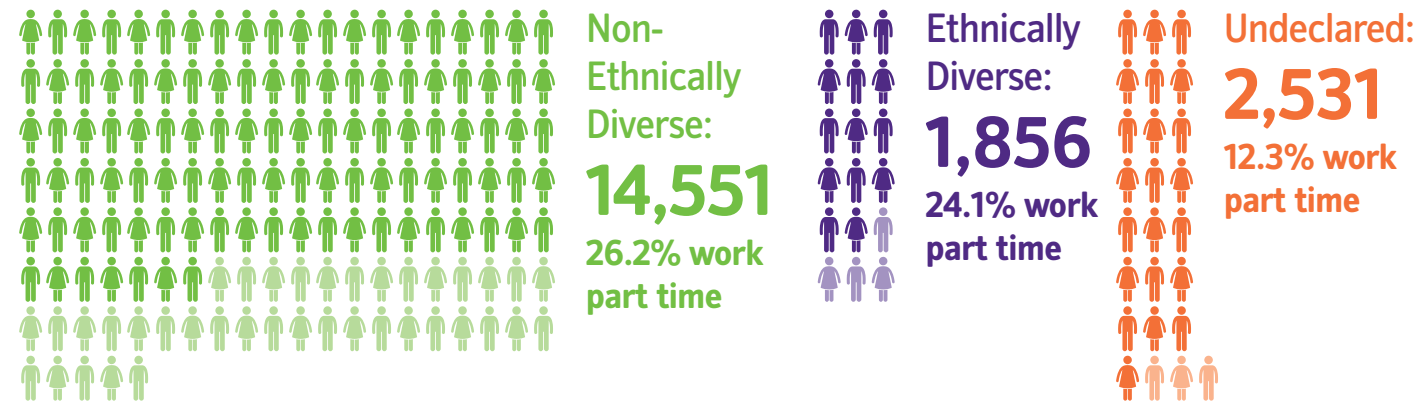
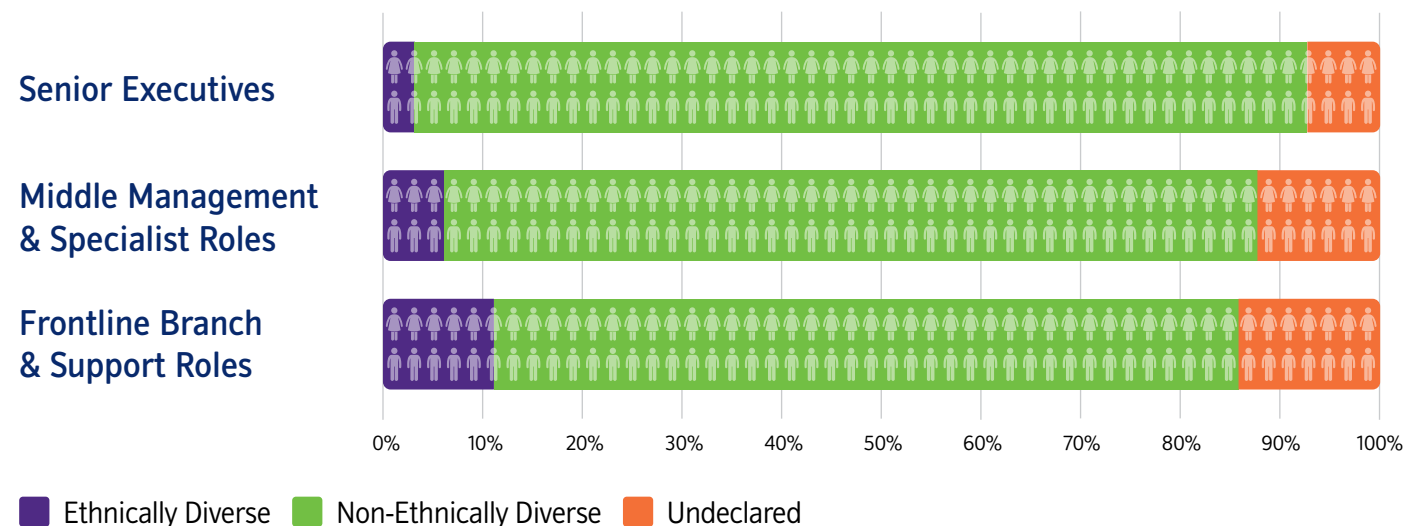


# Ethnicity Pay Gap Reporting

## Our Workforce Profile

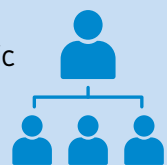


The profile of our workforce, with more Ethnically Diverse employees in lower-grade, lower paid roles compared to non-Ethnically Diverse employees influences our pay gap.



