

# Our gender pay gap

At Leeds Building Society we have an inclusive culture which enables colleagues with a diverse range of skills, experiences, backgrounds and opinions to flourish without barriers.

Women play a significant role in our success. Our Fair Reward salary and benchmarking approach gives us confidence that women are rewarded fairly. Gender pay reporting is important to help us understand what drives the differences in pay for men and women. We believe that by analysing our data we will be able to identify actions to help us improve the position.

## The structure of our workforce drives our pay gap.

Our mean gender pay gap is 30.7%

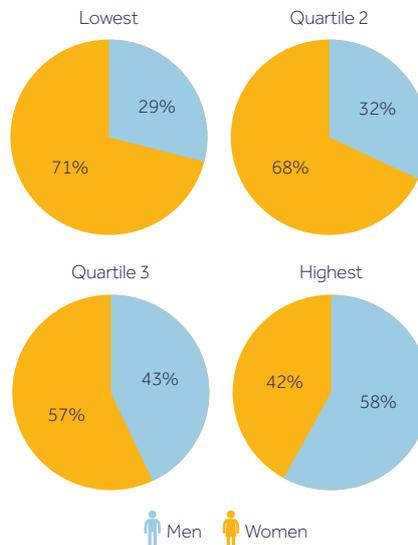
	Mean	Median
Hourly Pay Gap	30.7%	25.4%

All our roles are benchmarked annually using independent external market salary data enabling us to be confident that men and women are treated the same for equivalent roles. So what causes the gender pay gap?

We are very proud we offer an attractive and supportive place to work for women. Currently 62% of our workforce are women (60% at the reporting 'snapshot' date of 5 April 2017). However, we have more men than women in our more senior and, therefore, more highly paid roles.

“ If we had an equal number of men and women at all levels our gender pay gap would be 3% ”

We have divided all our roles based on pay into four equally sized quartiles to illustrate the relative proportions of women and men (quartile 1 is the lowest paid roles and quartile 4 is the highest paid).



42% of our highest paid roles are held by women. 71% of our lowest paid roles are also held by women and this creates our gender pay gap. If we had an equal number of men and women at all levels our gender pay gap would be 3%.

“ Women now hold **36%** of our senior leadership team positions and **23%** of our board roles ”

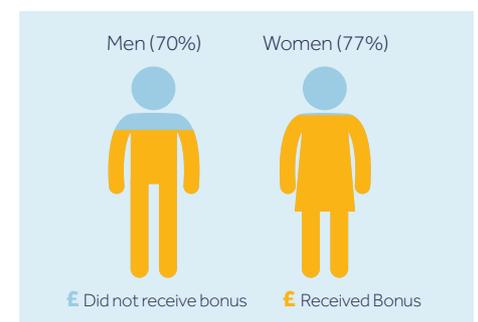
## Bonus gap

The structure of our workforce also affects the mean bonus gap which is 57.3%.

	Mean	Median
Bonus Pay Gap	57.3%	29.5%

We offer a wide range of valued benefits aimed at attracting and retaining the colleagues we need to deliver our vision to be Britain's most successful building society. All our colleagues share in our success by participating in a bonus scheme appropriate to their role. The schemes focus on achievement of Society objectives including sustainable performance, colleague and customer experience measures.

We are confident that our bonus schemes are fairly designed and applied. As our bonuses are paid in April one year and the regulatory reporting requires the 'snapshot' at 5 April the following year, it means that a number of colleagues have left the organisation in that period and they cannot be included in the statutory reported figures.



77% of women and 70% of men still employed on the reporting date had received a bonus payment. **In April 2017, 91% of women and men actually received a bonus.**

At 5 April 2017, 16% of colleagues had chosen to work part-time and 88% of these were women. This is a key element of our approach to supporting flexible working and encouraging women to stay in the workforce.

Bonuses are calculated as a percentage of basic salary but the regulatory gender bonus pay gap calculation does not reflect that part-time colleagues receive a bonus that is pro-rated for the hours worked. In addition, as more males occupy more of our senior and more highly paid roles, this extends the bonus gap.

## What are we doing to improve the position?

We firmly believe that increasing diversity and inclusion in our workforce will be key to our future success. In 2016, we were amongst the first signatories to HM Treasury's Women in Finance Charter. Our Chief Operating Officer, Karen Wint, is our accountable senior executive director. She is also the sponsor for our



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Gender Diversity Forum, working with our colleagues to take forward practical actions to help women progress in their career.

The whole leadership team is taking responsibility to ensure that we maintain focus:

- all our executive directors have personal diversity objectives as part of their annual bonus scheme
- we only engage executive search firms which have signed up the voluntary Code of Conduct for gender diversity and best practice
- we provide external mentoring opportunities for women in our senior leadership team pipeline and our senior leaders provide mentoring for women in other organisations
- we actively promote our approach to flexible working to support all colleagues in managing a healthy work-life balance. Nearly half of all our colleagues and 67% of women work non-standard hours.

Women already hold 36% of our senior leadership team positions and 23% of our Board roles. Our target is to have 33% of Board roles held by women by 2021. We're making progress but there is more to do. We were, therefore, pleased to be the first financial services organisation to receive Investors in Diversity status (awarded by the National Centre for Diversity). This is helping us prioritise our actions and we are now working towards Leaders in Diversity accreditation.

Karen says "It's really important that we continue to focus on creating the conditions that enable women to develop their skills and experience at all stages of their working lives. That's the way we will build a pipeline of future women leaders for Leeds Building Society and reduce our gender pay gap. I've benefited from amazing opportunities since I joined the Society over 30 years ago and I'm determined

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that other women have the same supportive experience. I am pleased that we are making purposeful progress in this important area.”

I confirm the data reported is accurate.

**Karen Wint,**  
Chief Operating Officer

## Definitions

### Gender Pay

This describes the difference in average pay for all men and women. It uses average hourly rates of pay, so everyone is considered in the same way, regardless of the number of contracted hours they work.

### Equal Pay

This considers where men and women doing the same work and are potentially being paid differently. A gender pay gap does not mean individuals are being paid unfairly for the specific job they do