oliver** — BT Human and Digital Rights lead, **Pauline Narvas** — Digital Engineering Graduate and Code First Girls mentor, and **Jennifer Opal** — BT Engineering Graduate and nominee for the Rising Star Award at the Black Tech Achievement Awards 2020.

The event was chaired by **Jackie Beer**, BT's Group Diversity and Inclusion Director. A suite of educational resources, made available to all colleagues, was produced as part of IWD.

# Our 2020 pay gap figures

To us, the reporting of our gender pay gap is more than a legal requirement. Sharing our data allows us to track our progress in an open and transparent manner. We're able to learn from other companies (as they will from us) the additional steps we can take to help us close our pay gap between men and women.

As per the regulations, the pay gaps and quartiles figures are based on the pay data on the snapshot date of 5 April 2020. The bonus gaps and participation figures are based on bonuses paid over the 12 months prior to the snapshot date.\*

As a reminder, the gender pay gap is not the same as equal pay.

\*The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

## The language we use in this report

### Mean

The mean is what is commonly described as the average. It involves adding together the pay or bonuses of employees and then dividing by the number of employees.

### Median

The median is the middle value of all hourly rates when ranked. That is the amount paid to the employee in the middle of the list, if employees are listed in order of pay or bonus.

The advantage of looking at the median is that it's less affected by numbers at the top end of the pay range, such as the earnings of a small number of senior executives.

The gender pay gap is calculated as the difference between average (*mean or median*) hourly earnings excluding overtime of men and women as a proportion of men's average hourly earnings.

## Why report both mean and median?

We're using both figures because they give us slightly different insights into the distribution of our pay and bonus data, and regulations require us to report on both.



# Our 2020 pay gap

## Pay figures

**Our pay gaps and quartiles figures** are very similar to previous years. This is not surprising given the size of our UK colleague base, where interventions could take more than one year to impact our statistics. The low figures are reassuring but we are not complacent.

**Our median pay gap** has marginally increased from **4.8% to 5%** compared with the previous year but is stable when compared with our position in 2018. The mean pay gap has also marginally increased from **4.7% to 4.9%** but shows a decrease when compared to our position in 2018.

### Key

- Median
- Mean

### Gender Pay Gap Overall Median

2020

5.0%

2019: 4.8%  
2018: 5.0%

### Gender Pay Gap Overall Mean

2020

4.9%

2019: 4.7%  
2018: 5.9%

## Quartiles

The pay quartiles figures show the proportion of men and women in each pay quartile.

To work out the number of males and females in each 'quartile', the total number of employees are ranked by hourly pay rate. Then the list is divided into four 'quartiles', with an equal number of employees in each (i.e. 25% of the total population). We then calculate the proportion of male and female employees in each quartile pay band.

This information is helpful as it gives a picture of the distribution of male and female employees at each level within the organisation.

As in the previous year, there's a lower proportion of women in the lower middle quartile, which reflects the low representation of women in technical and engineering roles; roles that are mostly occupied by men. There's also a higher proportion of women in the lower quartile, which reflects their higher representation in administrative and contact centre roles.

## Proportion in each pay quartile

	Upper	%
	Men	Women
2020	77.2	22.8
2019	77.8	22.2
2018	77.3	22.7

	Upper middle	%
	Men	Women
2020	78.6	21.4
2019	78.1	21.9
2018	76.9	23.1

	Lower middle	%
	Men	Women
2020	84.6	15.4
2019	83.5	16.5
2018	84.0	16.0

	Lower	%
	Men	Women
2020	64.6	35.4
2019	66.2	33.8
2018	64.7	35.3

## Our 2020 pay gap/continued

### Bonus figures

#### Key

- Median
- Mean

The bonus gap calculation involves identifying the total bonus paid to each employee in the 12 months before the snapshot date.

**The definition** of bonus includes shares and share options as well as cash bonuses and commissions and other performance, incentive, and recognition awards paid over 12 months.

**Our bonus gaps** show a higher variation year on year with a higher median gap at **12%** (+33.5) and a lower mean gap at **3.4%** (-5.5). The variation this year is mostly due to the anomaly in 2019's reporting where

only half a year of bonuses in Openreach were included, from the legal entity transfer date of October through March. This has also impacted the proportion of men and women receiving a bonus.

**For reference**, the median 2019 bonus gap including all Openreach bonuses was 11.2%, so on a like-for-like basis, this figure has increased by just 0.8%.

