

# Our gender and ethnicity pay gaps 2023



Since our last report, both our mean and median gender pay gaps have reduced. This has been driven through an improvement in our overall gender balance. For ethnicity, our mean pay gap has reduced for the fifth successive year, supported by an increase in the proportion of ethnically diverse colleagues in senior leadership and specialist roles.

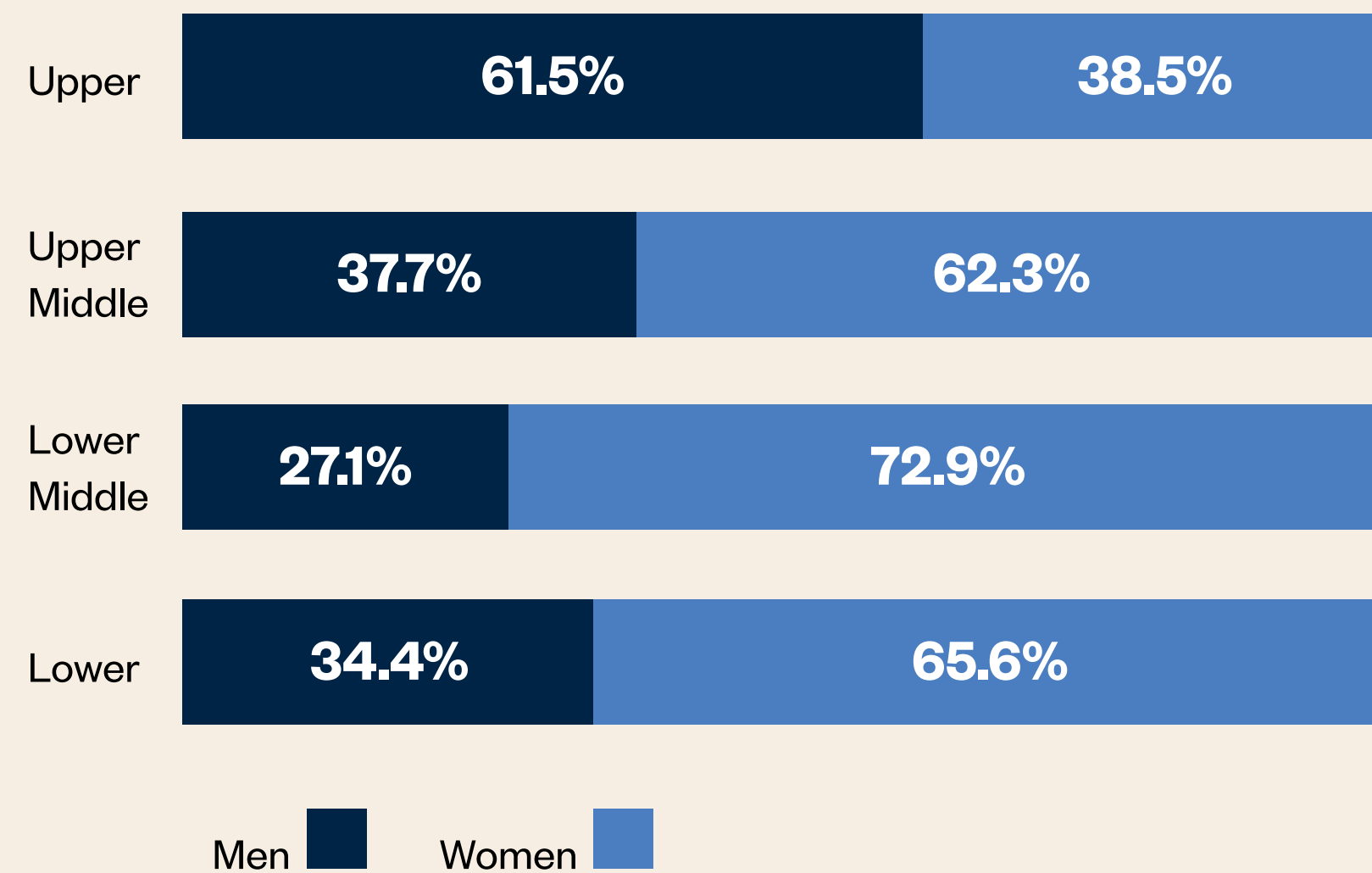
Gender Gap	Mean %	YoY change %	Median %	YoY change %
Pay	27.5	2.5 ↓	32.0	2.4 ↓
Bonus	39.9	3.8 ↓	38.7	6.4 ↑