## Our Priorities

We set measures for greater representation in senior roles. ethnic diversity is a key focus area under our revised inclusion and diversity mission and approach.



We have launched a Sponsorship Programme to match talented people from minority groups to leaders who believe in their potential and will support their development.



Our well established employee network group **pride** Race Together helps raise awareness and understanding of the barriers our ethnic minority employees may face.

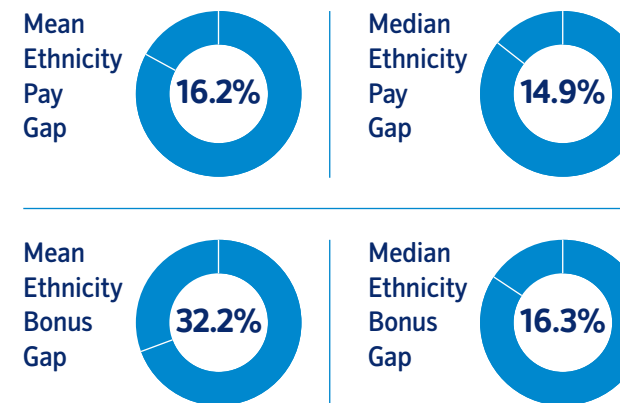
We have made a public commitment through being a signatory to the Governments **RACE AT WORK CHARTER** to tackle barriers ethnic minorities face in recruitment and progression.

We are one of the few organisations who voluntarily publish their ethnicity pay gap and are lobbying for mandatory reporting. It's an important demonstration of our commitment to transparency and focus on ethnic diversity. The Ethnicity Pay Gap measures the difference in pay between all employees who have identified as black, asian and minority ethnicity (Ethnically Diverse) and white (non-Ethnically Diverse) employees across Nationwide<sup>1</sup>.

## Our Ethnicity Pay Gap

### How do we know our employees are paid fairly?

An ethnicity pay gap and equal pay are not the same thing. Equal pay is about the pay of people who are doing the same or equivalent jobs. We're confident we don't have issues with equal pay. Through our regular Equal Pay Audits we review our pay system in detail. We operate a number of pay ranges across job levels and require there to be objective reasons for any differences within pay ranges, such as competency and experience.



### Proportion of Ethnically Diverse & Non-Ethnically Diverse employees in each pay quartile

Quartile*	Proportion of Non Ethnically Diverse	Proportion of Ethnically Diverse
Lower	86.9%	13.1%
Lower Middle	84.8%	15.2%
Upper Middle	89.8%	10.2%
Upper	92.4%	7.6%

### Proportion of Ethnically Diverse & non-Ethnically Diverse receiving a bonus



\*Three quartiles have 4,126 people and one has 4,125. Each quartile represents one quarter of those working at Nationwide when ordered from lowest to highest paid. The quartile figures do not include employees who had not declared their ethnicity at the time of reporting.

<sup>1</sup>For the purposes of this infographic 'employees' refers to employees of Nationwide, Non-Executive Directors and temporary workers who have a contract to perform work personally for Nationwide.

An ethnicity pay gap doesn't mean that employees with different ethnic backgrounds in comparable roles are paid unfairly, the figures reflect our current workforce profile.

The ethnicity pay gap is influenced by our workforce profile. However that is only one factor. Improving our understanding and taking action to increase the representation of different ethnic groups will take time, but we are committed to focusing on this and making progress.

The bonus gap calculation does not make any adjustment for part time working or where an employee starts midway through the reporting period. Proportionally more Ethnically Diverse employees contained in this reporting period were new starters compared to non-Ethnically Diverse and therefore, receive a pro rata bonus payment.

**Ethnicity Pay Gap:** Percentage difference in hourly pay between all Ethnically Diverse and all non-Ethnically Diverse employees working at Nationwide as at 5 April 2020. Only employees who had declared their ethnicity as at 5 April 2020 have been included in the calculation.

**Ethnicity Bonus Gap:** Percentage difference in bonus paid to all Ethnically Diverse and all non-Ethnically Diverse in the 12 months to 5 April 2020. All percentages are rounded to the nearest 0.1%. Only employees who had declared their ethnicity as at 5 April 2020 have been included in the calculation.

**Ethnically Diverse:** Black asian and minority ethnicity. Employees have voluntarily provided their ethnicity based on how they self-identify. All employees who have identified as any ethnic group other than 'White' have been included as Ethnically Diverse.

**The Mean:** The average, when all pay or bonuses for Ethnically Diverse and non-Ethnically Diverse employees are added together and divided by the number of Ethnically Diverse and non-Ethnically Diverse employees, this is the mean.

**The Median:** The middle value, when pay or bonuses for Ethnically Diverse and non-Ethnically Diverse employees are listed in numerical order, the middle number is the median.