UK gender pay gap report

2024







Legislative requirements

The purpose of Gender Pay Gap reporting is to achieve greater gender equality across the UK and increase pay transparency.

All UK companies with 250 or more employees on 5 April are required to publish specific gender pay information:

- Mean and median gender pay gap, based on an hourly rate of pay on 5 April 2024
- · Mean and median gender pay bonus gap.
- Proportion of men and women receiving a bonus
- $\boldsymbol{\cdot}$ Proportion of males and females by quartile by pay band.

As Kaplan Pathways consists of several distinct legal bodies, each with fewer than 250 employees in the UK, there is no legal requirement to publish our gender pay gap data. However, we believe it is important to be transparent about our position and actively take measures to close the gap. This report was prepared using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

This is our 4th UK Gender Pay Gap report since we started reporting in 2021. While our journey towards closing the UK Gender Pay Gap requires continued action, we are making gains through the range of initiatives and actions we have taken over the last four years. It is important we continue this work, and I acknowledge there is still work to be done and the data in this report is important to inform our activity.

We are also working on our first UK Ethnicity Pay Gap Report that we intend to share in 2025.

Our Pay Gap Reports are important tools in helping us measure progress, assess our strategies and policies to address any disparities and support the professional advancement of colleagues within the company.

I confirm that the data published in this report is accurate.



QQ how

Linda CowanManaging Director and Chair of EDI Steering Group,
Kaplan International Pathways

Key terms

It's important to be clear that the gender pay gap — i.e. the difference between men and women's average pay — is not the same as equal pay where everyone who does a job of equal value must earn the same pay.

Equal pay

Relates to the law that employees must receive equal pay for equal work, it is illegal to pay two employees who perform the same role at the same level different wages.

Gender pay gap

Relates to the mean and median amount of pay men and women receive within an organisation. The pay gap is not a measurement of different pay for equal work, but a snapshot of the amount that women earn, on average, less than their male counterparts within an organisation at all levels.

Median pay gap

This is the midpoint of the ranges of hourly rates of pay for men and women, calculated by ordering individual rates of pay from lowest to highest and comparing the middle value.

Mean pay gap

This is the difference in average hourly rates of pay that male and female employees receive.

We recognise that by focusing exclusively on employees that identify as men or women, this gender pay gap report is unable to include all of our employees at Kaplan.

Key data

Total no. of employees in the UK: 1232

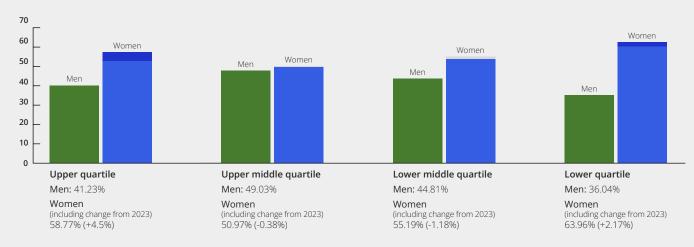


Hourly pay quartiles

Proportion of males and females by pay quartile

This is the percentage of male and female employees in four quartile pay bands. Quartiles are calculated by ranking hourly pay for each employee from highest to lowest. The list is then divided into 4 equal sized groups of men and women.

The chart below shows the proportion of men and women in each pay quartile in Kaplan Pathways, with the proportion of women in the top pay quartiles continuing to increase. The lower quartile still has the largest number of women and is an area for continued review to understand the reasons behind this and appropriate actions.



Gender pay gap

When discussing the gender pay gap, the median figure is usually preferred instead of the mean.

Unlike the mean, which calculates the average salary by adding up all wages and dividing by the number of employees, the median represents the middle salary when all salaries are ranked. This means the median is less affected by a small number of extremely high salaries and provides a more accurate picture of typical earnings. Therefore, it's considered a better measure of the average worker's pay.

Key takeaways

When comparing mean hourly pay, women's average hourly pay in the UK workforce is 2.3% lower than men's, which shows a steady improvement since we started reporting in 2021.

The median hourly pay for women in the UK workforce in Kaplan Pathways is 0.22% lower than men's. This is a slight increase from last year but continues to be lower than the reported median pay gap in 2021 and 2022.