Gender	Men	Women
% Received bonus	87.5	87.9

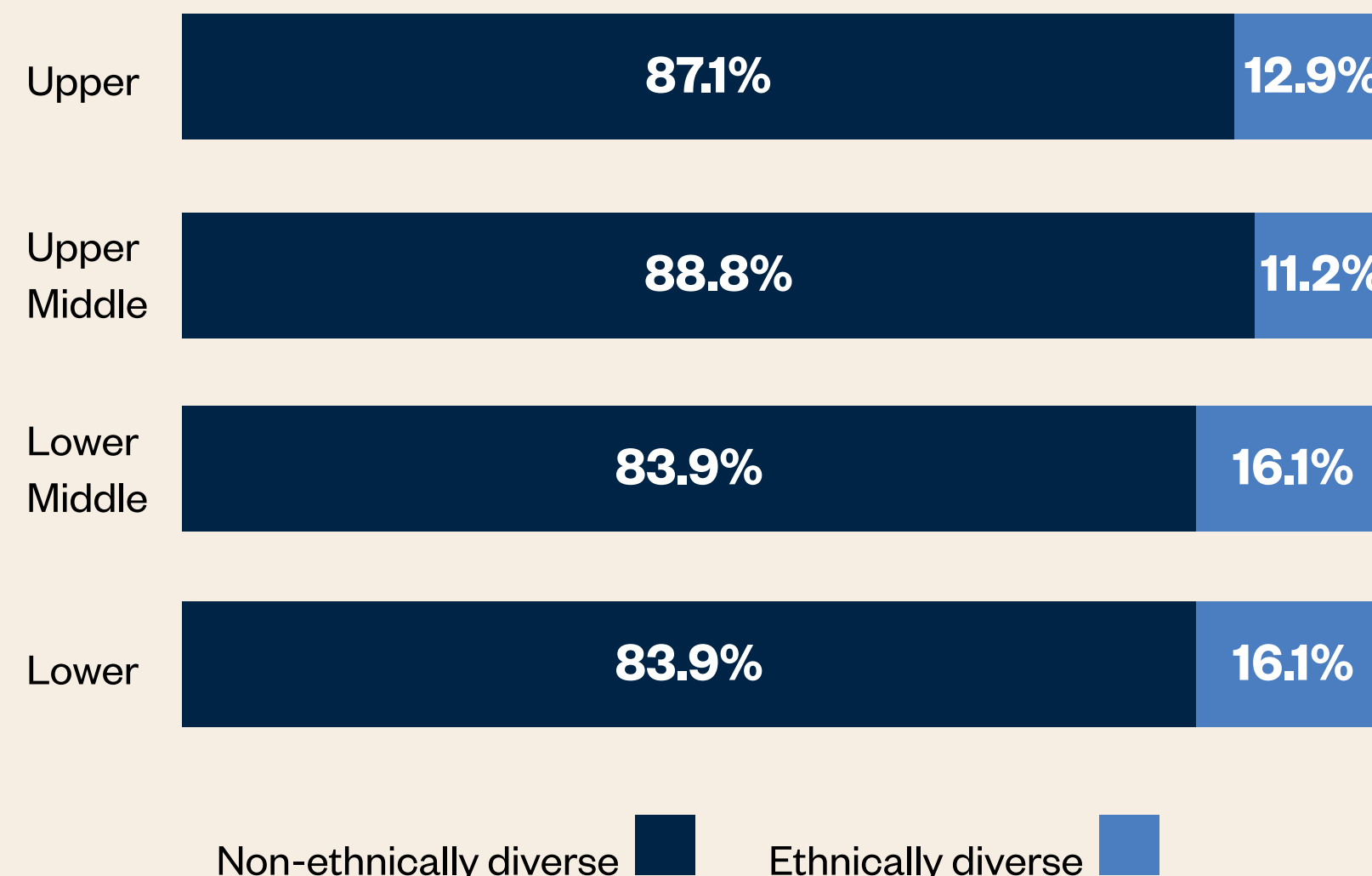
Ethnicity Gap	Mean %	YoY change %	Median %	YoY change %
Pay	6.4	1.0 ↓	10.0	0.4 ↑
Bonus	21.3	11.5 ↓	17.2	3.0 ↑

Ethnicity	Non-ethnically diverse	Ethnically diverse
% Received bonus	94.6	88.1

## Gender - pay quartiles



## Ethnicity - pay quartiles



Our statutory gender pay gap report and equivalent ethnicity pay gap is shown below. This takes account of the prescribed calculation method which includes a one-off £500 payment made as part of our annual pay review in April 2023. Because our pay review is returning to our normal timing in July from 2024, the impact of this payment will be temporary, so we've also shown our pay gaps without this payment (tables left). This does not affect our bonus gaps.

