

Ethnicity Pay Gap 2023

As part of our ongoing commitment to develop a diverse employee base, we are pleased to voluntarily publish our Ethnicity pay gap.



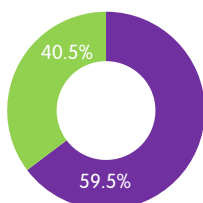
Hourly Pay

Mean hourly pay gap 22.5%

Median hourly pay gap 19.3%

Pay quartiles

Lower quartile

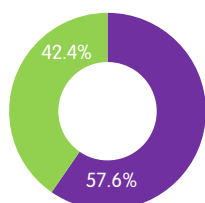


Ethnic minority **White**

Mean hourly pay gap 0.5%

Median hourly pay gap 0.1%

Lower middle quartile

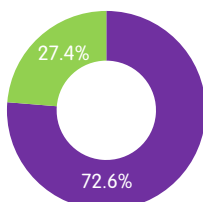


Ethnic minority **White**

Mean hourly pay gap 2.2%

Median hourly pay gap 2.0%

Upper middle quartile

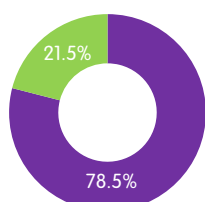


Ethnic minority **White**

Mean hourly pay gap 2.9%

Median hourly pay gap 4.8%

Upper quartile



Ethnic minority **White**

Mean hourly pay gap 13.9%

Median hourly pay gap 7.6%

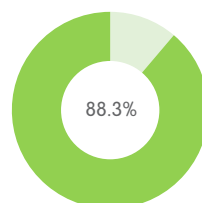
Bonus Pay

Mean bonus pay gap 41.8% (33.4% inc. support payment*)

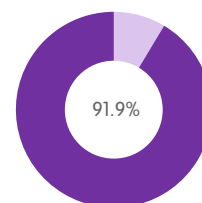
Median bonus pay gap 22.5% (13.1% inc. support payment*)

*The bonus pay gap figures calculated includes an additional one-off support payment of £1,200 provided to eligible colleagues to help face the rising cost of living over the 2022 winter months. As this scheme is unlikely to be a permanent fixture in our annual reward offering, we believe the figures shown excluding the support payments provide a more accurate reflection of our bonus gap figures.

Proportion of BAME and Non-BAME employees receiving a bonus



Ethnic minority



White

We calculate ethnicity pay gap figures based on a similar methodology used for gender pay gap reporting.

Pay gaps show differences between the average pay of Ethnic minority and White employees, hence do not take into account seniority or specific roles. As such, a pay gap should not be confused with unequal pay, which deals with pay differences between Ethnic minority and White employees doing the same job or work of equal value.

Both hourly and bonus pay gaps are largely driven by the ethnic distribution of our workforce. This is evident in the composition in the four pay quartiles, where Ethnic minority representation is higher in the lower quartiles, as opposed to the upper quartiles, which impacts average hourly and bonus pay figures.

How we are tackling the gap

We are pro-actively seeking the views of our colleagues, particularly those from ethnic minorities, to understand how the Society can provide opportunities to close the ethnicity gap.

Whilst our ethnicity pay gap statistics are in a strong position compared to other organisations within the financial services industry, we recognise there is more work to be done and we are progressing the following initiatives:

- Facilitating focus groups with our Black, African - Caribbean colleagues to understand potential reasons that may influence their choices in terms of applying for career progression opportunities within the Society. This work will help identify any barriers or challenges that could be having an impact on potential candidates and, if these are self-imposed barriers, what support and development the Society can provide.
- Publishing success stories of colleagues who have applied for secondments and promotional opportunities to raise awareness and encouragement for others.

As the overarching aim of pay gap reporting is to create an environment for a balanced and diverse workforce across all levels of an organisation, we are taking practical steps to tackle potential barriers Ethnic minority people face in recruitment and progression, with initiatives such as diversity and inclusion training for all colleagues, unconscious bias training for hiring managers and monitoring ethnicity statistics across the employee lifecycle.

We have completed the Race at Work Charter audit with Business in the Community (BITC) to assess how well we are performing against the 5 principles. This will then be progressed further by agreeing a detailed action plan to improve areas where more work is required against the 5 principles.

'Connect', the Society's colleague led Equity, Inclusion and Diversity group, continues to play a key role in raising awareness and creating a platform where colleagues across the Society can turn to and discuss any issues or concerns they may have with a sense of being supported and valued regardless of their background.