

GENDER PAY GAP REPORT FOR 5 April 2021

Salmah Ahmed

Islamic Relief Worldwide

The Equality Act 2010 requires organisations with more than 250 staff to report on their gender pay gap. Islamic Relief Worldwide welcomes this legislation and shares the actions it has taken to address its own gender pay gap.

Introduction

Inspired and guided by our faith-based values, Islamic Relief Worldwide (IRW) is dedicated to building a fairer, more equal world for everyone. Through our policies, programmes and campaigning we support gender justice and women's rights across the globe.

As part of this, Islamic Relief Worldwide is committed to eradicating the gender pay gap.

It is a legal requirement in the UK to ensure that men and women receive equal pay for doing the same or similar roles. However, gender pay gap legislation issued in 2017 goes further and measures the difference between men and women's average earnings across an organisation, irrespective of their job or position. This is to reveal and address less obvious causes of inequality, such as the level of representation of women in different roles.

All employers who employ more than 250 workers must publish their gender pay gap by 4th April every year.

The purpose of this report

IRW published its first Gender Pay Gap report in April 2017. This report contains IRW's statutory disclosure of the Gender Pay Gap. We have compared both the 'mean' (average) and 'median' (midpoint when all salaries are arranged from highest to lowest) in the hourly rate we paid to men and women on the 'snapshot' date of 5th April 2021. In compiling this report, we have included data for employees that work in the UK on both permanent and fixed contracts. It does not include volunteers or agency workers.

Included in this report is the IRW management response, setting out the actions that are being taken to address the gender pay gap.

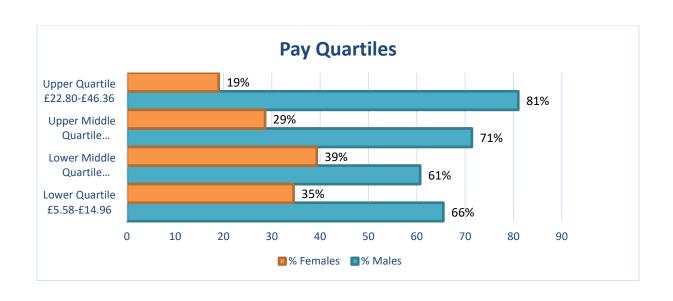
Islamic Relief Worldwide Gender Pay Gap 2021 Data

Snapshot date: 5th April 2021

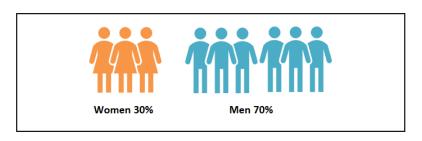
| Difference between men and women | Mean Average | Median Middle |
|----------------------------------|-----------------|------------------|
| Gender Pay Gap | 10% | 9% |
| Gender Bonus Gap | N/A | N/A |

IRW does not award bonuses, so there is no bonus to declare on the gender pay gap report.

Our gender pay gap is calculated using hourly pay data for UK staff who are employed by IRW on the snapshot date of on 5th April 2021. On this snapshot date, 290 employees met the criteria for inclusion in our Gender Pay Gap analysis this year, as set out in the Government Guidance. Of those employees, 204 were male (70%) and 86 (30%) were female.



Gender Analysis – IRW



2019- 2021 Comparison of the Gender Pay Gap

| Islamic Relief Gender Pay Gap | April 2019 | Change in Gender Pay Gap Decreased | April 2020 | Change in Gender Pay Gap Increased | April 2021 | Change in Gender Pay Gap Increased |
|-------------------------------------|---------------|---|---------------|---|---------------|---|
| Median | 7.1% | -2.00% | 7.3% | +0.2% | 9% | +1.7% |
| Mean | 8.5% | -7.40% | 8.8% | +0.3% | 10% | +1.2% |

| | April 2 | April 2019 | | April 2020 | | April 2020 | | | April 2 | 021 | |
|-----------------------------|---------|------------|--------|------------|-----|------------|-------|-----|--------------|-----|--|
| Quartiles | % | % | | % | % | | % | % | | | |
| | Women | Men | | Women | Men | | Women | Men | | | |
| Upper quartile | 26% | 74% | +6% | 22% | 78% | -4% | 19% | 81% | -3% (-7%) | | |
| Upper middle quartile | 28% | 72% | -2.6% | 29% | 71% | +1% | 29% | 71% | 0% | | |
| Lower middle quartile | 42% | 58% | +11.4 | 39% | 61% | -3% | 39% | 61% | 0% | | |
| Lower quartile | 33% | 67% | -12.3% | 32% | 68% | -1% | 35% | 66% | +3% | | |

Pay quartiles: There have been small percentage changes every quartile over the years. This year the percentage of women at our lower quartile has increased, and at our upper quartile decreased.

Management response: What are we doing to close the Gender Pay Gap?