	Mean %	Median %
Gender pay gap	22.2	22.4
Ethnicity pay gap	5.8	7.8

Our pay gaps shows the difference in the average pay between men and women/ethnically diverse and non-ethnically diverse colleagues across all roles. This is different to equal pay, which looks at how colleagues are paid for doing the same or similar work. We regularly monitor pay to ensure our pay policies do not create bias.

If we had 50:50 gender distribution across all job grades in the Society, our mean gender pay gap would reduce from 27.5% to around 2.2%.

**Pay gap** measures percentage difference in average hourly rate as at 5 April 2023. **Bonus gap** measures percentage difference in average bonus paid in the 12 months to 5 April 2023. Pay quartiles figures show the proportion in each group, if they were ordered by their hourly rate of pay and divided into four equal groups.

Nationwide confirms that the published gender pay gap information is accurate and signed by Debbie Crosbie, Chief Executive Officer.

# Distribution of our workforce

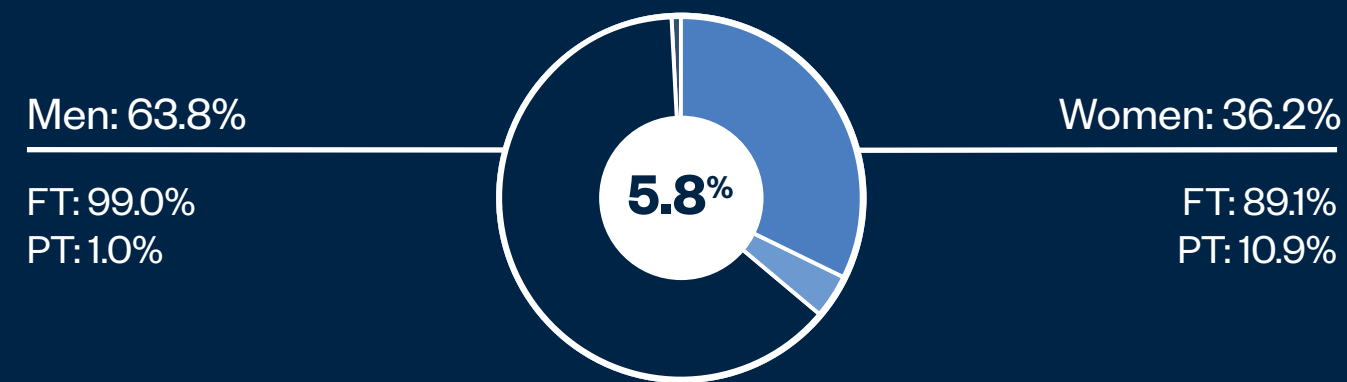


Our pay gaps are driven by having more women and ethnically diverse employees in our lower paid member-facing & support roles, and fewer in higher paid manager, specialist and leadership roles.

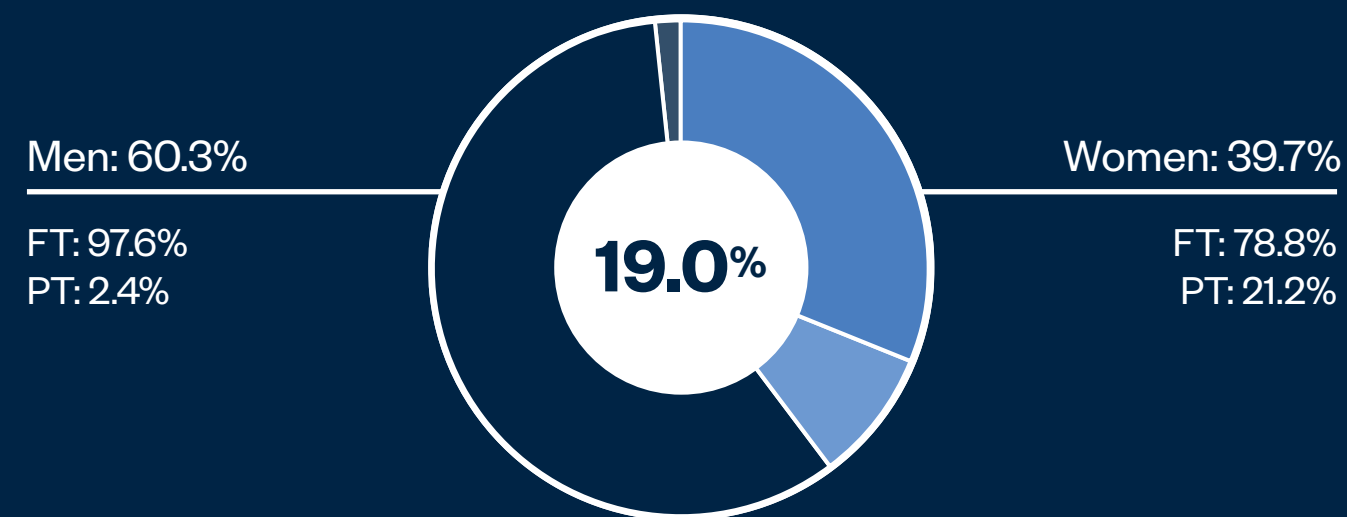
Compared to our 2022 report, the proportion of women has increased across all areas of the business, with the biggest increase within manager, specialist and leadership roles. Additionally, the proportion of ethnically diverse colleagues has increased within manager, specialist and senior leadership roles, largely driven by recruitment into technology.

