

GRI 405: Diversity and Equal Opportunity - Topic Standard - Cross-sectoral
Disclosure GRI 405-2

Ratio of basic salary and remuneration of women to men

Framework: GRI Standards

Type: Metrics + narrative

Regime: Voluntary

Effective: 2018-07-01

ESRS: ESRS S1 Own Workforce

Datapoints & assurance

Datapoint	What to capture	Owner	Risk an assurer probes	Evidence to check
Key operating sites	List the locations the organisation treats as its main operating sites, using the same basis applied in internal reporting.	Finance / reporting	The site list does not reconcile to the internal location register, so a material operating site is left out or an immaterial one is included.	Group structure maps, site registers, management reporting packs, or location lists used for reporting.
Worker group split	Set out the employee groups used for reporting, with the organisation's own category names and definitions.	HR / people analytics	The categories do not match the HRIS or payroll grouping, so contractors, part-time staff, or other worker groups are misclassified or missed.	HRIS employee classification fields, payroll groupings, or workforce reporting definitions.
Base pay gender ratio	Calculate the percentage comparison between women's and men's basic pay using the same pay basis for both groups.	HR / reward	Basic salary is mixed with total pay or allowances, so the ratio does not reconcile to payroll and the pay basis is inconsistent between groups.	Payroll extracts, pay review files, and calculation workbook showing the pay basis used.
Total pay gender ratio	Calculate the percentage comparison between women's and men's total remuneration using one consistent remuneration basis.	HR / reward	Remuneration is built from a different scope than the payroll source, so bonus, benefits, or other elements are omitted or counted twice.	Payroll, bonus, benefits, and remuneration calculation schedules supporting the final percentage.
Site definition basis	Record the rule the organisation uses to decide which locations count as main operating sites, including the threshold or test applied.	Finance / reporting	The definition changes from year to year or is applied differently across entities, so the location set is not comparable or is based on a different threshold.	Policy note, reporting methodology, or internal definition paper approved for the disclosure.

How to prepare

- 1 Set the reporting boundary first:** decide which sites count as material operating locations for this disclosure, and make sure the same boundary is used consistently across the figures and the explanation.
- 2** Fix the employee grouping you will use before you calculate anything, so the pay comparison is built on one clear staff classification rather than mixed or shifting categories.
- 3** Gather the underlying payroll evidence for the chosen population, including the pay data needed to compare women and men on both base pay and total pay, and keep the source records traceable.
- 4 Calculate and present the two required percentages separately:** one for base salary and one for overall pay, using the same scope and employee grouping for each result.
- 5** Write down how you treated the term for material operating locations, including the definition you applied and any exclusions, assumptions, or changes from prior reporting periods.
- 6** Check the final disclosure against the official source to confirm you have covered every required item, used the right scope, and not missed any supporting explanation or evidence.

This LRA assistance tool is designed for educational and internal data-collection purposes. It is not an official interpretation of the GRI Standards, IFRS Sustainability Disclosure Standards or EU CSRD/ESRS requirements. When applying these frameworks in professional practice, users should consult and double-check the official standards, guidance and applicable regulatory sources.

For users who may require additional expert guidance or consultancy support on sustainability reporting, the application of reporting standards, data collection processes or disclosure preparation, the London Reporting Academy team would be pleased to assist. Please contact us at hello@reporting.academy or submit an enquiry through the contact form: <https://reporting.academy/en/contacts/>

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