



HERITAGE + HORIZONS

PAY GAP REPORT 2025

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# Foreword

Pay gaps will inevitably take businesses in a wider sense some years to close, but it is nevertheless important for executive boards to close any gaps in their understanding of this issue far sooner.

Analysing our own pay gaps, and the actions we are taking to close the gaps, is a vital way to ensure that we remain accountable for the commitments we make to equality, diversity and inclusion (ED&I).

It is why we publish not just our gender pay gap for employees, but also our combined gender pay gap (employees plus equity partners). It is also why we publish similar information on our ethnicity pay gap.

Since stepping into our respective leadership positions at BDO last year, we have been committed to leading a firm in which everybody feels valued and in which they have a sense of belonging. It is the right thing to do and it is also sound business sense.



This is why we put 'people and culture' at the very heart of our new strategy and 2028 Vision. These rely on us all doing the right thing – for our people, for business and for society. In turn, this allows us to grow in a sustainable and profitable way.

Reviewing our pay gaps, for our part we have seen and discussed that:

- ▶ We have the right trajectory. Our pay gaps continue to close – but of course we still have work to do
- ▶ Pay gaps exist because there is not a sufficiently diverse representation at senior levels. As a result, our efforts need to comprise both short-term actions and longer-term commitments so that we can keep addressing this
- ▶ We have updated our ED&I strategy, focusing on boosting the sense of inclusion and belonging across the organisation. Our new strategy addresses specific barriers to progression as well as our shared responsibility of nurturing an inclusive environment for all. We want to be seeing increasing, not falling, diverse representation across the firm
- ▶ We have rolled out allyship and active bystander training, designed to equip everyone with the right resources and skills to create a more inclusive environment. We have also continued to run mentoring schemes for under-represented groups, held listening

sessions across the firm including with our 12 employee EDI Networks, worked to strengthen our data and insights to inform decision-making, and analysed exit data surveys with specific reference to diversity characteristics

- ▶ Pay gaps can see short-term volatility, even with the right longer-term trends and, although our trajectory is positive, we must not be complacent. The nature of our business and changing workforce means therefore that we will not always see a reduction in our pay gaps, but we remain committed to diverse representation at every level of the firm.

We remain absolutely committed to doing the right thing in all areas including ED&I, and we continue to invest to drive positive change.

*Mark Shaw*

**Mark Shaw**  
Managing Partner

*Anna Draper*

**Anna Draper**  
Leadership Team member:  
People, Culture & Purpose

**Declaration** We confirm that BDO LLP's pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

# Gender pay gap

Employees excluding equity partners

## Hourly pay gap (excluding equity partners)

**Mean 9.89%** | ▼ Decreased by **2.29%** since 2024 (12.18%)

**Median 7.33%** | ▼ Decreased by **2.3%** since 2024 (9.63%)

## Hourly pay quartiles

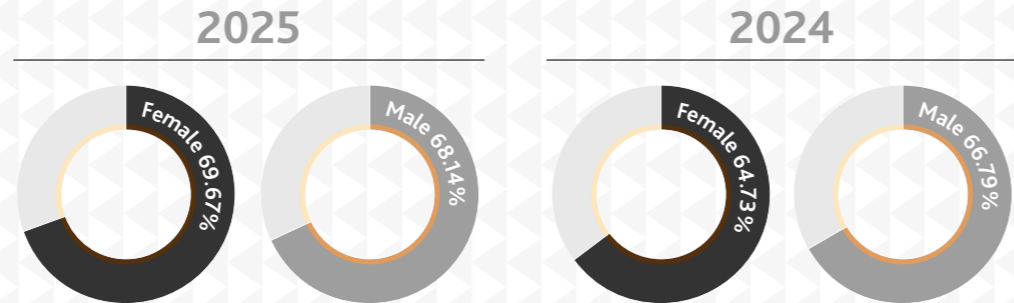
Quartile Band	Female % of employees		Male % of employees	
	2025	2024	2025	2024
Upper	39.18%	39.32%	60.82%	60.68%
Middle Upper	46.12%	47.94%	53.88%	52.06%
Lower Middle	53.98%	53.90%	46.02%	46.10%
Lower	47.17%	49.68%	52.83%	50.32%

## Bonus pay gap (excluding equity partners)

**Mean 32.00%** | ▼ Decreased by **0.66%** since 2024 (32.66%)

**Median 19.44%** | ▼ Decreased by **20.18%** since 2024 (39.62%)

## Percentage of employees receiving a bonus



## Factors influencing our gender pay gap

It is important and positive that the basic pay gap for gender has decreased and that both our mean (9.89%) and median (7.33%) are the lowest that they have been since we started measuring our pay gap in 2016.

