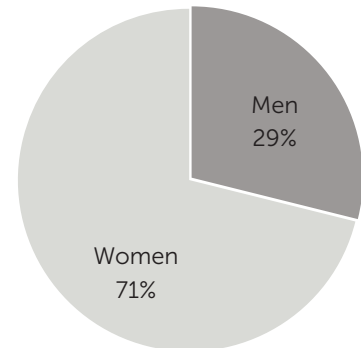


The Society believes in creating a diverse and gender balanced workforce that reflects the communities where we operate and the customers we serve.

The Society has a policy and process to ensure pay levels are reviewed using a fair and consistent methodology.

Our pay policy is gender neutral and we are confident that men and women who work for us are being equally paid for doing equivalent jobs. 95% of our roles are covered by rate for the job pay scales. The remainder of roles are benchmarked externally using Willis Towers Watson pay survey information and verified by an independent remuneration advisor.



Total number of employees - 3,934

Difference between men and women	Mean	Median
Gender Pay Gap 2017	22.5%	2.2%
Gender Pay Gap 2018	21.7%	2.9%

Quartile	Women 2017	Women 2018	Men 2017	Men 2018
Top Quartile	58.3%	58.7%	41.7%	41.3%
Upper Middle Quartile	79.2%	76.1%	20.8%	23.9%
Lower Middle Quartile	86.3%	87.2%	13.7%	12.8%
Lower Quartile	62.1%	60.9%	37.9%	39.1%

Bonus Pay	Men	Women
Those who received bonus pay	1.43%	1.67%

Difference between men and women	Mean	Median
Gender Bonus Gap	69.8%	11.4%

As we stated last year our pay gap is a reflection of the retail industry where the vast majority of our customer facing and administrative employees are part time, these part time roles have traditionally been attractive to female applicants. This is in contrast to our higher paid professional and technical roles in Head Office which currently have a higher percentage of males in post.

With a relatively low level of staff turnover, in Head Office roles, any actions to address the gender mix in professional and technical roles will take time to be reflected in the overall pay gap statistics.

Changes in the retail team management structures during 2018 have yet to be reflected in the statistics and we continue to ensure that our recruitment and reward policies and practices are gender neutral.

Action Taken

- Promotion of flexible working.
- Ensuring all our vacancies are available to internal candidates.
- Benchmarking pay rates externally using national survey data.
- Where possible, subject to candidate suitability, ensure that shortlists for senior roles are gender balanced.

Future Actions

- Improve opportunities for flexible working.
- Continue to ensure that gender equality is a key factor in succession planning for leadership roles.
- Ongoing analysis of pay reviews to ensure there is no gender bias.

Steve McDonald
Head of People & Performance.
March 2019