



# Gender Pay Gap 2021 Triodos Bank Ltd





# Introduction

Our mission is to help create a society that protects and promotes quality of life and human dignity for all. We make money work for positive social, environmental and cultural change.

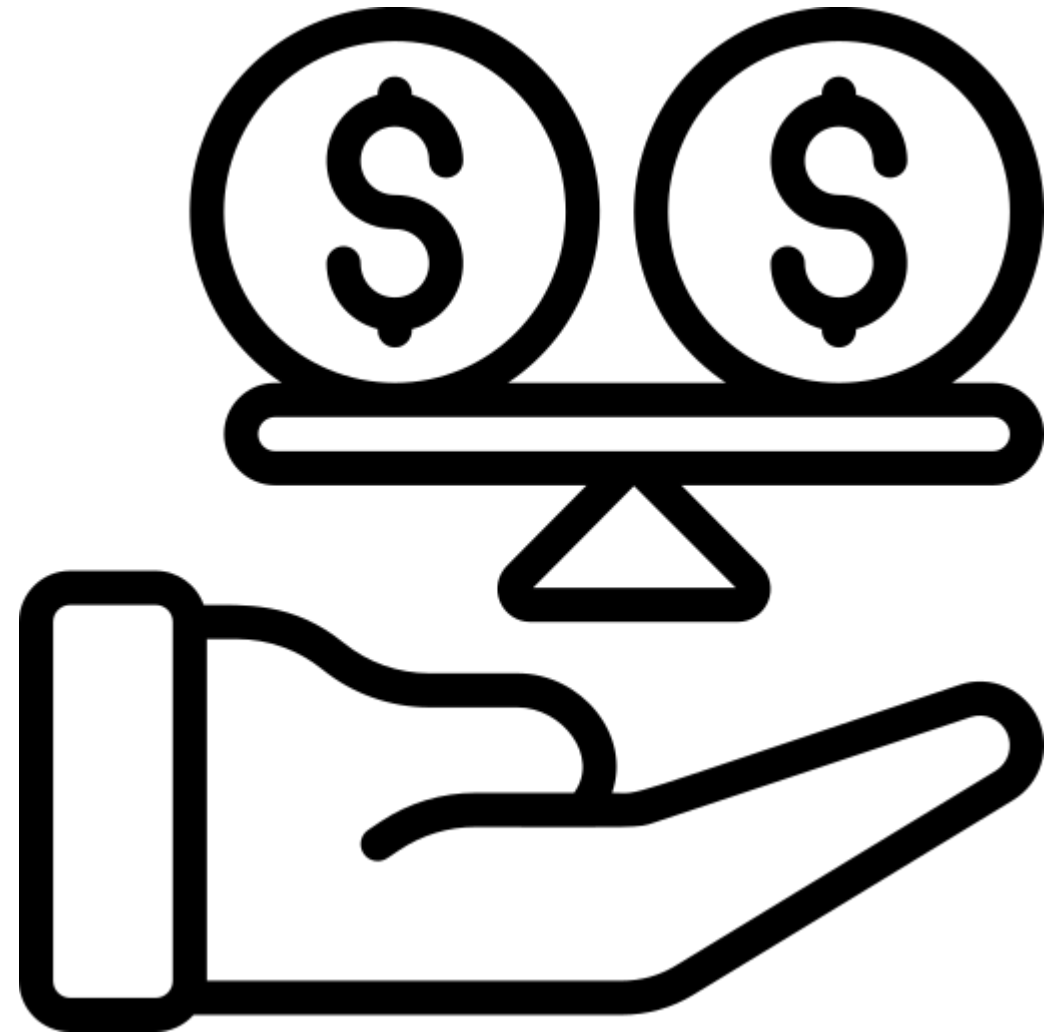
To facilitate our mission we are invested in growing a company that nurtures diverse thinking, bringing different perspectives to the table and helping us grow a sustainable business.

As part of developing a more diverse co-worker population that reflects the customers we serve, we are committed to the progression and development of gender balance at all levels within Triodos Bank UK. We see the Gender Pay Gap as a critical metric in monitoring our progress to achieving this.

