

**Gender Pay Gap Report 2023**

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 work tirelessly 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.

The Society remains committed to promoting Equality, and inclusion in our workplace. In accordance with UK legal requirements, we are disclosing the findings of our annual gender pay gap report for 2023. The purpose of this report is not only to fulfil our regulatory obligations but also to affirm our commitment to transparency and continuous improvement in identifying and addressing disparities in pay between men and women within the Society.

**Pay Policy**

The Society's pay policy is gender neutral, with over 90% 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 2023 we have continued to attract and retain more female colleagues at senior and leadership levels in the Society.

**Pay Quartiles Analysis**

The quartile distribution of pay within the Society reveals that women are the majority representation across all pay quartiles.

There has been a marginal increase in the mean pay gap which has move from 14.79% in 2022 to 15.28% in 2023 and the same profile across the median pay gap, moving from 1.21% in 2022 to 1.71% in 2023. This represents an increase of 0.5% across both measures, inconsistent with the year on year reduction we have seen since reporting commenced. We don't expect this shift to change the long term improving trend. While a gender pay gap persists, we do not believe it is caused by our pay policy. Instead, we believe this reflects the fact that the majority of the Society's entry level customer facing and administrative roles are part-time and these part-time positions tend to attract a higher proportion of female applicants. This is consistent with the experience of the wider retail industry. As more women are employed in senior roles we anticipate that the gender pay gap will reduce in 2024.

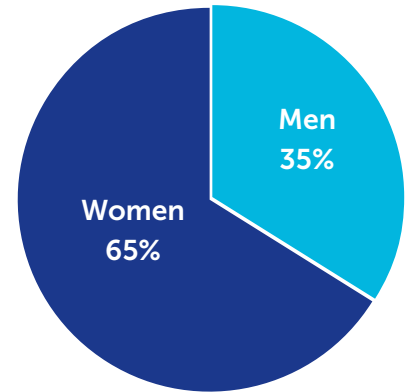
The average bonus payment difference between men and women has significantly reduced between 2022 and 2023 from 65.49% to 21.19%, reflective of more bonus payments being made in lower quartile pay groups.

**Conclusion and Further Actions**

We continue to focus on talent acquisition and career development, in an open and inclusive way and have high levels of participation from female colleagues in our management training programme and being appointed to senior roles.



**Margaret Anne Clark**  
Chief Operating Officer - Services - April 2024



Total number of relevant employees - 3,584

Quartile	Men 2023	Women 2023
Top	41.82%	58.18%
Upper Middle	33.11%	66.89%
Lower Middle	23.99%	76.01%
Lower	36.11%	63.89%

Difference between men and women	Mean	Median
Gender Pay Gap 2023	15.28%	1.71%
Gender Pay Gap 2022	14.79%	1.21%

Bonus Pay	Men	Women
Those who received bonus pay	81.80%	89.65%

Difference between men and women	Mean	Median
Gender Bonus Gap	21.19%	0%