Our mean pay gaps have decreased across the majority of management levels, apart from salaried partner where the gap slightly widened to 6.72%. We believe this is explained by the increasing proportion of women joining or being promoted to entry-level partnership salaries. Overall, female salaried partner numbers have increased in the period by 15% on the prior year.

Our pay gaps exist primarily because women are better represented at a junior level than a senior level. Despite increased female representation at partner level, we have seen an overall decrease in female representation across the firm. As part of our ED&I strategy refresh and new gender balance plan, we're committed to understanding the reasons for this and working to increase female representation at all levels.

Our median bonus pay gap has decreased significantly, while the mean has stayed static. The overall proportion of both men and women receiving a bonus has increased this year, with the increase being slightly higher for women.

The bonus gap is still significant, which is partially explained by the fact that, while basic pay gaps are calculated using hourly pay, the bonus pay gap is calculated on the actual bonus amount received. As more women than men work part-time, their actual bonus amount will be lower than those who work full-time and thus, the gap is wider.



# Ethnicity pay gap

Employees excluding equity partners

## Hourly pay gap (excluding equity partners)

**Mean 12.15%**  
 ▼ Decreased by **1.98%** since 2024 (14.13%)

**Median 3.43%**  
 ▲ Increased by **0.67%** since 2024 (2.76%)

## Bonus pay gap (excluding equity partners)

**Mean 33.08%**  
 ▼ Decreased by **3.11%** since 2024 (36.19%)

**Median 42.50%**  
 ▼ Decreased by **22.11%** since 2024 (64.61%)

## Hourly pay quartiles

Quartile Band	Ethnic Minority % of employees		White % of employees	
	2025	2024	2025	2024
Upper	27.12%	29.42%	72.88%	70.58%
Middle Upper	43.02%	48.18%	56.98%	51.82%
Lower Middle	38.98%	40.40%	61.02%	59.60%
Lower	36.62%	39.72%	63.38%	60.28%

## Percentage of employees receiving a bonus



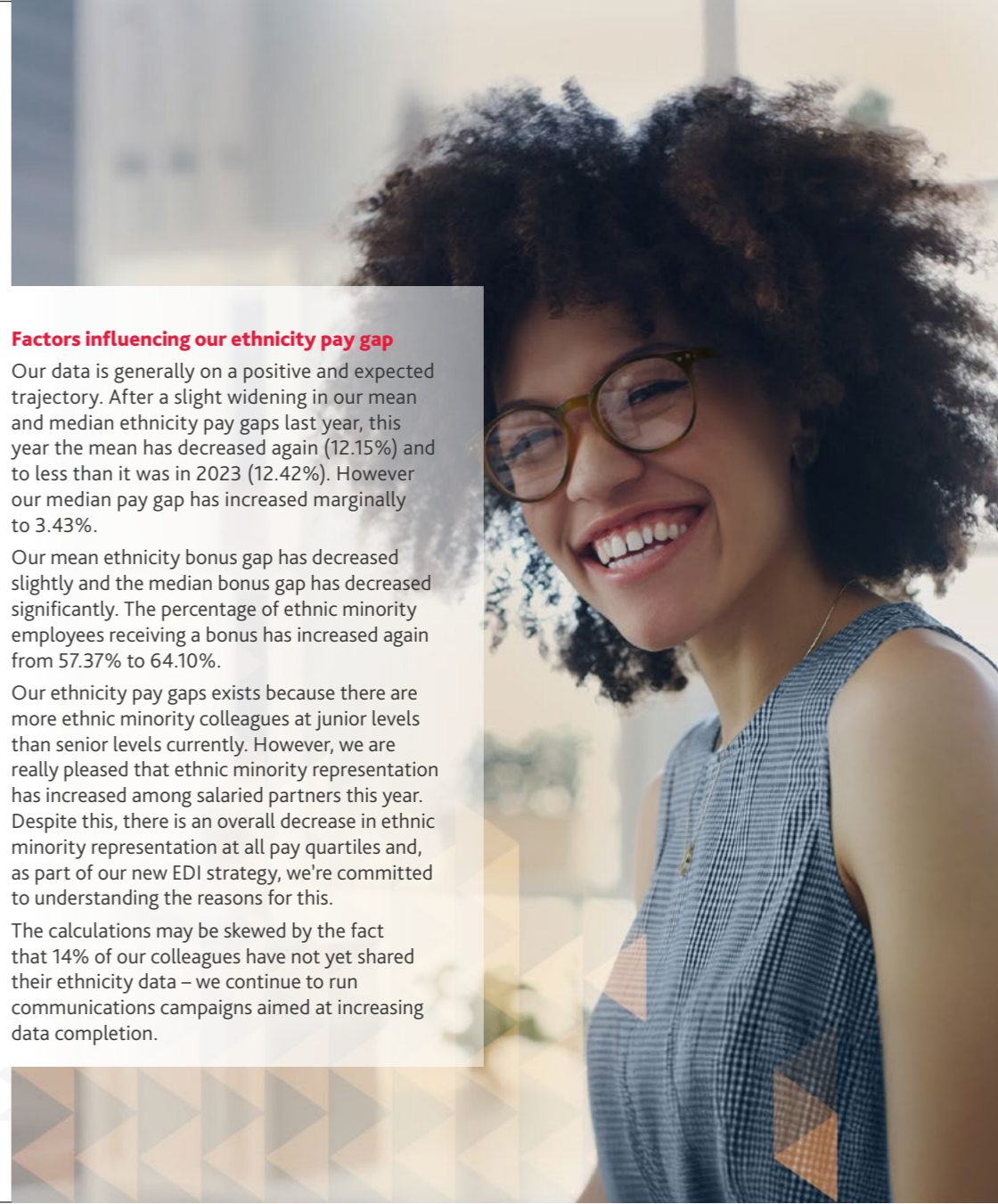
## Factors influencing our ethnicity pay gap

