

Gender Pay Gap Reporting to the Board:

Why it matters,
and how to get
it right.



Gender pay gap reporting has become an essential feature of corporate governance and sustainability practices, particularly since gender pay gaps across the globe have become more public, and a topic of mainstream media.

Since this movement, many organisations have needed to step up their reporting practices at the request of their Boards and Leadership teams. However, the critical question is, what should the People and Talent team report to the Board to ensure transparency and drive action toward closing the gender pay gaps and creating more equitable and inclusive workplaces?

In this guide, we'll look at why this matters, discuss the key metrics and best practices, and then consider how to turn reporting into meaningful action.

Laying Foundations: The Importance of Transparent Gender Pay Gap Reporting.


We all know it's probably a good idea to report on gender metrics, but why is it important?

✅ **Regulatory Compliance and Risk Mitigation:** In many countries, annual gender pay gap reporting is a legal requirement. For Boards, it's essential to understand that the company is complying with its obligations and requirements, and it's helpful for them to understand - not only once a year - how they are doing on their gender metrics. More regular progress updates are becoming the norm and a formal part of the Board's agenda.

✅ **Driving Accountability:** Reporting the gender pay gap at the Board level ensures that the issue gets the attention it deserves from the highest levels of leadership. Boards are responsible for overseeing corporate strategies and ensuring that the company aligns with its stated values and goals. Regular updates on the gender pay gap hold senior leaders accountable for progress—or lack thereof—and shape meaningful changes throughout the organisation.

✅ **Building a More Equitable Workplace:** Beyond legal compliance, reporting the gender pay gap can highlight broader issues related to diversity and inclusion within a company. Boards that actively monitor gender pay gap reporting can identify systemic biases and barriers that prevent women from advancing to higher-paying roles or being fairly

compensated. Addressing these gaps builds a more inclusive workplace and helps attract top talent.

 **Enhancing Corporate Reputation:** Gender pay gap transparency worldwide is increasingly seen as a hallmark of responsible corporate governance. Stakeholders, including investors, customers, and employees, expect companies to commit to diversity and equity. Companies that regularly report on their gender pay gap and take steps to address disparities are more likely to maintain a positive corporate reputation, which is critical today where social responsibility is a key driver of attracting talent, consumers and investor decisions.

What are the Key Metrics to Include in Gender Pay Gap Reports?

Effective gender pay gap reporting goes beyond simply presenting raw figures. Boards need a comprehensive view of the issue, including an understanding of the factors contributing to the gap and a plan for how to close it. Below are some key metrics and insights you may look to include in reports to the board:

Mean and Median Pay Gaps:

The mean gender pay gap shows the average difference between male and female pay, while the median pay gap measures the difference in the midpoint of the salary ranges. Including both figures on both a base salary and total remuneration basis gives an overview of where the company is tracking. (should I mention like-for-like gender pay gaps?)

Bonus Pay Gaps (and other discretionary payments):

In addition to base salaries, reporting on bonuses and other discretionary additional payments (such as overtime, commission, etc.) is critical. In many organisations, bonuses can make up a significant portion of total compensation, and gender disparities in bonus payments often reveal deeper issues of gender bias in performance evaluations or promotion criteria.

Pay Distribution Across Quartiles:

Breaking down the pay gap by salary quartiles can show how gender representation changes across different pay levels. For example, companies often see a higher concentration of women in the lower quartiles and fewer women in the top quartiles. This insight helps identify where gender imbalances are most pronounced.

Representation in Leadership:

One common contributor to the gender pay gap is the underrepresentation of women in senior, higher-paying roles. Gender pay gap reports should include data on gender distribution across job levels and within leadership positions. Boards can use this data to push for initiatives that increase diversity at the top.

Factors Contributing to the Gap:

Providing context around the pay gap data is critical for boards to understand the root causes of disparities. Are there differences in promotion rates between men and women? Are certain departments or job roles particularly male- or female-dominated? Are hiring practices contributing to pay imbalances?

Benchmarking Against Industry and Competitors:

Reporting should also include external benchmarks, comparing the company's gender pay gap with industry peers. This helps the board assess whether the company is leading or lagging in pay equity and may motivate action if the company falls behind competitors. If you want to check out your competitor's gender pay gaps, head to our Salary Benchmark tool.