## Gender Distribution

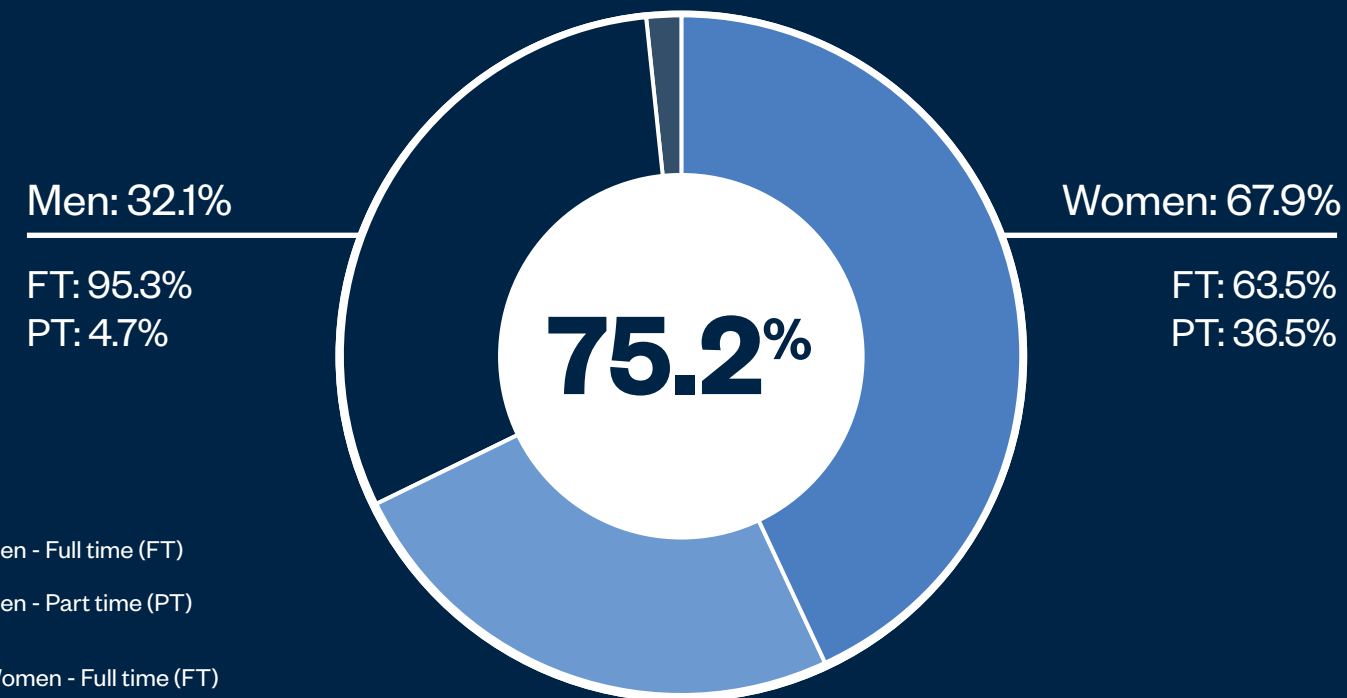
### Leadership



### Managers and specialists



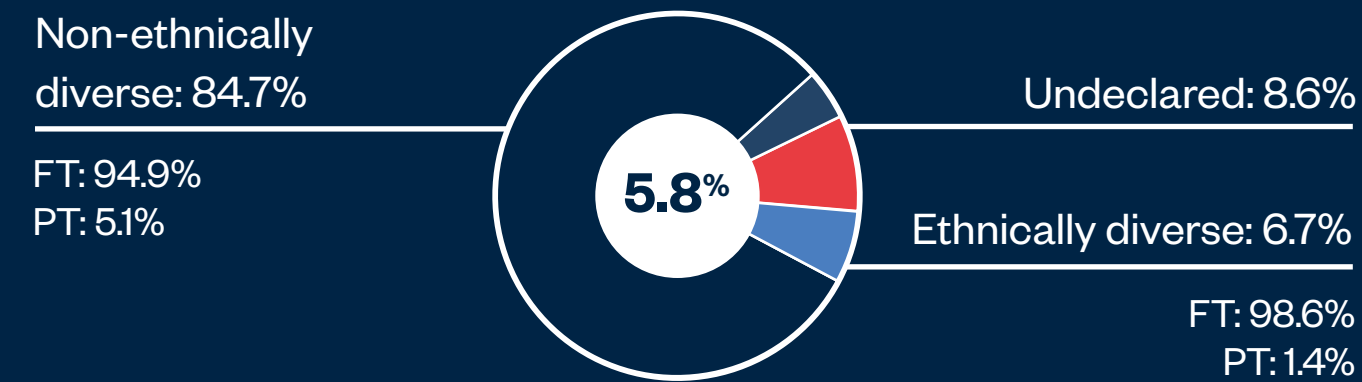