The gender pay gap affects all sectors of employment in the UK – last year's national gender pay gap among all UK employees was 15.4%, according to the Office of National Statistics. However, we recognise that the charity sector has a responsibility to lead the way in ensuring that all staff are treated fairly, that women have equal opportunity for career progression, and that barriers to this are eradicated. As one of the UK's leading humanitarian charities, and in accordance with our faithinspired values, we aspire to be a leader in promoting diversity and equality in the sector.

We know we need to do better at closing the gender pay gap. We are committed to increasing female representation at our senior levels, improving the working lives of women throughout the organisation, and providing a conducive, safe and flexible working environment for everyone.

In 2021 we set up a **Gender Equality Steering Group**, headed by a female member of our Board of Trustees and co-chaired by two female employees, and including representatives from all levels of the organisation. This group will recommend practical solutions that we can take forward to advance gender equality – in particular, how we can improve female staff's career progression within IRW, and how we can enhance the selection and recruitment of women in leadership positions. The steering group is consulting with staff at all levels to review our organisational culture and how we can continue to make our working environment more positive for women. The group aims to realise the organisational objectives set out in Islamic Relief's wider **Gender Justice Policy**.

To help us close the gender pay gap, we have launched a range of initiatives to recruit and retain a diverse workforce where women are represented at every level of the organisation.

Recruitment: All of our managers receive mandatory training on non-discriminatory recruitment practices and selection, to ensure that our vacancies are attractive to a more diverse pool of applicants. Our recently developed recruitment system enables blind shortlisting, and we have introduced anonymised applications/CVs for all our vacancies and other processes to mitigate bias in our recruitment processes. It has been shown that transparency around salaries and benefits can help to close the gender pay gap, and we include our salaries in our job advertisements.

Flexible Working: IRW has implemented a flexible working policy and supports a variety of working arrangements, including flexible working hours, part-time and job-sharing opportunities. This allows women to return to work after their maternity leave on a range of flexible working options. These benefits are fully inclusive and apply to staff at all levels. We value flexible working and recognise the positive impact it has had on staff during the pandemic in terms of productivity and staff retention. We are now also looking to introduce even greater flexibility over where staff choose to work from, to help everyone juggle busy lives alongside meaningfully contributing to the organisation through their role.

Career Development and Progression: We want to ensure that all staff, but especially women, are able to progress their careers within IRW. For existing employees, we have developed several management level courses. We have developed aspiring manager's courses, as well as training to develop staff on managing difficult situations, such as dealing with grievances, disciplinary issues or investigations. We recognise that more can be done to connect career progression, talent management, and succession planning to achieve a more cohesive approach to the individual, team, and organisational development within a clear framework.

Reward / Benchmarking Salaries: IRW is committed to fairness and transparency in managing the salaries of staff. We have implemented a rewards policy which is reviewed every two years. We use a process of job evaluation to determine the scale and complexity of all our jobs. Every three years we benchmark our salaries using external benchmarking data. Our salaries and benefits are market-driven, which means we aim to pay salaries that are comparable to those of staff doing similar roles in similar organisations within the sector. In keeping with our commitment to transparency in setting salaries and benefits, our rewards policy – which sets out our approach to pay and how it is determined – is published on our intranet and is available to all staff.

Enhanced benefits: We have implemented attractive benefits for all staff. To retain and attract diverse employees we have rolled out enhanced maternity/paternity benefits, set up an Employee Assistance Programme (EAP) and introduced a company-paid Health Care Cash Plan for staff and their children. We have introduced a service-related pension scheme and offer counselling and wellbeing support for staff. We continue to focus on wellbeing by offering tools, resources, and support, alongside the assistance of wellbeing champions leading on different initiatives.

Board of Trustees: While still short of our target, we now have a more diverse board of trustees with three female and four male trustees. We plan to expand the Board in 2022. As outlined within our recently updated Dignity at Work Policy, IRW is committed to create and maintain a culture whereby all staff are treated with dignity, respect and have equal opportunities. We believe that monitoring our gender pay information will help us to ensure that all staff are fairly remunerated and have the same opportunities available to them. Increasing transparency around gender pay data will enable us to more effectively monitor and scrutinise our policies and ensure that we are putting in place effective strategies to close the gender pay gap and ultimately eliminate it from our organisation. We continually review all our policies and procedures to make them more inclusive and accessible for all employees.

The gender pay gap in the UK and globally is a result of centuries of inequality. We acknowledge there is no quick fix that will ensure that this gap is plugged, and our solutions will take time to show their impact; but we are determined to see female representation across the organisation grow, especially in leadership positions. We will continue to act to ensure that women are supported to succeed and thrive within IRW.

I confirm that I have reviewed the data used and the calculation of the Gender Pay Gap and that to the best of my knowledge and belief the required elements are accurately expressed following The Equality Act 2010, Gender Pay Gap Information Regulations 2017.

Waseem Ahmad

Chief Executive Officer