The bonus pay gap continues to be high. This is influenced by there being more men in Senior Leadership Teams, some of whom hold cross-Kaplan International roles, with responsibilities extending beyond Kaplan Pathways.

Understanding the gender pay gap

There is a complex interplay of factors that contributes to our gender pay gap. Some of these factors are within our organizational control, while others reflect broader challenges within our industry and society.

Notably, amongst our UK workforce, there are more women in the upper quartile (58.77% women to 41.23% men) and the upper-mid quartile exhibits a balanced gender distribution (49.03% men to 50.97% women). However, we have significantly more women than men in the lower pay brackets, where the majority of our lower paid, administrative, or service-driven roles reside. This makeup of more women in lower paid roles is what creates our gender pay gap.

We are committed to understanding this gender disparity, pinpoint the root causes and implementing strategies to bridge this gap.

	April 2024	April 2023	April 2022	April 2021
Gender pay gap				
Mean	2.30%	3.86%	5.08%	6.53%
Median	0.22%	0.00%	0.41%	1.23%
Bonus pay gap				
Mean	34.17%	26.14%	16.65%	20.58%
Median	26.27%	11.20%	7.44%	6.26%
% employees receiving bo	onus			
Male	19.69%	20.04%	19.28%	18.04%
Female	22.80%	22.17%	18.66%	18.33%

Actions to close the gender pay gap

Recruitment

Our recruitment strategy has been pivotal in continuing to close the gender pay gap and ensuring equal opportunities for everyone.

- Recruitment Essentials Training: Since 2023 UK hiring managers
 were invited to attend annual training to promote inclusive
 and equitable recruitment. The training raises awareness
 of unconscious bias and highlights the importance of
 neuro-inclusive and gender-neutral language in job descriptions.
 This work will continue as part of our staff development activities.
- We continue to broaden our suite of recruitment training and toolkits for hiring managers and have introduced training on 'providing interview feedback.'
- We have broadened our recruitment channels to attract a more diverse pool of candidates.
- We have participated in the 10K Black Interns programmes since 2022, and in 2023, three interns were offered contract extensions or permanent roles in the organisation.

Our data indicates a need to continue increasing gender diversity in the organisation, especially in lower quartile roles.

To achieve this, we will:

- **Gender-balanced recruitment:** Review and refine our approach to fostering gender diversity in lower quartiles.
- Enhance our inclusive hiring practices: Continuously refine our recruitment processes, ensuring our job advertisements, interview panels, and selection criteria encourage applications from diverse talent pools.

Retention

- We introduced an Equality Impact Assessment Framework to enhance our HR policy review cycle, aligning with our values and goals in continuing to create a fair and inclusive workplace promoting equity, diversity, and inclusion.
- We continue to grow awareness and membership of our Employee Resource Groups and have established an additional two in March 2024: Kaplan Women and Kaplan Ability, enhancing inclusivity and building communities of growth reflected in membership engagement.

While recruitment is key, retaining the talent we have invested in is equally important. Ensuring that those particularly in lower and middle quartiles, have the support they need to thrive and advance in their careers is essential.

To enhance retention, we will:

- Career development support: We will develop a deeper understanding of the make-up of our lower quartile with the aim to establish career development opportunities particularly for women
- Career advancement audits: Regularly audit career advancement metrics, such as promotions, training, and project assignments, across genders to ensure equal opportunities for growth.

Progression

- We have improved our gender balance for our annual Kaplan
 Pathways Professional Development Scholarship Programme with
 Kaplan Open Learning, which reflects the gender representation
 of our workforce encouraging staff to undertake professional
 qualifications aligned to their aspirations and goals.
- From our promotion and secondment opportunities across
 Kaplan Pathways, our gender balance has remained consistent
 over the last two years.

To create a sustainable impact on our gender pay gap, we feel it is crucial to establish a focused approach to career development and talent management.

We plan to:

- Expand leadership development programmes: We expand our investment in leadership programmes specifically designed for women in middle management.
- Personal development plans: Introduce personal development plans for all employees that include specific goals for skills enhancement and career aspirations.

