

Gender and ethnicity pay gap report 2023

Our gender pay gap

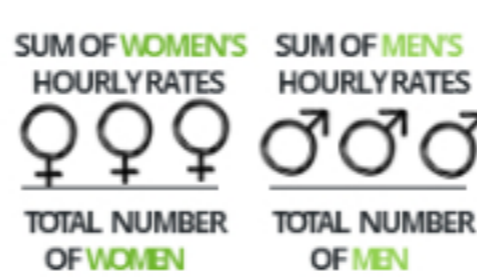
Understanding the numbers

It's important to remember that the gender pay gap and equal pay aren't the same thing. The gender pay gap looks at the difference between the average pay of all men and all women across an organisation, regardless of seniority or job role. Whereas equal pay looks at the pay difference between a man and women doing the same role.



EQUAL PAY

A legal requirement to ensure that men and women carrying out the same role, or a role of equal value, should be paid equally.



MEAN PAY GAP

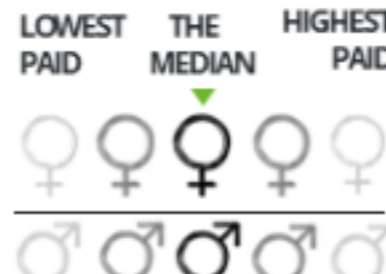
The **mean** pay gap (the average) is the difference between the average earnings of men and women. It's calculated by adding up the hourly rate of all female colleagues and dividing this figure by the number of female colleagues - then doing the same with male colleagues.



PAY GAP

The difference between the average hourly pay of men and women across all jobs, expressed as a percentage of men's hourly pay.

This includes base salary, bonuses, commission, allowances and share awards.



MEDIAN PAY GAP

The **median** (the middle) pay gap is the difference in the hourly pay between the midpoints of men's pay and women's pay, when their hourly pay is listed from lowest to highest.

Our goal is to close our pay gaps. We remain transparent when it comes to our data, and accountable for addressing areas of under-representation. We have three main areas of focus to help us achieve this:

- hiring** – broadening our hiring practices to be more inclusive;
- allyship** – such as sponsoring events and running inclusive communication training;
- development** – ensuring we support and prioritise under-represented colleagues.

The data shows we have **narrowed our median gender pay gap from 23.5% to 21.7%**. However, our **mean gender pay gap has widened from 13.4% to 16.3%**.

OUR MEAN (AVERAGE) GENDER PAY GAP IS:



16.3%

This is a 2.9% increase

2023	16.3%
2022	13.4%

OUR MEDIAN (MIDDLE) GENDER PAY GAP IS:



21.7%

This is a 2.5% decrease

2023	21.7%
2022	23.5%

Why we've seen these shifts in the numbers

Our gender pay gap is driven by a greater number of men than women in more senior roles. At the time of the snapshot, almost two-thirds of those in our upper and upper-middle pay quartiles were men - this is the biggest contributor to our gender pay gap.

We also had a greater proportion of men than women in our technology, product and data roles, where salaries are often higher than the average for non-technology, product and data roles. This was compounded by more new male starters in senior technology roles than female, and whilst reflective of the fewer female candidates in the market, it's an issue we want to address.

Our strategy therefore focuses on increasing the number of women at every level in the business and in particular, our most senior roles.

We knew we would see an impact in our data this year because the previous Chief Financial Officer was a woman and was succeeded by a man. This did have a big impact on the numbers - if we were to remove our Board and Executive team from the data, the change in the percentage is much smaller, at less than 1%. However, this just means we have to work even harder to close the gap.

In saying this, we're proud to have been recognised in 2022 as being above the FTSE Women Leaders Review 2021 benchmark of 40% women in leadership roles.

"We recognise we have progress still to make, but I'm confident we have a solid strategy to guide us forward and build upon. We know changes don't happen overnight and we continue to concentrate on our three areas of focus: allyship, hiring and development."

- Lisa Townsend, Chief People Officer

Our ethnicity pay gap

Although it's not mandatory to report our ethnicity pay gap, this will be the third year we've voluntarily published.

In previous years the mean pay gap narrowed and this year both mean and median gaps are in favour of ethnic minority groups, however, small numbers can result in significant fluctuations in the data.

Colleagues within an ethnic minority group make up 14% of the business, so we're committed to not only increasing overall numbers across the organisation, but also broadening representation within all career levels.

The mean ethnicity pay gap has fluctuated significantly from **6% to -17.5% in favour of ethnic minority groups** and the **median has narrowed from -15.3% to -8.9% in favour of ethnic minority groups**.

