

Gender Pay Gap Report



We've always been committed to creating an inclusive and diverse culture and are pleased that our gender pay gap results for 2020 show the continued narrowing in our Mean, and the stabilising of our Median. We realise there's still work to be done and we'll continue to concentrate our energy on the things that will make the biggest difference and help our people fulfil their potential.



Equal Pay and Gender Pay Gap

The **gender pay gap** is the difference in the average pay of all the men and all the women in the organisation regardless of the work they do. This is different to equal pay which is where men and women get paid equally for equal work. We meet our equal pay obligations.

3 Year trend

The results calculated as of 6 April each year

Mean Gender Pay Gap

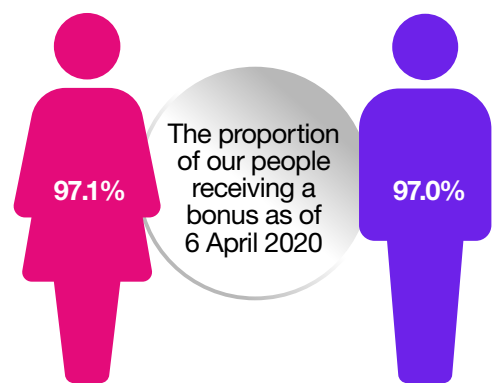


Median Gender Pay Gap

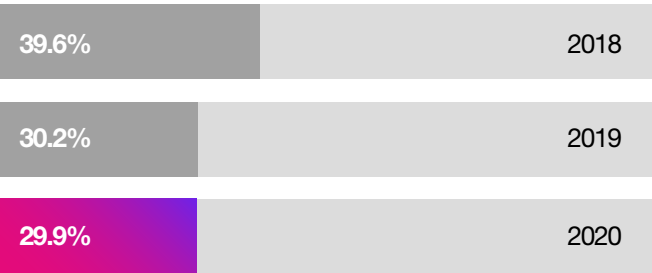


Bonus Pay Gap

The **overall gender pay gap** is calculated as an hourly rate to eliminate the differences between full and part time working. The hourly rate gap is calculated based on all elements of pay in the month of April each year, whereas the bonus pay gap is calculated on actual bonus amounts paid over a 12-month period. This ignores part time working and is the reason why the figures are higher.



