



Gender Pay Gap Report 2020

At OneFamily we are committed to fostering and promoting a diverse culture built on the principles of equal opportunity

As a member owned business, we aim to reflect the communities from which we draw our customers and employees. This means working towards both men and women being equally represented across all levels within our organisation. It is important to us to encourage greater gender equality, particularly in Financial Services, by reducing the gender pay gap over time and creating an inclusive and fair workplace for everyone.

Imogen Astley Marsh, HR Director foreword

Gender Equality is very important to us at OneFamily. As a Mutual our values are paramount and we want our workforce to represent our community and our members. Currently our gender pay gap stands at 19%, down from 20.3% in 2017 - our initial year of reporting. We are pleased that our gender pay gap has decreased and we envisage a narrowing of the gap year on year.



Our reward structure ensures all colleagues are paid fairly and proportionately, due to our established job level framework and annual benchmark review of our roles to market median pay rate within Financial Services.

Our workforce represents 60% male and 40% female employees across all roles, of which our senior roles are predominantly held by men. Our current representation is over 30% females in senior management positions, and we are continuing to work to address the proportion of women in senior roles through our recruitment practices and leadership progression. We have also signed up to the Women In Finance Charter which aims to build a more balanced and fair industry.

Our focus on gender equality in the workplace forms part of our broader Diversity & Inclusion Strategy an aspect of our People Strategy and Employee Value proposition that drives our desired culture and Vision to Inspire Better Futures.

Graham Lindsay, Chair of the Remuneration Committee

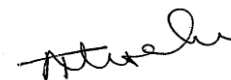
As Imogen explains, we remain totally committed to supporting diversity and creating an open and inclusive culture where everyone feels valued. As a Board this features highly in our strategic ambitions.



Teddy Nyahasha - CEO

We are passionate about Diversity & Inclusion at OneFamily. Our culture ensures a safe and welcoming working environment for all, representing our community and our customers.

I can confirm the data in this report to be accurate.

A handwritten signature in black ink, appearing to read 'Teddy Nyahasha'.

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What are we required to report?

Mean gender pay gap

The difference between the average pay (using hourly rates) for men compared to women, divided by the average pay for men

Mean gender bonus gap

The difference between the average bonus of men compared to women divided by the average bonus of men

Median gender pay and bonus gap





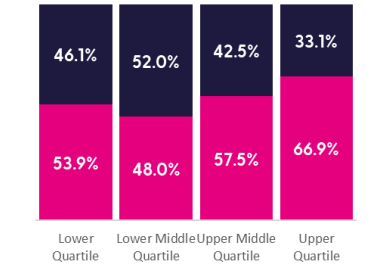
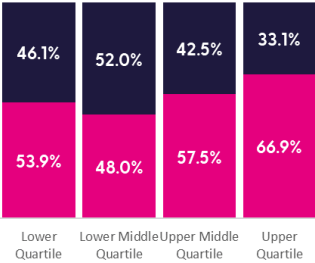
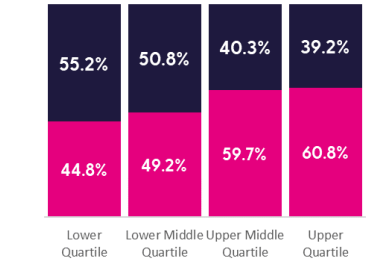
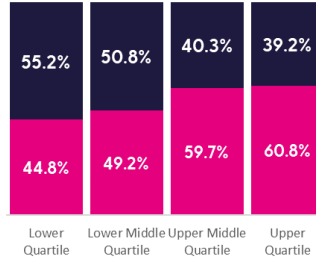
The difference between mid-points of pay and bonus for men compared to the mid-points of pay and bonus of women, divided by the mid-points for men

Proportion of females and males in each pay quartile

The proportion of males and females into quartiles ranging from the lowest hourly rate (lowest 25%) to the highest hourly rate (highest 25%).