OUR MEAN (AVERAGE) ETHNICITY PAY GAP IS:



-17.5%

This is a 23% decrease

2023	-17.5%
2022	6.0%

OUR MEDIAN (MIDDLE) ETHNICITY PAY GAP IS:



-8.9%

This is a 6.4% increase

2023	-8.9%
2022	-15.3%

"We're proud to voluntarily publish our ethnicity pay gap data for the third year. Having a larger proportion of colleagues sharing their ethnicity data than in recent years has been hugely important in allowing us to see the full picture, and know what areas still require our focus. We'll use this insight to drive our strategy forward."

- Lisa Townsend, Chief People Officer

How we're working to make positive change

We've implemented a number of initiatives across three focus areas, **hiring, allyship and development**, and have more in the pipeline to help us improve our data across the board:

Through allyship

We'll keep **sponsoring and participating in key events** such as UK Black Business Week and We Are Black Journo.

We'll continue to **foster the smaller scale external mentoring and partnership relationships** we've established with several female entrepreneurs from ethnic minority groups in the fields of diversity and learning. We'll use Moneysupermarket Group resources, expertise, and business knowledge to help establish and support businesses that widen understanding of diversity and allyship within the broader community.

Our annual **equal pay and real living wage audits** ensure we never fall behind and our **inclusive communication training for all colleagues** educates and promotes inclusivity every day.

We'll keep signposting our **specific carers policy** for colleagues as we know that women and colleagues in minority ethnic groups may be disproportionately impacted by caring responsibilities.

We'll also **review and develop our parental leave support**, specifically around developing managers to better support colleagues when returning to work to increase retention.

We'll **deliver our state of inclusion survey and report**, and act on identified areas, including a confidential inclusion and microaggressions survey, to ensure colleagues have a safe space to raise issues and then a commitment from us to act.

And we'll **further embed our family wellbeing and diversity frameworks**, which include manager guidance on how we support perimenopause and menopause, pregnancy and baby loss, fertility treatment and domestic and other abuse, with the support of our employee resource groups.

Through hiring

We **launched our technology apprenticeship scheme** which has resulted in 100% female hires & 50% minority ethnic group hires so far, and plan to run the scheme again in 2024.

We've **partnered with Flexa Careers** to further establish our employer brand as a company that embraces flexibility to drive diversity hiring.

We've **introduced our 'interview passport'** ensuring our recruitment practices are much more inclusive by taking the time to understand specific candidate requirements and being supportive of a range of needs.

Our **commitment to driving direct hiring through our talent acquisition team**, not agencies, continues as we know this has an impact on our diversity metrics. In the first half of 2023 64% of all hires were direct; 37.5% of all new starters were female and 26.1% of all new starters described themselves as part of an minority ethnic group.

We've **deployed a number of inclusive hiring practices** in addition to our 'licence to hire' training and have embed these in our search for diverse talent, such as using **Textio for inclusive job adverts** and providing interview questions in advance.

We've **removed current salary questioning** so we no longer ask candidates current salary questions during our hiring process. **The Fawcett Society** states that asking about previous pay when recruiting contributes to the gender pay gap, by keeping women on lower wages.

We're **targeting hiring partners and agencies with a wide reach into diverse communities** including; SheCanCode and the women in data online community platform, and exploring schemes such as tech returners, to enhance the number of female hires in tech.

Through development

We'll ensure we're **retaining and progressing** the careers of women across the group into senior roles.

We're doing this through our **mentoring programme** (active since 2022) and by providing access to **external coaching** opportunities such as Ezra.

In 2024 we plan to **explore targeted development opportunities for female talent** at different levels within the business alongside the **formation of a senior women's forum**. Creating this forum will give female leaders access to key-note speakers and networking opportunities that build an internal community.

We've **partnered with Innovate Her** as we know there are fewer women going into technology-based roles, to introduce young girls to the world of tech. Not to directly recruit, but rather create opportunities in the wider industry for under-represented groups. We also partner with the Phoenix Academy – a local London school to encourage girls into tech.

We'll also **build on the women in tech peer mentoring circles** to bring in external perspectives and learnings and **further develop our leadership pillar**, leading with inclusion and ensuring expectations are clear for all.

To build our learning opportunities, encourage transparency and enable deeper analysis and insights, we'll **embed our goal-setting, feedback and recognition tool**.

We'll **continue to run our group-wide mentoring programme** and ensure that mentees and mentors know they can specifically request for, or offer support and guidance on, how to enhance career development and progression as a woman and/or as an individual within an ethnic minority group.