Best Practices for Gender Pay Gap Reporting to the Board.

Now that you're all set and ready to report to your Board, let's look at some best practices to ensure you nail it.

Clear, Concise Reporting:

The board needs clear, actionable data that highlights the issue's scale and the steps being taken to address it. Avoid overloading the report with jargon or excessive data. Instead, focus on presenting key metrics and trends in a digestible format.

Provide Context:

Boards need to understand not just the numbers but what they mean. Provide qualitative insights that explain why gaps exist and what might be causing them. For example, if your company has a large bonus gap, is this because men hold the majority of performance-based roles, or is it tied to bias in bonus allocation?

Action-Oriented Recommendations:

Effective reports should include recommended actions for addressing the gender pay gap. This might include promoting women into higher-paying roles, conducting pay equity audits, or revising hiring and

promotion processes to ensure fairness. Boards are more likely to take action if specific steps are outlined and connected to company values.

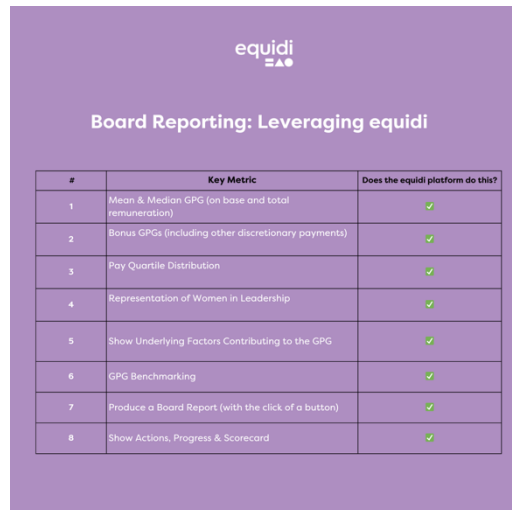
● Follow-up and Accountability:

Gender pay gap reporting should not be a one-off exercise. Boards should receive regular updates on the company's progress in closing the gap. This helps maintain momentum and ensures accountability across the organisation.

● Engage the Board in Strategy:

Boards have the power to set strategic priorities for the company. By engaging them in discussions around pay equity and diversity, the board can help shape company-wide initiatives, ensuring that gender equality becomes a core part of the business strategy.

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The screenshot shows the equidi logo at the top, followed by the title "Board Reporting: Leveraging equidi". Below this is a table with three columns: "#", "Key Metric", and "Does the equidi platform do this?". The table lists eight key metrics, each with a checkmark in the third column, indicating that the platform supports all listed metrics.

#	Key Metric	Does the equidi platform do this?
1	Mean & Median GPG (on base and total remuneration)	✓
2	Bonus GPGs (including other discretionary payments)	✓
3	Pay Quartile Distribution	✓
4	Representation of Women in Leadership	✓
5	Show Underlying Factors Contributing to the GPG	✓
6	GPG Benchmarking	✓
7	Produce a Board Report (with the click of a button)	✓
8	Show Actions, Progress & Scorecard	✓

Time for Change? Moving from Reporting to Action.

While reporting on the gender pay gap is critical, it's only the first step. The goal of reporting to the Board should be to move the conversation from data to action. Boards should push for initiatives that create sustainable change, such as:

● Conducting pay audits:

Regularly auditing pay practices to ensure that men and women are paid equitably is essential to helping you close the pay gap.

● **Embracing Technology:**

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● **Reviewing hiring, promotion and pay practices:**


Ensuring that all your processes are fair, objective, and free from bias.

● **Setting targets for improvement:**

Establishing clear, measurable goals for reducing the gender pay gap over time.

If you want to learn more about how [equidi](#)'s award-winning platform can accelerate your organisation's progress, then [Book a Demo](#) today!

See the change, be the change - Join our movement today!

[The Gender Equity Movement](#)  is a collective of individuals, businesses and advocates committed to creating equity and reducing the gender pay gap. Sign up as a business ally, advocate or sponsor, and support the cause today!

[equidi](#) is a revolutionary tech platform set to level up the ledger on gender. With real-time insights into gender pay gaps, pay equity, and representation across your entire business. Our bespoke recommendations will guide your journey - we'll help you set goals, track progress and lift performance every day.

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