

THE CARBON TRUST

UK gender pay gap reporting 2024

(Snapshot date 4 April 2024, GPG reporting 2024-2025)

Introduction



- Creating an equitable environment, which offers equal opportunities to all 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 in April 2024 was 14.4% (2023: 20.1%). While it is in line with the 2023 UK average of 14.3%, and a 5.7% improvement versus the previous year, we do not consider it acceptable and continue our work to reduce it.
- In 2023-2024 we launched our new DE&I vision and strategy, based on our 2022-2023 audit work, which involved employee feedback and contribution. We are now implementing the action plan focused on key areas for change that will strengthen our approach to diversity, equity and inclusion.



*Gender pay gap snapshot date: 4 April 2024, GPG reporting year 2024-2025

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.

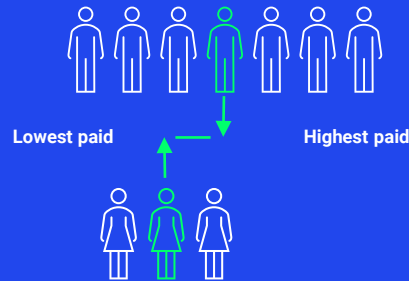
Equal pay:

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:

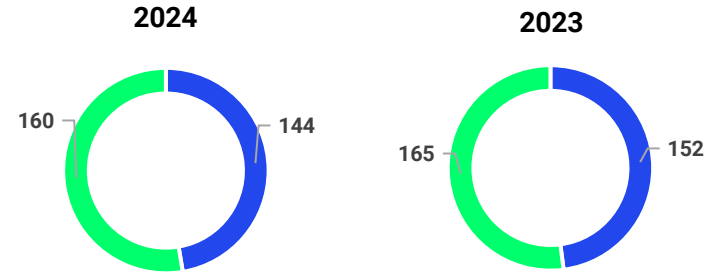
The difference in the average hourly rate for men vs women. This applies to fully paid staff.



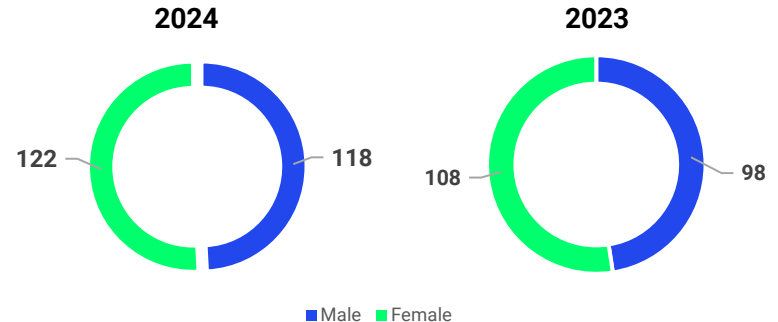
UK employee population reporting

- This year, 2024, is the Carbon Trust's third year of formally reporting its UK gender pay gap.
- A total of 304 employees are included in the gender pay gap report, comprising 160 women and 144 men.
- During the year we saw an increase in the proportion of women at all levels, except the upper middle quartile which remained the same. This is driven both by women joining the organisation and women progressing within the Carbon Trust.
- A total of 240 (2023: 206) employees are included in the bonus pay gap reporting, of which 122 (2023: 108) are women and 118 (2023: 98) are men.
- The bonus population is larger in 2024 due to lower people growth, and a higher proportion of colleagues being eligible for the scheme due to length of service.

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 2024

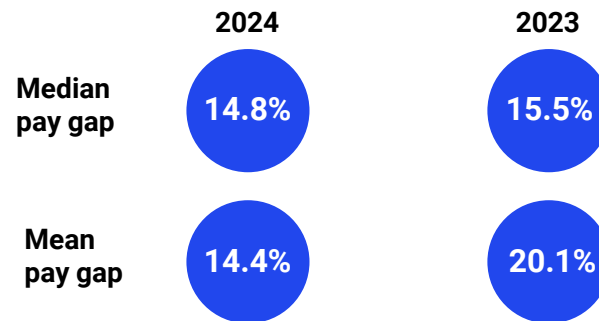


Both our median and mean pay gaps reduced this year. The mean pay gap fell to 14.4% (2023: 20.1%) and the median to 14.8% (2023: 15.5%). This is primarily due to a slight increase in the proportion of women across the top three quartiles, as well as changes in the senior team including a senior vacancy (formerly held by a man) during the reporting period, and promotions for two senior women. The median pay gap has reduced slightly during the year, largely driven by the small shift to more women in the upper quartiles.

