

Gender Pay Gap Report 2022



Introduction

At Skipton Building Society we remain passionate about our focus on diversity and inclusion, continuing to attract, engage and retain talent to support a high performance culture in an ever changing environment. Skipton has a strong culture which is founded on core principles but we are continually seeking to improve our systems and processes to ensure that equality, diversity and inclusion (EDI) is at the heart of everything we do.

Gender pay gap reporting

The Gender Pay Gap is the difference between the average pay of men and women irrespective of their role. This differs from equal pay which compares pay for doing the same role.

Skipton Building Society is confident that we are paying both men and women fairly for the roles they perform. Our gender pay gap will always be impacted by the type of roles males and females perform at Skipton. Identifying where and understanding why our pay gaps exist, helps us to identify any potential barriers for colleagues progressing their career. It also gives us an indicator of how successful our current interventions are and helps us recognise where we need to do more.

Key terms used in this report

Pay gap

This is the difference between the average rate of pay for males and females expressed as a percentage of the male average pay figure.

Bonus gap

The gender bonus gap is the difference between the actual bonus paid to males and females in the 12 months to 5th April 2022 and is expressed as a percentage.

Pay quartiles

Our workforce is sorted from lowest rate of pay to highest and then split into 4 equal parts called pay quartiles. Doing this shows us the proportion of males and females in each pay quartile.

The mean

The total of all pay or bonus for a particular group is added together and divided by the number of people in that group to give the mean average.

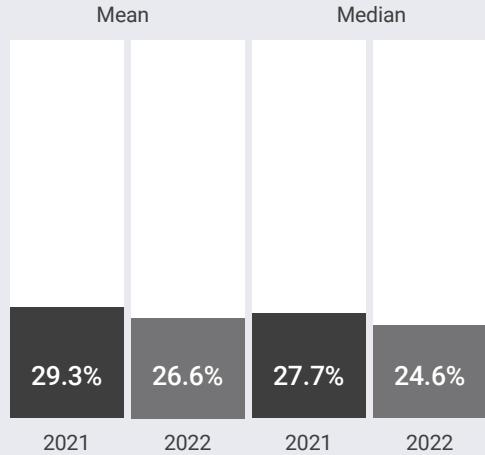
The median

The middle figure when all pay or bonus for a particular group is sorted in order from smallest to largest.

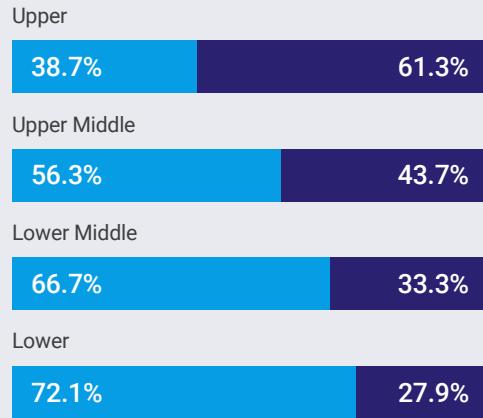


Our results

Gender pay gap

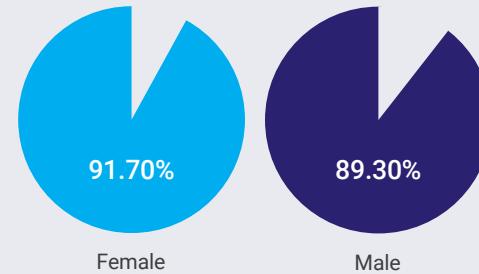


Pay quartiles

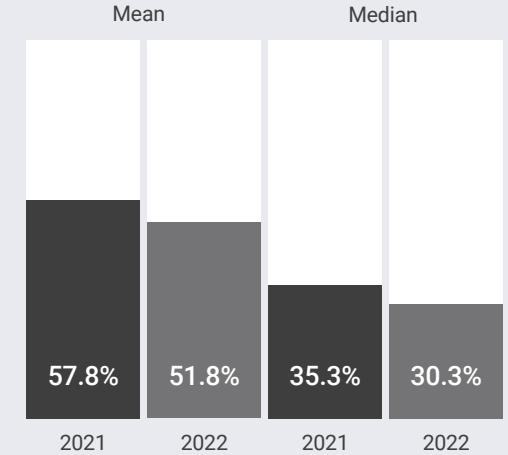


● Female ● Male

Bonus received



Bonus pay gap



Gender pay gap

Our gender pay gap continues to be driven by the distribution of men and women across our workforce, specifically, the large proportion of women in the lower pay quartiles and the large proportion of males in the upper pay quartiles and Exec.