# What is the Gender Pay Gap (GPG)?

The GPG measures the percentage difference between the average hourly earnings of men and women across a workforce.

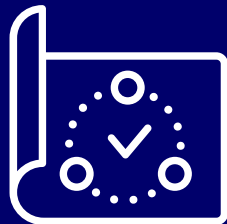
GPG is different to unequal pay, which is paying men and women differently for performing the same (or similar) work where the reason is their sex.



## Why do we report?

Since 2017 organisations in the UK with 250+ employees have been required to report their GPG figures on an annual basis.

Triodos only reached this reporting threshold in 2022 (reportable in April 2023), but we have been proactively monitoring our GPG for some time. This is because we are committed to building more diverse teams and to supporting the progression of women throughout the organisation.



## What do we report?

We report the following metrics in line with gender pay gap reporting legislation:

- The mean (average) gender pay gap, based on hourly pay
- The median (middle) gender pay gap, based on hourly pay
- The % of men and women in each pay quartile

### Bonuses

The gender pay gap legislation also requires organisations to publish the % difference in bonus figures. However, we do not operate a bonus scheme. This is because we believe that the impact we have is the joint accomplishment of all co-workers and we do not believe that financial incentives are an appropriate way to motivate and reward the right behaviours in a values-led organisation.

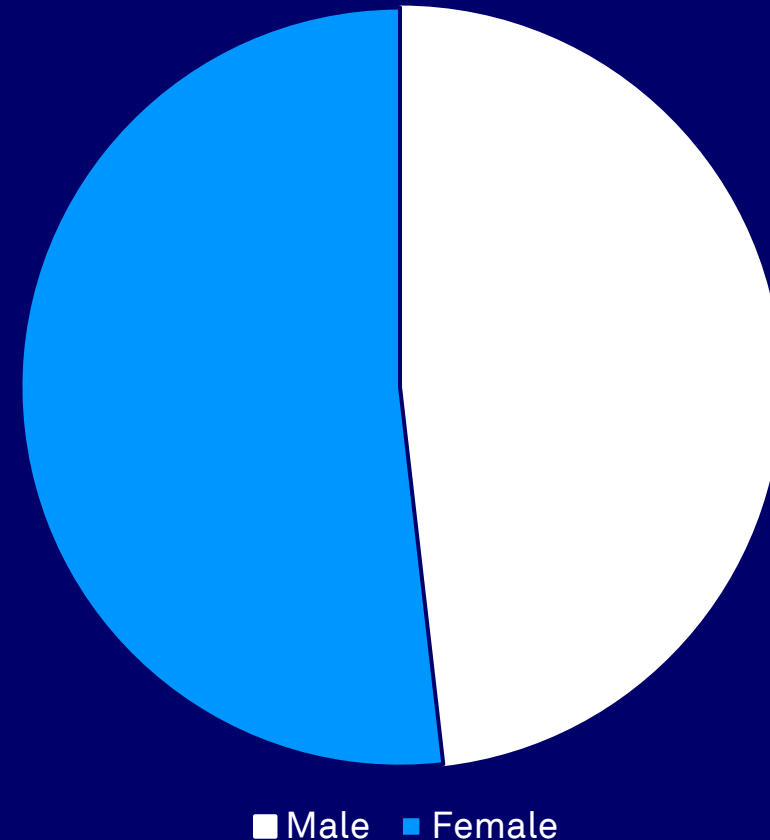
# Our Gender Pay Gap Stats

# Co-worker Gender Split 2021

On the snapshot date of 5 April 2021 we had 220 co-workers who were in scope of the report.

We had an almost 50/50 gender split, with 52% of co-workers being female and 48% male.

This is really positive, showing Triodos UK have a gender balanced workforce.