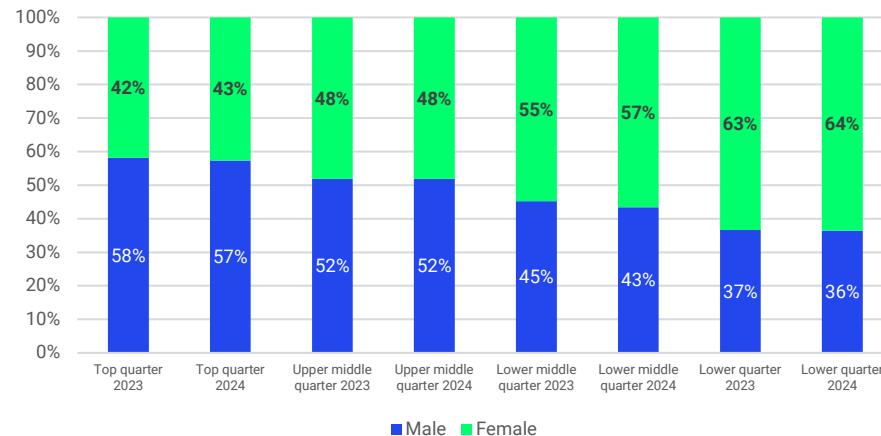
We are actively working to reduce this gap by:

- Monitoring progress against our target for women to make up 40-60% of our leadership and management positions. By April 2024, women comprised 47% (2023: 50%) of our management and 38% (2023: 31%) of our leadership teams, meaning we are close to target in both areas.
- Implementing the findings of last year's DE&I audit with the development of the DE&I strategy and vision, alongside the rollout of training to refresh our leaders' and managers' understanding of DE&I.
- Supporting inclusive recruitment – ensuring job descriptions are gender neutral, using mixed panels for hiring, and setting defined competencies and assessment tasks during the interview process. We are piloting pay transparency in some roles to understand the impact on diversity.
- Embedding our flexible working and family-friendly approaches into our everyday to support colleagues balancing work and home commitments. This aims to help with retention and career progression for staff with caring responsibilities.
- Enhancing training across the organisation, starting with our leadership team, to raise awareness and understanding of DE&I, and to give colleagues the practical tools to take action in their day to day.

Pay gap Employees fully paid



The Carbon Trust UK pay quartiles by gender



Bonus gaps 2024



In 2024, 79% (2023: 64%) of men and 73% (2023: 64%) of women received a bonus. All colleagues, except interns, are eligible for a bonus. However, as the bonus reported here is for the previous financial year (2022-2023), there is a delay between individuals joining Carbon Trust and being paid a bonus. Despite recruiting more women, this is not yet fully reflected in the bonus data.

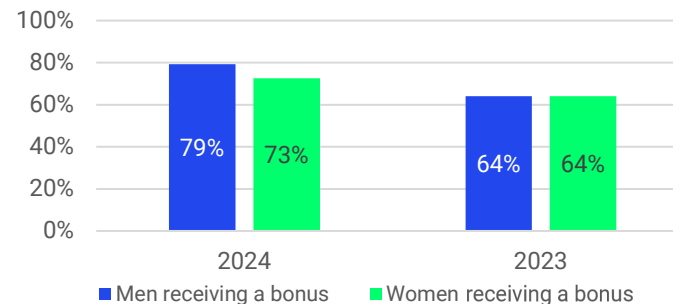
Our 2024 median bonus gap is 20.7% (2023: 16.8%) and our mean bonus gap is 34.2% (2023: 41.2%).

There are a number of reasons for this gap:

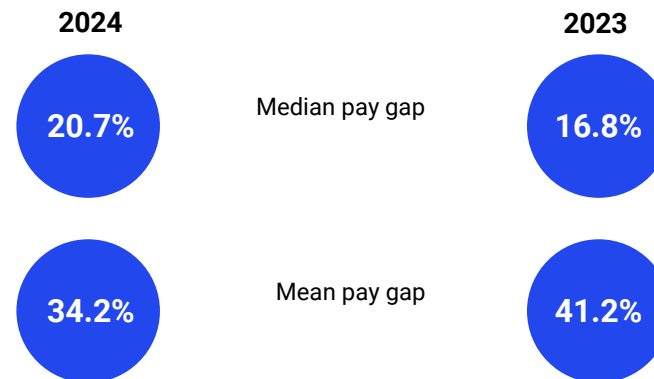
- Higher representation overall reflects more colleagues, who have been in the organisation for longer following a period of strong growth.
- We continue to have a higher representation of male staff in the upper quartile and women in the lower quartile, which impacts our gender bonus gap – both mean and median.
- While the representation of women in the top three quartiles is steady or increasing, our most senior colleagues are men.

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

% employees receiving a bonus



Bonus pay gap – all employees





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

Hilary Hume Smith
Head of People