Our legal obligation

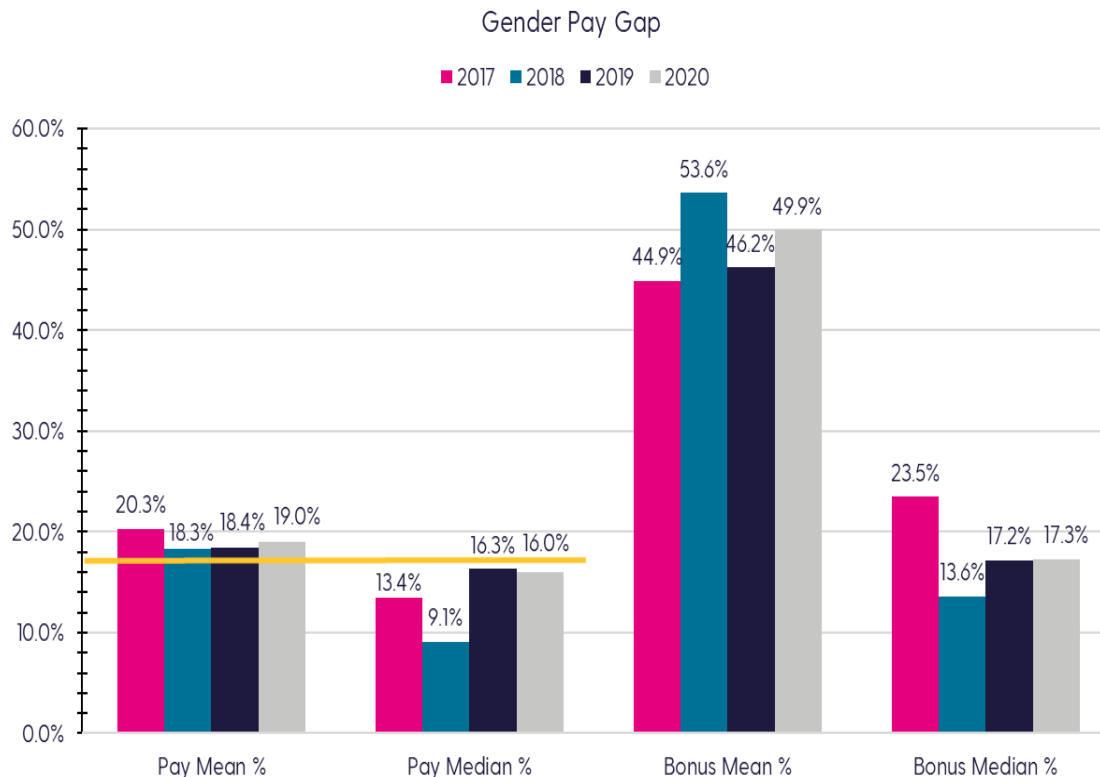
All private and voluntary sector employers with 250 or more employees are required to report the gender pay gap annually. This is the difference between the average (mean or median) pay of all men and women in a workforce (expressed as a percentage of men's pay) calculated on the snapshot date of 5 April each year. The results must be publicly reported within 12 months of that date. As of 5th April 2020 OneFamily, had 443 Full Pay Relevant employees.

Key Data	2017	2018	2019	2020
Pay	Mean: 20.3% Median: 13.4%	Mean: 18.3% Median: 9.1%	Mean: 18.4% Median: 16.3%	Mean: 19.0% Median: 16.0%
Bonus	Mean: 44.9% Median: 23.5%	Mean: 53.6% Median: 13.6%	Mean: 46.2% Median: 17.2%	Mean: 49.9% Median: 17.3%
Proportion of males and females receiving a bonus				
Proportion of males and females by quartile				
Total Full Pay Relevant Employees	509	499	502	443

Gender Pay Gap vs. Equal Pay

Gender Pay Gap is a measure of the difference between men and women's average hourly rates across a whole organisation and is expressed as a percentage of men's earnings. This is an averaged figure across the whole organisation (irrespective of the equality and/or similarity of their work) and this does not represent the gap between every male and female. Having a Gender Pay "gap" is not representative of an equal pay issue.