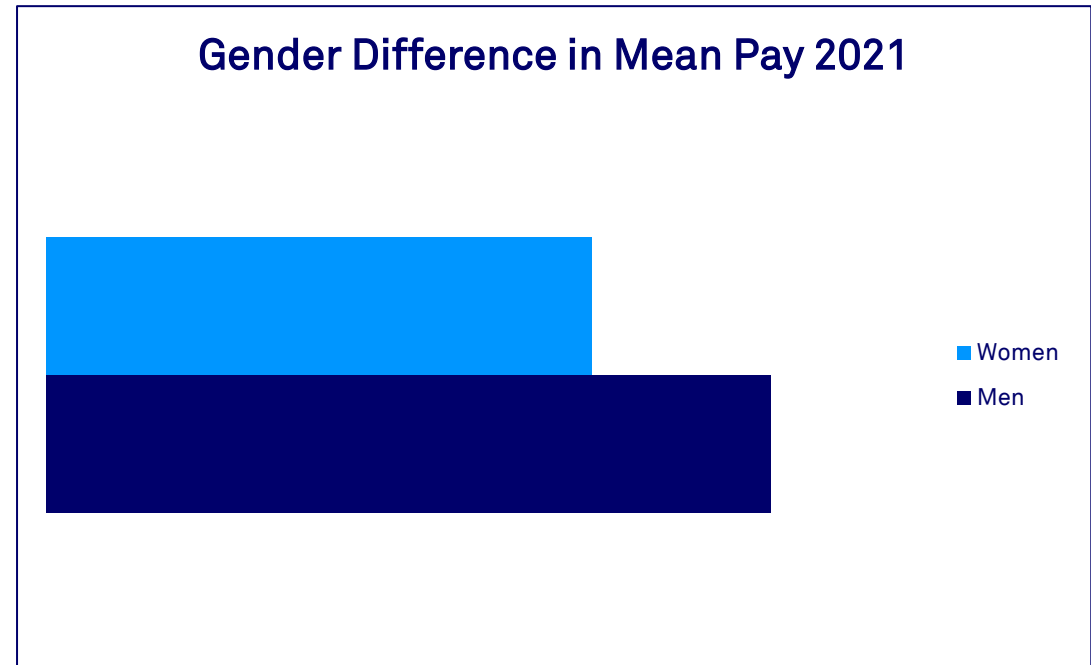


# The Mean Pay Gap

The mean pay gap is calculated by finding the % difference between the average female and male hourly pay.

In 2021, our average male hourly rate was 21.8% higher than that of the average female hourly rate. This has increased 3.1% since 2020.

Our mean GPG was 7.7% below the Financial Services Sector average in 2020.



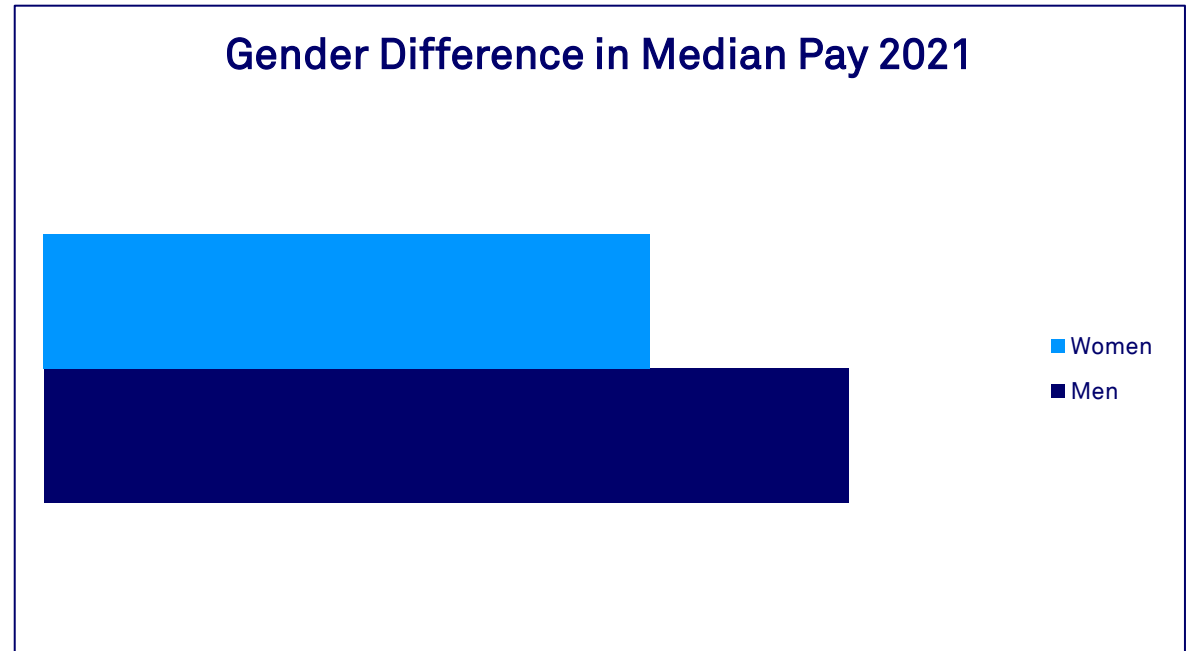
	UK Finance Sector 2020	TBUK 2021	TBUK 2020	TBUK 2019	TBUK 2018
<b>Pay Gap Mean</b>	29.5%	21.8%	18.7%	20.7%	13.20%
<b>Yearly Variance</b>	N/A	+ 3.1%	- 2%	+ 7.5%	N/A