### Member-facing and support



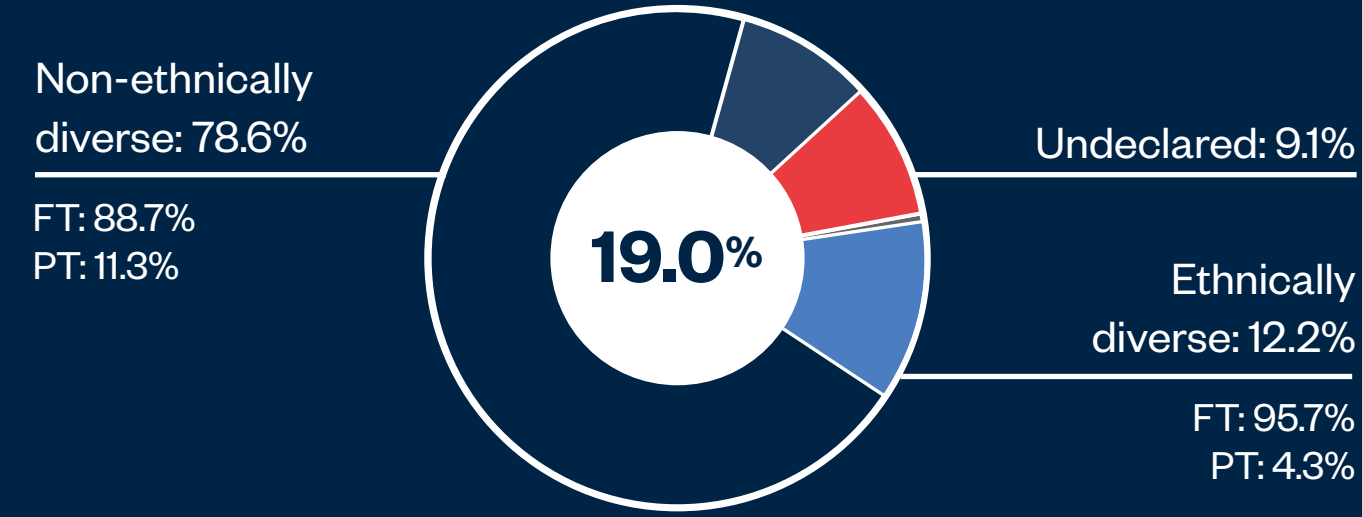
- Men - Full time (FT)
- Men - Part time (PT)
- Women - Full time (FT)
- Women - Part time (PT)