Our data is generally on a positive and expected trajectory. After a slight widening in our mean and median ethnicity pay gaps last year, this year the mean has decreased again (12.15%) and to less than it was in 2023 (12.42%). However our median pay gap has increased marginally to 3.43%.

Our mean ethnicity bonus gap has decreased slightly and the median bonus gap has decreased significantly. The percentage of ethnic minority employees receiving a bonus has increased again from 57.37% to 64.10%.

Our ethnicity pay gaps exists because there are more ethnic minority colleagues at junior levels than senior levels currently. However, we are really pleased that ethnic minority representation has increased among salaried partners this year. Despite this, there is an overall decrease in ethnic minority representation at all pay quartiles and, as part of our new EDI strategy, we're committed to understanding the reasons for this.

The calculations may be skewed by the fact that 14% of our colleagues have not yet shared their ethnicity data – we continue to run communications campaigns aimed at increasing data completion.



# Combined gender pay gap

## Gender pay gap including equity partners

Our mean gender pay gap increases significantly when we include equity partners in our calculations. However, it has decreased since last year. Looking at equity partners alone, our equity partner pay gaps have both decreased this year.

We are encouraged that female representation in the equity partner population continues to grow with higher rates of increase in female equity partners compared with male equity partners in each of the last four years.

We may see an increased equity partner pay gap in future years as we continue to recruit/promote more entry level female equity partners, making positive progress towards our ambition of 30% female partners by the end of 2030.

### Hourly pay gap Equity partners only

**Mean**  
**15.90%**

▼ Decreased by  
**1.73%** since 2024  
(17.63%)

**Median**  
**14.80%**

▼ Decreased by  
**11.79%** since 2024  
(26.59%)

### Combined hourly pay gap Including equity partners and employees

**Mean**  
**33.04%**

▼ Decreased by  
**3.50%** since 2024  
(36.54%)

**Median**  
**8.41%**

▼ Decreased by  
**0.17%** since 2024  
(8.58%)



# Combined ethnicity pay gap

Ethnicity pay gap including equity partners

**Hourly pay gap**  
Equity partners only

**Mean**  
**3.69%** | ▼ Decreased by  
**6.40%** since 2024  
(10.09%)

**Median**  
**-2.41%** | ▼ Decreased by  
**7.59%** since 2024  
(5.18%)

**Combined hourly pay gap**  
Including equity partners and employees

**Mean**  
**39.44%** | ▼ Decreased by  
**4.57%** since 2024  
(44.01%)

**Median**  
**7.81%** | ▲ Increased by  
**3.96%** since 2024  
(3.85%)

Our mean ethnicity pay gap increases significantly when we include our equity partners. However, the mean pay gap has decreased since last year, with the median increasing by 3.96%.

Looking at equity partners alone, the ethnicity equity partner pay gaps have both reduced this year. We're pleased that ethnically diverse representation among equity partners has increased slightly over the reporting year and we remain committed to continuously improving this representation.

We may see an increased equity partner pay gap in future years as we continue to recruit/promote more entry level ethnically diverse equity partners, which is important to make positive progress towards our ambition of 10% ethnic minority partners by the end of 2026.



# Closing the gaps

## Progress and actions we're taking to close our gender and ethnicity pay gaps

We continue to work towards our two agreed ambitions for the gender and ethnicity composition of our partnership:

- ▶ To reach 30% female representation in the partnership by the end of 2030 and
- ▶ To reach 10% ethnically diverse representation in the partnership by the end of 2026, of which 10% should be partners from a Black Heritage.