**To isolate the impact of part-time workers** on bonus payments and gaps, we have also simulated the bonus gaps based on full-time adjusted bonuses. The median and mean gaps are smaller and respectively 3% and -0.77%. More of our women work part time which impacts these figures. Part-time and flexible working are key initiatives at BT and we aim to foster inclusion by helping all of our colleagues to define a work-life balance which suits them and their individual life circumstances.

**The proportion of both men and women receiving a bonus** has increased this year for two reasons. Firstly, it includes the full year bonus awards for Openreach, and secondly there is an increase in the use of vouchers as recognition awards. Overall, a higher proportion of women receive a bonus, as in previous years.

### Proportion receiving a bonus

2020	Men	75.6%
	Women	78.7%



#### Gender Bonus Gap Overall Median

# 12.0%

2019: -21.5%  
2018: -7.9%

#### Gender Bonus Gap Overall Mean

# 3.4%

2019: 8.9%  
2018: 5.9%

## Our 2020 pay gap/continued

## British Telecommunications plc

38,189 colleagues

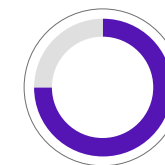
Pay gap	Median	Mean
	2020	2020
	11.7%	11.5%
	2019: 12.1% 2018: -4.2%	2019: 11.5% 2018: -2.2%
Bonus gap	Median	Mean
	2020	2020
	27.3%	25.6%
	2019: 27.0% 2018: -30.7%	2019: 27.1% 2018: -4.8%

Pay  
quartiles

● Men  
● Women

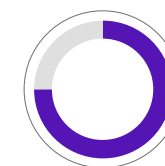
## Upper

Men  
**75.0%**  
Women  
**25.0%**



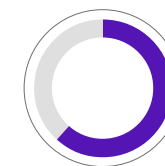
## Upper middle

Men  
**75.2%**  
Women  
**24.8%**



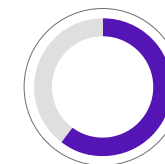
## Lower middle

Men  
**61.7%**  
Women  
**38.3%**



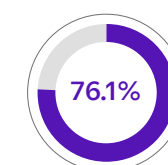
## Lower

Men  
**60.5%**  
Women  
**39.5%**

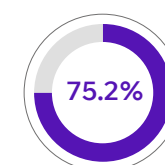
Proportion  
receiving  
a bonus

2020

Men



Women



## Our 2020 pay gap/continued

## EE Limited

9,813 colleagues

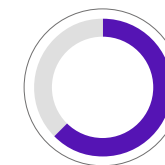
Pay gap	Median	Mean
	2020	2020
	3.4%	7.0%
	2019: 5.8% 2018: 5.6%	2019: 8.2% 2018: 9.2%
Bonus gap	Median	Mean
	2020	2020
	32.6%	32.5%
	2019: 30.7% 2018: 32.5%	2019: 32.1% 2018: 31.5%

Pay  
quartiles

● Men  
● Women

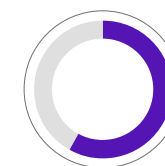
## Upper

Men  
**62.5%**  
Women  
**37.5%**



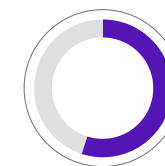
## Upper middle

Men  
**58.1%**  
Women  
**41.9%**



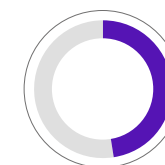
## Lower middle

Men  
**55.1%**  
Women  
**44.9%**



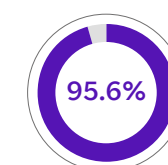
## Lower

Men  
**47.7%**  
Women  
**52.3%**

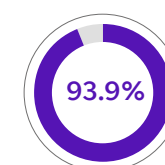
Proportion  
receiving  
a bonus

2020

Men



Women





## Our 2020 pay gap/continued

## Openreach Limited

33,988 colleagues

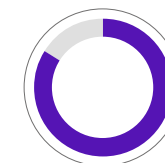
Pay gap	Median	Mean
	2020	2020
	<b>-20.2%</b>	<b>-14.2%</b>
	2019: -21.3% 2018: n/a	2019: -16.5% 2018: n/a
Bonus gap	Median	Mean
	2020	2020
	<b>12.7%</b>	<b>-62.0%</b>
	2019: 90.0% 2018: n/a	2019: 42.8% 2018: n/a