When we compare our results to last year, we can see that the mean and median pay and bonus gaps have both decreased. In January 2022 we carried out a Society wide benchmarking exercise to bring all salaries in line with market median. This resulted

in significant investment in our base pay, and we believe this has contributed to the narrowing of our gender pay gap.

Detailed analysis of the data is encouraging in that there is a decrease in our gender pay gap particularly in our leader population where the greatest improvement was seen. We are also encouraged by a slight increase in the proportion of females in our Leader and Senior Leader population.

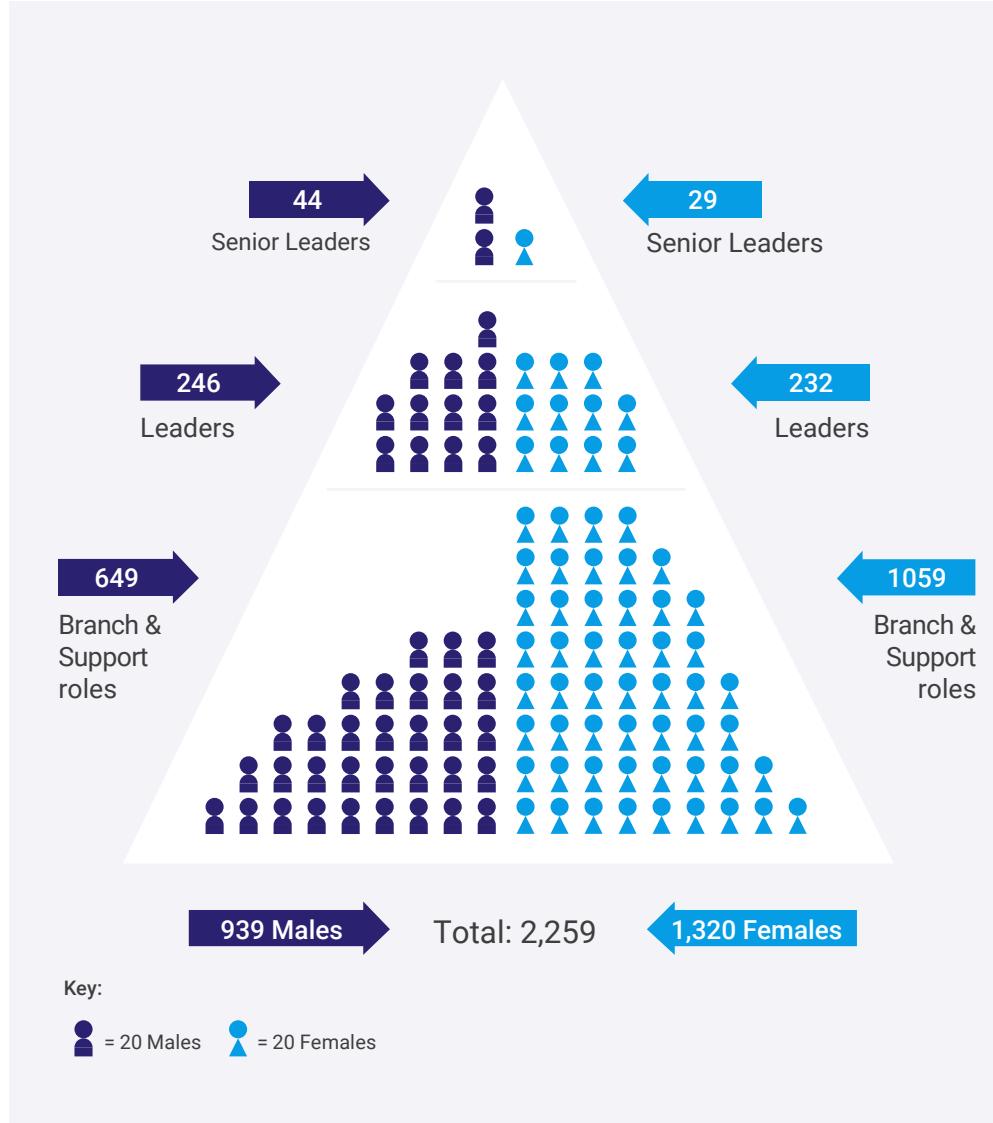
Bonus pay gap

Unlike the pay gap calculation, this calculation does not take account of working hours. This means part time and part year bonus payments are being compared to full time, full year bonus payments. Currently, more women work part time than men. It is also true that the proportion of female part time colleagues decreases as you progress into senior roles. As a result we have more females in receipt of a part time bonus in our support roles than men. New joiners in support roles throughout the year receive

a part year bonus and typically this is more females than males. These factors impact the bonus pay gap.

The gap is further impacted by the fact that the Society also pays bonuses as a percentage of salary, and the percentage typically increases with the seniority of role. The bonus gap is therefore influenced by the fact that we have more males than females in these senior roles which attract these larger bonus payments.

Our workforce



Understanding our Workforce

Females make up almost 59% of our workforce but the spread across the Society is not even.

The demographics of more females in branch and support roles continues to influence our gender pay gap and will remain a key factor each year. Our focus at Skipton Building Society continues to be the importance of enabling our colleagues to find the right work life balance and provide a range of flexible working contracts to enable them to do this.

There are also fewer women in the highest paying jobs impacting the pay and bonus gap. The proportion of women in senior roles at the end of 2022 was 40% and for 2023 the Board has committed to 45% of all senior roles to be filled by women.

Whilst we have seen a positive shift in our gender pay gap, we recognise that we need to do more to reduce the gap further and this is reflected in our ongoing commitment to EDI and our plan for the year ahead.