We have refreshed our ED&I strategy, launching in November 2025, with the strategic aim of becoming an exemplar in this space by 2028. Our new strategy is being developed in consultation with people throughout the organisation and our employee networks, and covers:

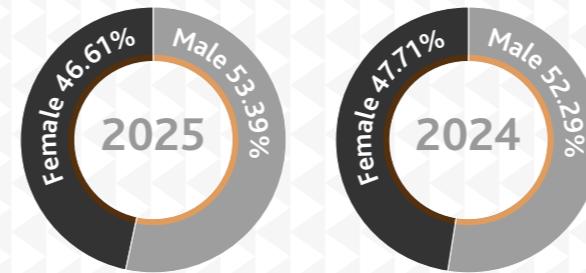
- ▶ Succession planning, which is key for closing the pay gaps and our work towards our ambitions
- ▶ Leadership visibility and accountability, which our people tell us is the topic that matters most to them
- ▶ Strengthening our use of data and insights to inform decision making and strategic planning, with a focus on addressing disparities in progression and advancing equity in career pathways. This includes analysing our recruitment pipeline, performance ratings and exit surveys by diversity characteristic.

As well as the work on our strategy, we have a range of activities designed to build inclusion for diverse talent in the firm, including:

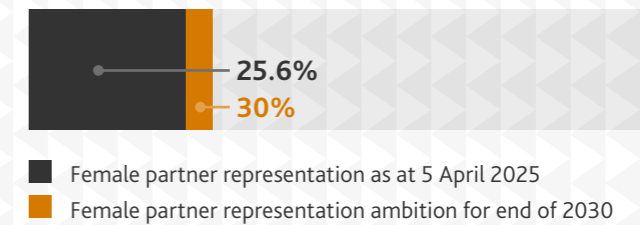
- ▶ Being signatories of the Race at Work Charter, Women in Finance Charter, and UN Women's Empowerment Principles
- ▶ Maintaining our annual commitment to external diversity mentoring schemes
- ▶ Rolling out Allyship and Active Bystander training programme firmwide, empowering participants to actively contribute to a more inclusive and supportive workplace.



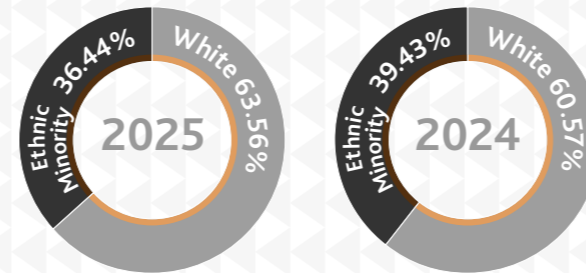
**Workforce gender composition**  
(excluding equity partners)



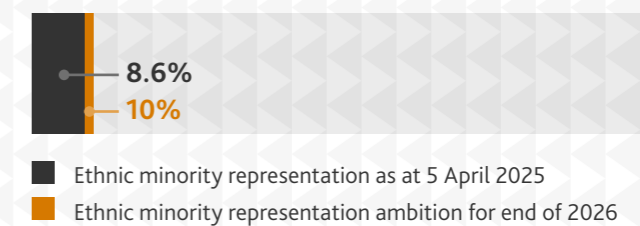
**Workforce gender composition**  
Progress against our ambitions



**Workforce ethnicity composition**  
(excluding equity partners)



**Workforce ethnicity composition**  
Progress against our ambitions



# A note on pay gap reporting

## Gender pay gap reporting

Gender pay gap information falls within The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 ('the Regulations'). The Regulations require employers with 250 or more employees to publish statutory calculations each year showing how large the pay gap is between male and female employees.

We publish our gender pay gap in line with the Regulations and because we know it is important to be transparent. The data is in keeping with the regulatory requirements and is based on 5 April 2025 for all BDO Services Ltd employees and 6 July 2025 for all combined pay gaps, including equity partners.

Although not a statutory requirement, we also report on our ethnicity pay gap. The Regulations require that firms report on employees (employees including salaried partners). However we think it is important to understand the picture across the whole firm. That is why we are also reporting our gender and ethnicity pay gaps for our equity partners (EPs) and for our EPs and employees combined.

We have updated our data and calculated the earnings gap for both our equity partner population and a combined figure for the whole firm to include EPs, salaried partners and the rest of our employee workforce. Combining the two calculations together isn't straightforward so we've looked at total earnings for equity partners and total earnings for our employees and applied the pay gap calculations.

It is important to clarify the difference between 'equal pay' and 'pay gap'. Equal pay is the right to be paid the same level of pay for 'like work, work rated as equivalent and work of equal value', whereas the gender/ ethnicity pay gap is the difference in average pay and bonuses received by male and female individuals and white and ethnically diverse individuals within a workforce, irrespective of role, responsibilities, or seniority. BDO is an equal pay employer.



FOR MORE INFORMATION:

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