Pay  
quartiles

● Men  
● Women

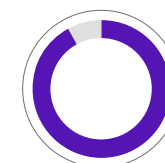
## Upper

Men  
**83.9%**  
Women  
**16.1%**



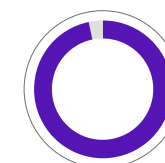
## Upper middle

Men  
**92.0%**  
Women  
**8.0%**



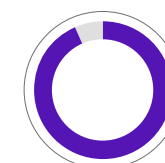
## Lower middle

Men  
**96.5%**  
Women  
**3.5%**



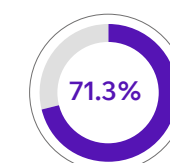
## Lower

Men  
**93.4%**  
Women  
**6.6%**

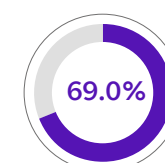
Proportion  
receiving  
a bonus

2020

Men



Women



## Our 2020 pay gap/continued

## Plusnet plc

877 colleagues

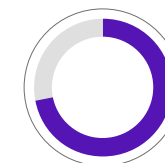
Pay gap	Median	Mean
	2020	2020
	0.2%	1.2%
	2019: -4.7% 2018: -6.3%	2019: -1.7% 2018: -1.5%
Bonus gap	Median	Mean
	2020	2020
	-32.6%	17.2%
	2019: 7.8% 2018: 12.3%	2019: 12.3% 2018: 19.4%

## Pay quartiles

● Men  
● Women

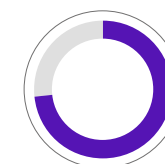
## Upper

Men  
**72.1%**  
Women  
**27.9%**



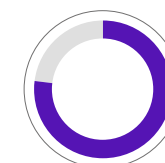
## Upper middle

Men  
**73.5%**  
Women  
**26.5%**



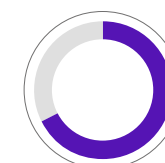
## Lower middle

Men  
**77.2%**  
Women  
**22.8%**



## Lower

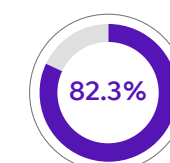
Men  
**67.7%**  
Women  
**32.3%**



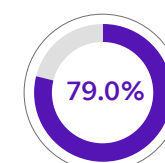
## Proportion receiving a bonus

2020

Men



Women



# Understanding our gap

Although low, our gender pay gap exists. Like many organisations in our sector, we have a low representation of women across all levels of our organisation, but particularly in technical specialist roles where they are significantly under-represented. This reflects a societal issue in the technology sector which attracts fewer women from the start of their career. Women are also less represented in senior leadership positions, which typically pay more. These are factors that contribute to our pay gap.

**With a 5% median pay gap, our pay gap is significantly lower than the telecommunications industry (11.6%) and the UK (15.5%)\* averages.** Whilst we're pleased to have such a low gender pay gap, we also know that this means we have to double our efforts to see this reduce over the next few years.

This isn't going to be without challenge and may mean that any changes to the diversity of our workforce might not reflect in the pay gap figures in the short term, but over the course of several years.

\*2020 ONS provisional figures



## Understanding our gap/continued

### We're all different



We know that no one person is defined solely by one characteristic. That's why we undertook our People Data Campaign, to better understand the demographics of our workforce. During 2021, we'll continue to use this improved suite of data to conduct an evidence-based analysis of experiences across the colleague lifecycle.

This means we'll also be able to look at intersectionality between gender and other protected characteristics; age, sexual orientation, marital status, disability, religion, ethnicity, and pregnancy, for example. Our aim is simple: we want to make sure our plans are designed for the different experiences women have, because our identities are about more than gender.

Our people must reflect the diversity of our customers. And we know that the variety of experience, culture, and background that people from different walks of life bring with them make us a more creative and innovative company. That's why we'll look to replicate our People Data campaign in our global locations.

### What's next?



Coronavirus has changed the workplace landscape. We know that with the introduction of remote working, many colleagues have delicately balanced their personal and work commitments.

We're aware that for some this has proved an additional challenge, one which we know may have an adverse impact on women. We'll continue our research-driven approach as we know it's crucial to base everything we do in D&I on evidence, but we'll also ensure that our colleagues' voices are heard and that we understand how we can best support each one.





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