

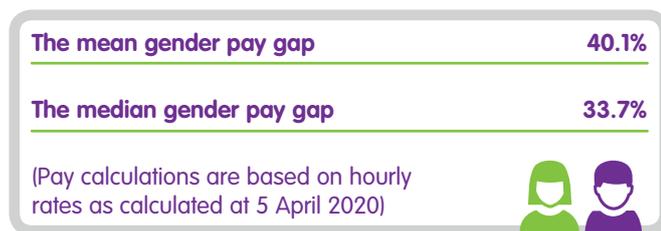
Gender pay report



22 February 2021

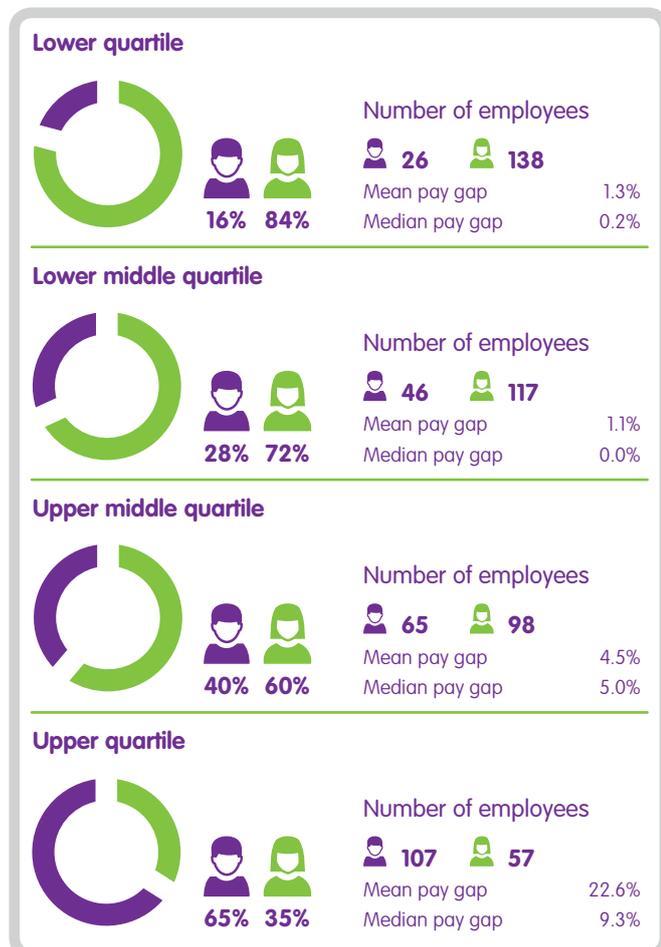
At the West Brom, we're committed to promoting a diverse and inclusive culture, and welcome the drive for increased transparency on gender pay. This is the 4th year we're reporting on the gender pay gap, following the introduction by the Government in 2017 for organisations with over 250 employees. The purpose of the report is to raise visibility of any issues and ultimately aim to eliminate any pay gap between men and women. Organisations must publish their pay gap statistics before 5 April each year.

Gender Pay at the West Brom



The Mean and Median figures show the percentage difference in pay between male and female employees at the West Brom across all job levels.

When we split this into quartiles, this shows the Mean and Median pay gap for different job levels across the Society.



Within the lower two quartiles the mean pay gap is minimal, however, higher proportions of female colleagues within these quartiles affect the average pay of the overall female workforce at the Society. Since our previous Gender Pay Reporting as at 5 April 2019, this female representation has increased by a further 5% in the lower quartile, and by 4% in the lower middle quartile, further impacting the effect of the average pay of the overall female workforce.

It is pleasing to note a higher proportion of females in the upper middle quartile of 60% evidencing progression of women in the Society at the middle management level.

In the upper quartile, a larger percentage of men occupying those higher paid positions significantly impacts the average pay of the overall male workforce.

West Brom was one of the original signatory to the Women in Finance Charter



Factors Behind the Gender Pay Gap

The current gender pay gap at the West Brom is driven by a number of factors:

- We have fewer women in senior specialist and leadership roles, which are those that typically provide the highest levels of pay
- The lower quartile contain a higher percentage of part-time roles, which allows more flexibility in meeting the needs of our people and members. These roles do tend to attract a higher proportion of female applicants.

Our Board is 33% female, beating the target of 30% female by 2020



Bonuses

The mean bonus pay gap	73.1%
The median bonus pay gap	50.7%
The proportion of women receiving a bonus payment	77.6%
The proportion of men receiving a bonus payment	84.1%

(Bonuses paid apply to the 12 month period to 5 April 2020)



All colleagues at the West Brom have the opportunity to earn annual performance related payments that represent a percentage of a colleague's pro rata salary.

The gender bonus gap is affected by the higher proportion of part-time female colleagues (26%) compared to part-time male colleagues (2%). The Society also currently has more men in senior roles than women. These roles typically pay more in salary and therefore bonus payments are higher.

Our Senior Management Team is 34% female, beating the target of 30% female by 2020

“ At the West Brom, we believe in equal opportunities for everyone. We actively promote a diverse and inclusive culture, to reflect and represent the communities we serve. We are committed to creating conditions that enable women to grow and develop, as well as having flexibility and support. ”

Sophie Leek, Divisional Director HR

How we are tackling the gap

The underlying causes affecting our gender pay gap are shared by the wider financial services industry, and we acknowledge long term solutions are required to make significant and sustained improvements. Here are some of the initiatives we have designed to help the West Brom reduce its gender pay gap.

- Increasing the number of women holding senior specialist, leadership and executive positions. In 2017 we set ourselves the targets for female representation of both the Board and senior management population to be 30%. It is currently **33% Board representation and 34% within our senior management population.**

- 50% of direct reports into our Divisional Directors are female**, giving us a balanced gender pipeline of successors.
- Encouraging **more male applications to consider entry level roles**, both on a full and part-time basis.
- In the past 12 months we have implemented a new career progression programme at mid to senior levels across the Society. Whilst the programme is gender neutral, to date all the participants have been female, supporting their progression into the most senior positions.
- We provide **coaching for females returning from maternity leave**, as we recognise that returning to work after a period of leave and a major life event such as having a baby can make the transition difficult. We offer all maternity colleagues one to one coaching sessions, both before and after the return date.
- Our **diversity and inclusion group 'Connect' is made up of colleagues across the Society** and leads a range of initiatives to contribute to making a more inclusive environment.
- In April 2020 we launched a revised approach to our Pay and Reward practices, including pay, bonus, recognition and benefit schemes. Working with our Employee Council who represent the views of employees, the Executive Committee and the Board, **the new scheme plays a key role in how we address some of the differential in our gender pay figures.**

Definitions

Gender Pay - This is the difference between the average pay for all men and women across the Society. It does not take into account people's seniority, roles or working arrangements such as part time hours

Equal Pay - This measures when there is a pay difference between men and women who are doing the same job or work of equal value. We regularly review our employee pay to ensure men and women are treated equally when performing the same role. We are confident that we do not have an equal pay issues; our approach to pay is gender neutral

I confirm that our data has been calculated in line with the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

I confirm that the information in this report is accurate.



Jonathan Westhoff, Chief Executive