Equal Pay is a regulatory means to ensure that men and women who work for the same employer and are performing equal work receive equal pay, as per the Equality Act 2010.



*National Average (non-industry specific) for all employees (full-time and part-time) is **17.3%**, pay mean and median, at the time of writing. Source: ONS article "Gender Pay Gap in the UK: 2019" dated 29/10/2019. Please note that for the bonus mean and median calculations there is not an official national average figure available for comparison.

Key Trends

Pay mean and median: We have seen a small widening of our pay gap this year with our pay mean increasing to 19%. This has been impacted by leavers within the business who were still classified as relevant headcount at the time of measurement (5th April 2020). Excluding these leavers, our pay mean would have narrowed to 15.5%, which is below the national average of 17.3%. The median remains below the national average.

Bonus mean and median: The bonus mean has increased this year, impacted in the same way as the pay mean, due to leavers. Excluding the leavers who left after the time of measurement, we would have seen our bonus mean narrow to 30.8%. This would have been our lowest reported bonus mean. There is only a 0.1% widening in bonus median.

Proportion of male/females receiving a bonus: There has been an increase on both male and female employees receiving a bonus this year. Male colleagues receiving a bonus increased to 92.1% from 90.5% in 2019 and female colleagues increased from 85.2% to 95.3%.

Pay quartiles: Overall there is a reasonable ratio between males and females consistently since 2017, with the lower quartile and lower middle quartile having the best ratios of nearly 50% female and 50% male. We continue to improve the ratio even further between females and males in the upper quartiles.

Our Gender Pay Gap journey



Equality, diversity and inclusion is very important to us at OneFamily. Since our first Gender Pay Report in 2017, we have continued to review our D&I Strategy and launch initiatives to support equality and diversity across the organization. For our gender diversity strategy we are:

- Gathering data on diversity across the organisation to support our reporting on gender;
- Unconscious bias training for all managers and leaders in the business;
- A reward framework and benchmarking process (validated by an external consultancy);
- Commitment to continue paying the Voluntary Living Wage;
- Signed up to the Women In Finance (WIF) Charter with a commitment to maintaining at least 25% female colleagues in our senior leadership roles;

These initiatives and achievements all help to further strengthen our offering and give managers the tools they need to make more objective decisions throughout the business.

Although these efforts are in place the challenge remains to provide equality in pay to both female and male colleagues within a typically male-dominated industry, the Financial Services sector. This year's data incorporates our former CEO's compensation (male) during a transition period, whilst on garden leave, which distorts both the pay and the bonus data and increases the gap. Whilst we currently have a number of initiatives in place, we acknowledge that we can do more to close the identified gaps and, to that end, we will continue to review our people policies and organizational structure to identify where further adjustments can be made and to promote internal progression for females where possible. We have already taken steps forward by introducing talent and succession planning initiatives in 2019 and 2020 to further enhance internal progression for both females and males.

Steps towards closing the gap

We remain committed to taking positive action and will make continued effort to:

- Continue to identify and develop our female talent early on in their careers, especially at the middle/senior management level;
- Develop a more open and transparent approach to career progression to better articulate career pathways for colleagues at all levels;
- Continue to resource fairly by providing a balance of both male and female candidates for advertised vacancies;
- Roll out development for our managers to improve awareness around unconscious bias during recruitment and remuneration processes;
- Review current return to work initiatives with the aim of improving retention rates of female colleagues after maternity/adoption leave;
- This year we are rolling out a new Diversity & Inclusion Strategy to enable a diverse workforce and further enhance equality across the organisation.

As an organisation we are committed to addressing and reducing the Gender Pay Gap over time.



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