Mean Bonus Pay Gap

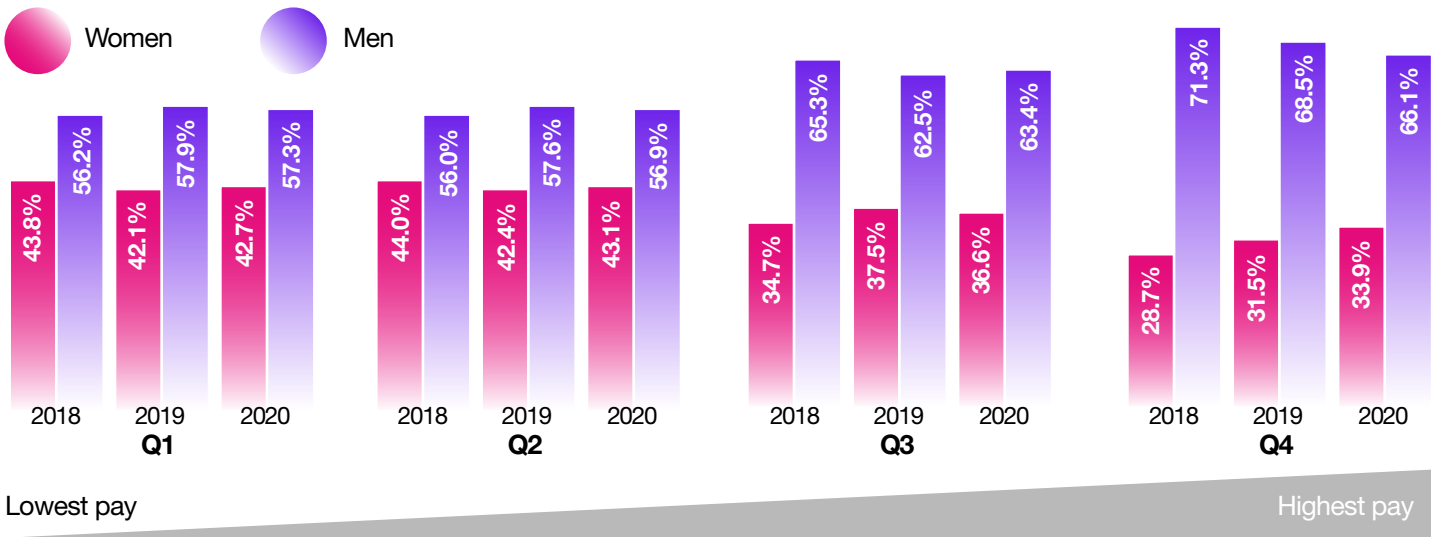


Median Bonus Pay Gap



The proportion of men and women in each pay quartile

As of April each year



Here the rate of pay for all the men and all the women is equally split into four quartiles from lowest to highest pay. When looking comparatively at the lower and higher quartiles, we can see how the gender pay gap is impacted by us employing less women at more senior levels. **Our current gender mix in the business is 39.1% women and 60.9% men.**

Why we have a gender pay gap

The context for our gender pay gap is similar to last year and helps us to focus on what we can influence. We have fewer women in our higher paying technology functions, as well as within leadership roles. For a technology business, this is not unusual as we know the technology sector overall has a shortage of women and fewer girls are choosing STEM subjects in education. This skills gap is systemic in the UK workforce, and explains the majority of our gap.

While our bonus pay gap has slightly improved for most of our functions, the overall bonus gap has increased. This is due to the retail bonus being impacted by a relatively large proportion of our customer advisors, who were women, taking advantage of our flexible working options and being paid pro-rated amounts.

What we have achieved in 2020

Leadership progression and recruitment opportunities

We have kept a clear focus of improving gender balance in our senior roles. As a result of that, we've seen an increase in the number of women in senior roles since last year (up 8.5%). This improved gender balance is the result of promoting and hiring women in senior roles, with 49% of promotions and 44% of new hires into management roles being women. We're continuing to review our hiring practices and have made a conscious effort to ensure an equal number of women are shortlisted for senior leadership roles.

Employee networks reaching out externally

Our well-established Women in Tech employee network has continued to play a key role in positively driving our focus in this area. The team has worked with local schools and communities to encourage young women to consider careers in STEM and supported our female colleagues and their allies through interactive learning sessions.

Made a holistic commitment to diversity, inclusion and belonging

Diversity, inclusion and belonging is a big priority for us. Towards the end of 2020, we laid the foundations by focusing our efforts on capturing diversity data, naming our executive sponsor, as well as establishing a steering committee. This committee is made up of volunteers from across our business who are leading the way in creating a workplace environment that promotes and celebrates diversity, inclusion and belonging. We also rolled out focused training to our leadership teams and are keen to build on this moving forward.

What we'll be doing in 2021

We are only at the start of our wider diversity, inclusion and belonging journey and in 2021 are keen to invest more and embed best practice within the business. We will continue to make a conscious effort to improve our gender balance in high paying and leadership roles, which includes shortlisting an equal number of women and men. We are also making the following commitments to ensure we continue to see progress:

Hybrid approach to working

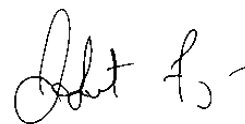
As part of our insight-led hybrid approach to working, we will review our flexible working policy to ensure that we offer our office-based functions greater flexibility over how, when and where they work. By offering employees greater options for flexible working and normalising this, we hope to ensure we're attracting and retaining the most diverse and wide talent pool available.

Developing our talent and career offering

We're introducing mentoring and leadership development initiatives as well as focusing on our apprenticeship and graduate offering to ensure our talent pipeline is diverse.

Reporting on pay

As part of our data and insight driven approach, we will track the performance rating gap and related pay review percentage by gender. This will help us track decisions around performance, recruitment, and promotions.



Robert Finnegan | CEO



Mark Redmond | Chief People Officer