Our approach for the year ahead

Tackling our gender pay gap is something we need to focus on constantly and consistently, ensuring that women of all grades at the Society are given equal opportunities. To achieve this, we need to look across the colleague lifecycle. This includes continued work to remove unconscious bias from recruitment, offering the best support for women to thrive in the organisation and ensuring all jobs on offer are accessible and desirable to women. We will be launching a new Diversity, Inclusion and Wellbeing Action Plan and an executive sponsor will be appointed to support the work of the Gender Equality Network and the Menopause Network. Last year we ran a successful 'Elevating Women in Leadership' course and are looking to run another course for a cohort this year. We understand that there are no quick, short-term solutions and will be looking to analyse the data further and implement targeted, long-term interventions to improve the Gender Pay Gap for the Society.

Statements from our Chief Executive and our Chief People Officer



"Our figures, detailed in this paper, show positive progress in narrowing the gaps for the mean and median measures. Our vision moving into 2023 is to ensure we have a fair and inclusive workforce, leading to achieving pay and reward parity across the Society. I am committed to ensuring that Skipton Building Society continues to support women to achieve their potential and that our diverse talent represents the members we serve and the communities in which we operate, continuing to make Skipton Building Society a great place to work."

Justine Shaw
Chief People Officer



"Inclusion and Wellbeing are at the heart of Skipton Building Society and is supported at all levels from our customer facing colleagues to our Board. We want to create a workforce that is supportive and welcoming to people from all backgrounds, providing opportunities for everyone to reach their potential. We want to remain accountable for our gender pay gap and commit to creating solutions that aim to have parity for all."

Stuart Haire,
Group Chief Executive

The mandatory calculations in this report have been reviewed and validated.
I confirm the data in this report to be accurate.

A handwritten signature in blue ink, appearing to read 'Stuart Haire'.

Group Chief Executive
4th April 2023

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