## Ethnicity Distribution

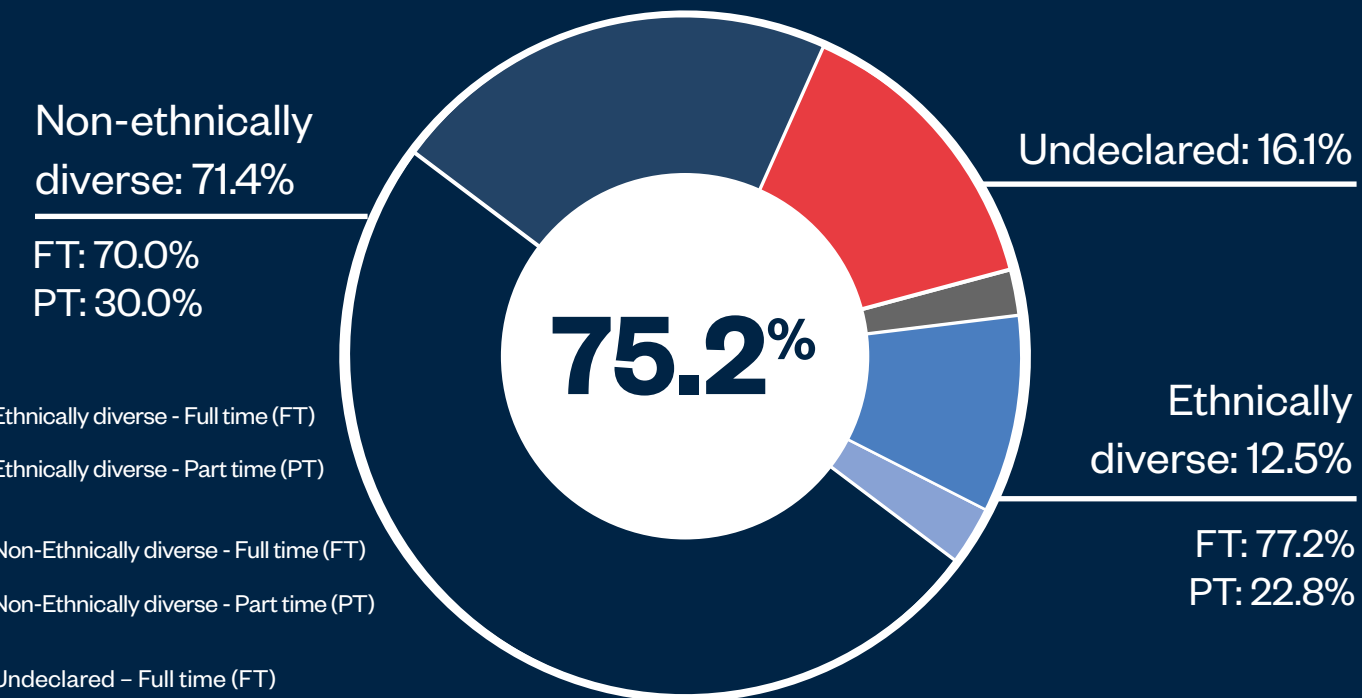
### Leadership



### Managers and specialists



### Member-facing and support



- Ethnically diverse - Full time (FT)
- Ethnically diverse - Part time (PT)
- Non-Ethnically diverse - Full time (FT)
- Non-Ethnically diverse - Part time (PT)
- Undeclared - Full time (FT)
- Undeclared - Part time (PT)

We are pleased that we are making progress towards reducing our pay gaps. We will continue to focus on actions that will improve inclusivity at Nationwide, enabling everyone to thrive, and recognising and removing barriers to progression.

We have taken a data-driven approach to determine action by:

- Making data available to leaders to identify where focus is needed and inform decision-making.
- Driving an uplift in declarations, through targeted action to increase colleague recording of diversity information.
- Commissioning an independent review to analyse and break down barriers to progression for under-represented groups, with a focus on social mobility.

We have continued to embed inclusion and diversity into the way we operate by:

- Introducing changes to our performance management approach to maximise fairness and consistency.
- Rolling out new leadership and management programmes to uplift capability and enable inclusive leadership and management.
- Reviewing our recruitment and onboarding processes to enable belonging and progression, including using diverse interview panels.
- Anticipating future skill and capability needs to create focused and targeted interventions to identify, develop and flow diverse talent.
- Improving language within our family friendly policy framework to avoid stereotypes and assumed roles.
- Continuing to offer market competitive choice and flexibility of benefits to ensure tailored personalisation to suit individual circumstances.

Gender and ethnicity distribution as at 5 April 2023, including those with a contract of employment, temporary workers contracted to personally provide a service and non-executive directors. For example, 75.2% of our workforce are within member-facing and support roles. Of these 67.9% are women, with 63.5% working full time and 36.5% working part time.