



Gender pay gap reporting 2024/25

Gender pay gap reporting requirements provide an opportunity for us and our peers to benchmark the progress being made in addressing this important issue.

The associated legislation requires us to publish data for Universities Superannuation Scheme Limited (**USS**) as the trustee company of the Universities Superannuation Scheme (the **scheme**) by virtue of headcount.

The 2024/25 results shown at the bottom of this page are based on a snapshot date of 5 April 2024.

Defining the gender pay gap

GPG is based on pay for all men and all women across the USS workforce and looks at the difference in average (mean) pay of men and women or the difference in the median (the middle number in a sorted list of numbers) pay for each gender, with each difference being expressed as a percentage. So, a mean gender pay gap that shows a figure of 10% indicates that for every £1 men earn, women earn £0.90. It is different from equal pay, which is about paying the same pay to two people or groups carrying out the same or equivalent roles. Equal Pay is a legal requirement in the UK.

GPG seeks to address representation and progression in the workplace and includes six different metrics showing differences between the average earnings of men and women. These are standard metrics that we are legally required to report on annually for USS and now USSIM separately.

GPG is one set of data that helps inform our Equity, Diversity and Inclusion (EDI) strategy. We also have company-wide targets for both gender and ethnicity and we provide overall demographics data to our Executive teams and Boards on a six-monthly basis. This helps us see the overall picture.

USS results

USS's mean gender pay gap has reduced from 31.1% last year to **22.1%** this year, whilst the median gender pay gap figure has reduced from 29.8% last year to **27.1%** this year.

In terms of bonuses paid, the mean and median bonus gaps have also reduced from 58.1% and 48.3% respectively last year to **44.9%** and **34.4%** this year.



Female employee representation in the upper pay quartile has improved from 34% last year to 38% this year; and remained at 40% for the upper middle pay quartile. Gender splits have remained at the same level (51% male and 49% female) as last year.

Finally, the proportion of male employees receiving a bonus has increased to **92%** this year (compared with 85% last year), which is now in line with that of female colleagues (**92%** this year compared with 90% last year).

What does this show us?

For USS, the pay gap is primarily driven by the fact that there is still a greater proportion of men in senior roles compared to women. This also means we have fewer women in roles where the bonus potential is greater.

Due to our size and the level of turnover at a senior level, we can expect a degree of volatility in the data from year to year, which makes it important to focus on the long-term direction of travel. The chart below shows the longer-term reduction in our GPG.

Additionally, the GPG bonus calculations look at what is paid in the year (rather than the amounts awarded during the year). Given the USSIM remuneration schemes and vesting schedules, there is therefore legacy impact in terms of population distribution in pay quartiles – so where we may have made progress hiring senior women, this is not yet reflected in the GPG bonus data.

Looking at the GPG figures on a long-term basis (see chart below), we can see we have made significant improvements. Since April 2018 both mean and median pay gaps have reduced from 37% and 42% to 20% and 24.5%. Mean and median bonus gaps have also reduced from 57% and 79% to 47% and 55%. During this time, we have increased the number of women in our upper pay quartile by 10%.

USSIM results

USSIM's mean gender pay gap fell slightly from 20.7% to **20.2%**, whilst the median gap increased from 21.0% to **24.5%**.

The mean and median bonus gaps have both widened since last year, with the mean gap increasing from 43.2% to **47.2%** this year, and the median gap increasing from 43.6% to **55.0%**.

Female employee representation in the upper pay quartile has improved from 18% last year to **20%** this year; and improved from 20% to **21%** for the upper middle pay quartile.



The overall gender balance for USSIM was 30% female and 70% male, compared to 29% female and 71% male last year.

Finally, the percentage of both females and males receiving a bonus increased since last year, with the female percentage increasing from 89.1% to **96.2%**, and the male percentage increasing from 88.2% to **94.9%**.

What does this show us?

As with USS, USSIM's GPG is primarily driven by the fact that there is still a greater proportion of men in senior roles compared to women. This also means we have fewer women in roles where the bonus potential is greater.

Whilst we are taking action to address this, it will take some time before the results are reflected in our GPG figures. As an illustration, in the year 2023/24, 46% of our hires were female employees, which is a significant improvement from the previous year (23%). However, as most of our hires are for staff in the earlier stages of their careers, 80% of these female joiners are in the lower-middle and lower quartile pay brackets, which ultimately widens the pay gap and bonus gap in the short term.

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Actions we are taking

We are committed to all areas of EDI, and we recognise this will take consistent focus and action to achieve lasting, meaningful change.



Although, given the GPG requirements, this report looks at gender, our EDI strategy is focused across all characteristics including ethnicity and race, disability, social mobility, neurodiversity and LGBTQ+ as part of our mission to be a diverse and inclusive workplace.

We look at how to progress EDI across recruitment, culture and benefits and career development. Some recent examples include:

- Updating our benefits in November 2023: enhancing paid paternity leave to match our paid maternity/adoption leave; introducing paid fertility and carer's leave; and flexible Bank Holidays.
- Partnering with Tommy's Charity to provide support to colleagues and managers on pregnancy at work and introducing back-up care provision through Bright Horizons.
- Removing our medical history exclusion from the private medical scheme.
- Making enhancements to our recruitment processes, which includes:
 - removing candidate current salary and salary expectations from hiring managers to support reducing pay gaps and pay disparities experienced by minority candidates;
 - including a mandatory question about flexible working on our vacancy requisitions to ensure flexible options are considered up front;
 - making our candidate equal opportunities gathering mandatory to gain as much information as possible on our candidate demographics – to help inform actions in this area. We've also introduced questions on social mobility.
- In USSIM, we have taken part in the Diversity Project's Pathway Programme. This bespoke 12-month programme is designed specifically for developing and supporting women as future Portfolio Managers.

At the beginning of this year, we completed our first Ethnicity Pay Analysis and plan to carry out this exercise on a bi-annual basis, with the next report being available in late 2025.



2024/25 USS gender pay gap data

	Mean	Median
Pay gap	22.1%	27.1%
Bonus gap	44.9%	34.4%

Proportion of USS employees awarded a bonus during the snapshot year

Female	Male
92%	92%

USS pay quartiles

Pay quartile	Female	Male
Upper quartile	38%	62%
Upper middle quartile	40%	60%
Lower middle quartile	61%	39%
Lower quartile	64%	36%

2024/25 USSIM gender pay gap data

	Mean	Median
Pay gap	20.2%	24.5%
Bonus gap	47.2%	55%



Proportion of USSIM employees awarded a bonus during the snapshot year

Female	Male
96%	95%

USSIM pay quartiles

Pay quartile	Female	Male
Upper quartile	20%	80%
Upper middle quartile	21%	79%
Lower middle quartile	28%	72%
Lower quartile	52%	48%

The data in this report is accurate and in line with the government reporting regulations.

Carol Young

Group CEO

Universities Superannuation Scheme Limited