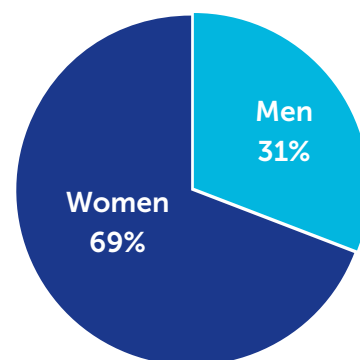


Scottish Midland Co-operative Society ("the Society") is Scotland's largest independent co-operative and has been at the heart of Scottish communities since 1859. The Society's core purpose is 'to serve our communities and to improve people's everyday lives'. We are proud of the incredible effort of our colleagues who have worked tirelessly throughout the pandemic to fulfil this purpose. The Society is committed to continuing to attract, retain and develop a diverse and inclusive workforce and to nurturing a culture where all our colleagues can thrive.

## Pay Policy

The Society's pay policy is gender neutral, with over 85% of our roles covered by rate-for-the-job pay scales. The remainder of the roles are benchmarked externally using Willis Towers Watson retail pay survey information. We are committed to increasing opportunities for all colleagues across the Society and are pleased that in 2021 we have more female colleagues represented at a senior and leadership levels in the Society than before.



Total number of relevant employees - 4,049

## Analysis

While the Society continues to increase representation of female colleagues in senior roles, a gender pay gap prevails. We do not believe this pay gap is caused by our pay policy. Instead, we believe this reflects the fact that the majority of the Society's customer facing roles are part-time and these part-time positions tend to attract female applicants. This is consistent with the experience of the wider retail industry.

While the Society has seen a marginal increase in the mean and median pay differentials in 2021, we are confident that this does not reflect a permanent shift in our results. We believe this is a temporary shift caused by the inclusion pandemic related payments in the snapshot data, which have artificially shifted base rates of pays. In addition, we believe the exclusion of colleagues on furlough from the dataset has impacted the results.

## Activity Taken to Date

Our focus on talent acquisition and career development, in an open and inclusive way, has seen an increase in female colleagues participating in our management training programme and being appointed to senior roles. 43% of our Senior Management Team roles are held by females, which has increased from 20% in 2020.

The gender pay results offer an important insight into the Society. We strive to develop a diverse and inclusive workforce, reflective of the communities we serve, and a culture that attracts and retains the best talent and enables our colleagues to thrive.

I confirm that the Scotmid pay gap data is accurate and has been collated in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

**Margaret Anne Clark**

Head of People & Performance - March 2022

Quartile	Men 2021	Women 2021
Top Quartile	43.28%	56.72%
Upper Middle Quartile	32.82%	67.18%
Lower Middle Quartile	20.00%	80.00%
Lower Quartile	39.62%	60.38%

Difference between men and women	Mean	Median
Gender Pay Gap 2021	16.97%	2.14%
Gender Pay Gap 2020	16.13%	0.57%

Bonus Pay	Men	Women
Those who received bonus pay	96.72%	98.18%

Difference between men and women	Mean	Median
Gender Bonus Gap	52.65%	11.76%