



GENDER PAY GAP REPORT 2023

Don Morris, CEO

GENDER PAY GAP OVERVIEW

WHAT IS THE PURPOSE

This document presents our Society's yearly gender pay gap report, based on data from the required point in time, 5th April 2023.

The purpose is to illustrate any differences in average earnings between men and women, calculated in relation to men's earnings. All employers' with more than 250 staff are required to submit their reports to the Government.

Having a gender pay gap does not imply that women are paid less than men for equal work. Across many workplaces, data shows that men typically occupy higher-paying roles in comparison to women.

Data snapshot
5th April 2023

WHAT ARE THE REPORT MEASURES

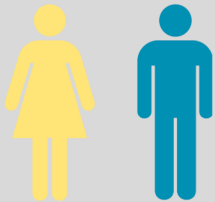
The report was generated using the following six measures:

- Median gender pay gap; the difference between the middle point of hourly rate of pay of male & female full pay relevant employees
- Mean gender pay gap; the difference between the average rate of pay of male & female full pay relevant employees
- Median bonus gap: the difference between the middle point of bonus paid to male relevant employees versus that paid to female relevant employees
- Mean bonus gap; the difference between the average bonus pay gap paid to male relevant employees versus that paid to female relevant employees
- Bonus proportions: Refers to the percentage of male and female employees eligible for bonuses who received them during the specified period.
- Quartile pay bands: Indicate the distribution of male and female full-pay employees into four equal categories – lower, lower-middle, upper-middle, and upper pay bands.



PAY QUARTILES BY GENDER

Our workforce has been divided into four equal-sized groups, labelled as bands 1-4 according to hourly pay rate starting at the lowest point, as required for reporting purposes. Within each band the binary gender split is detailed as a percentage. This gender split has to be reported on in this way as defined by the Government guidelines.



All employees whose standard hourly rate is within the lower quartile are in band 1. Employees with an hourly rate higher than the lower quartile and less than the median are in band 2. Band 3 contains employees whose standard hourly rate is more than the median, but the same or less than the upper quartile. Finally, band 4 contains employees in senior/executive management roles whose standard hourly rate falls within the upper quartile.



BAND 1



BAND 2



BAND 3



BAND 4

Across our business we offer a wide range of reduced hour contracts, in retail this covers the full trading period and more traditional hours in our support functions, which supports females in the workplace, students and those balancing two employments. The gender pay gap requires businesses to place their employees into two cohorts, relevant and full pay relevant, the latter is the cohort that is required for inclusion. During the week of the report there were 416 colleagues employed by the Society, 159 have been classified as full pay relevant.

The lowest band has a gender mix of 72.5% females to 27.5% males, with band two 72.5%, 27.5% respectively. In the third band the gender split is 47.5% females to 52.5% males, with the top band 41% and 59% respectively. The highest paid are predominately male and includes the senior management team and senior retail managers. During this years snapshot we were recruiting for a Head of Finance and IT, which has distorted the outputs as this post was formerly held by a female. We have since the data point 5th April, successfully appointed a female to the role of Head of Finance and IT.

OUR DATA

MEDIAN GENDER PAY GAP **5.2%**

After taking the middle point of the female and male hourly rates of pay from the data snapshot of the 5th April 2023 the median gender gap stands at 5.2%.

MEAN GENDER PAY GAP **22.5%**

The mean or average pay gap between males and females is 22.5%. Meaning for every £1 earned by males, females earn on average 77.5 pence per hour.

MEDIAN GENDER BONUS GAP **0%**

The business does not pay a bonus scheme and therefore there is a zero median bonus gap.

MEAN GENDER BONUS GAP **0%**

As explained above, with no bonus scheme in place there is a zero mean gender bonus pay gap.

GENDER GAP COMPARISONS

The median pay gap in the whole economy, provided through the annual survey of hours and earnings (ASHE) 2023 by the office for national statistics (ONS) is 14.3%. The median gap in wholesale and retail trade; repair of motor vehicles and motorcycles at 13.2%. We can see that as a business within this standard industry classification code our median pay gap is significantly better, trending down to 5.2%.

Our mean pay gap is higher than the whole economy by 9.3% however, this can be in part attributed to the method required by Government for calculating the report along with the fact our annual pay rise sits within this snapshot week. Meaning that if an hourly paid female worked additional hours pre-pay rise and a male worked additional hours post pay rise it would appear that the average hourly rate over the total period was higher for a male, when in fact males and females are paid exactly the same hourly rate for the role of Customer Service Assistant and Supervisor.



**Our median
pay gap is
lower than
both the
economy &
industry
code**

FAIRNESS AND EQUITY WITH GENDER PAY

The majority of our retail roles attract a fixed hourly rate, with colleagues receiving the same hourly rates for completing the same work, regardless of their gender, ethnicity or age. Our hourly paid rates are higher than the national minimum wage and are paid fairly to everyone from day one of employment. There are no “starter pay rates” during probation periods.

We acknowledge there will be pay differences when we move into salaried roles held by colleagues in our support functions where there are specialist areas that require different levels of knowledge or professional attainment which is where pay reflects this. In addition, store managers receive salaries reflective of the turnover of the store they manage and as an industry we see that there tend to be more males in these retail roles.

These variations are underpinned by pay banding for support functions which have been externally benchmarked and as highlighted, managers salaries are based on the turnover of the store.

Pay is just one way we provide colleagues with a fair and equitable reward for working for us. We provide colleagues with financial education, support and wellbeing through our partnership with co-operative credit union, plus enhanced holiday, sickness, maternity, paternity and adoption pay above statutory requirements. As well as an employee assistance programme that includes occupational health support, mental health and wellbeing, with a health cash plan, life assurance amongst other products and discounts.

CLOSING THE GAP

We are committed to our internal progression plan monitoring the gender split ensuring a fair and equitable process for everyone. Pay reviews are conducted annually and we have transparent conversations around how pay is calculated.

Our policies and processes are there to provide a fair and equitable workplace providing a positive culture. We ensure all our new colleagues complete our Dignity at Work training and have a standardised recruitment processes. We continue to analyse exit information to extract any learnings to seek continual improvements.

We have guidance and provide line manager training on topics such as supporting colleagues, before, during and after maternity and paternity. We have various part-time positions in the support functions as well as first level retail management to support females back into the workforce and progress their career in retail.



A LONG TERM COMMITMENT

We are dedicated to closing the gender pay gap within our Society. Understanding that this process will be lengthy and not easily resolved, we acknowledge that individual initiatives alone cannot eliminate the gender pay gap. Nonetheless, we believe in the impact of being consistent and persistent.

Our commitment lies in leading the way in gender pay equity, aligning our actions with our values and principles.

Transparency stands out as a potent tool in addressing pay equity. By sharing data publicly, we aim to stimulate change within the retail industry. As a Co-operative business, we value collaboration with other Societies to bring about enduring transformation.

Addressing the gender pay gap remains our priority. We will persist in our efforts year after year, viewing this as an ongoing journey rather than a final destination. Continuous engagement with our members will ensure we are moving in the right direction.

Our focus is on fostering a workplace culture where diversity and inclusion take centre stage. We see diversity and equality as assets and aim to establish an environment where everyone feels accepted, valued, and empowered.

A handwritten signature in black ink, reading "Don Morris". The signature is stylized, with a large, looped initial "D" and a cursive "Morris".

DON MORRIS
CEO