## The Median Pay Gap

The median pay gap is calculated by dividing our workforce in 2 and finding the % difference between the hourly pay rate of female and males which falls in the middle.

In 2021 the median pay gap was 24.7%, meaning the middle-earning female was paid 24.7% less than the middle-earning male. This has increased 3.1% since 2020.

Our median GPG was 8.5% below the Financial Sector average in 2020.



	UK Finance Sector 2020	TBUK 2021	TBUK 2020	TBUK 2019	TBUK 2018
<b>Pay Gap Median</b>	33.2%	24.7%	21.6%	27.6%	20.00%
<b>Yearly Variance</b>	N/A	+ 3.1%	- 6%	+ 7.6%	N/A



## Proportion of Men and Women in Pay Quartiles

The table below shows our gender split across pay quartiles. E.g. 65% of co-workers in our upper pay quartile are men.

The figures show a key driving factor in men having higher mean and median hourly pay than women, namely that women have higher representation in our lower pay quartiles. This contributes to reducing the average and mid-point hourly pay of our female co-workers.

	2021		2020		2019	
	Men	Women	Men	Women	Men	Women
<b>Upper</b>	65%	35%	67%	33%	71%	29%
<b>Upper Middle</b>	52%	48%	42%	56%	56%	44%
<b>Lower Middle</b>	42%	58%	35%	65%	33%	67%
<b>Lower</b>	43%	57%	46%	54%	44%	56%

# What is the data telling us?

# Reasons to celebrate...

## 1. Our Senior Team

Since 2019, we have increased the female representation within our upper pay quartile.

This includes maintaining female representation within our senior leadership team. In 2021 we had 56% male and 44% female split. Some of our senior female leaders include our Chief Operating Officer, Chief Risk Officer, Director HR and Director Marketing & Communications.

We realise there is still work to do, but we are proud the female representation within our senior management team is growing.

## 2. Our Mid-Career Roles

Every year since 2019, we have retained a broadly gender balanced upper middle pay quartile, which is our mid-career level roles. These are the people who will progress into our senior leadership roles.

## 3. UK Financial Services

Consistently our GPG figures have been below the UK Financial Services average in both mean and median.

We are proud of this, just as we work hard to challenge the Finance Sector's approach to sustainability, we also want to act as leaders in having and valuing a diverse workforce.

# Where there is still work to do...

## Distribution

Despite having a gender balanced workforce, we do not have an even distribution of men and women across our pay grades, which is the primary driver of our GPG.

We have a higher proportion of females in lower paid roles and fewer women in our most senior pay grades.



## Progression

One factor increasing our GPG is the speed at which our female co-workers progress into more senior roles.

Analysis shows our female co-workers tend to have a longer length of service before being promoted than male co-workers





# Our Action Plan

# Our Aspirations

When thinking of the next steps to address our Gender Pay Gap, we've first clarified our long-term aspiration and the principles which will help us deliver this.

1. Long-term aspiration to have a 0% Gender Pay Gap

2. Focus on taking targeted, data-driven actions that will make a difference

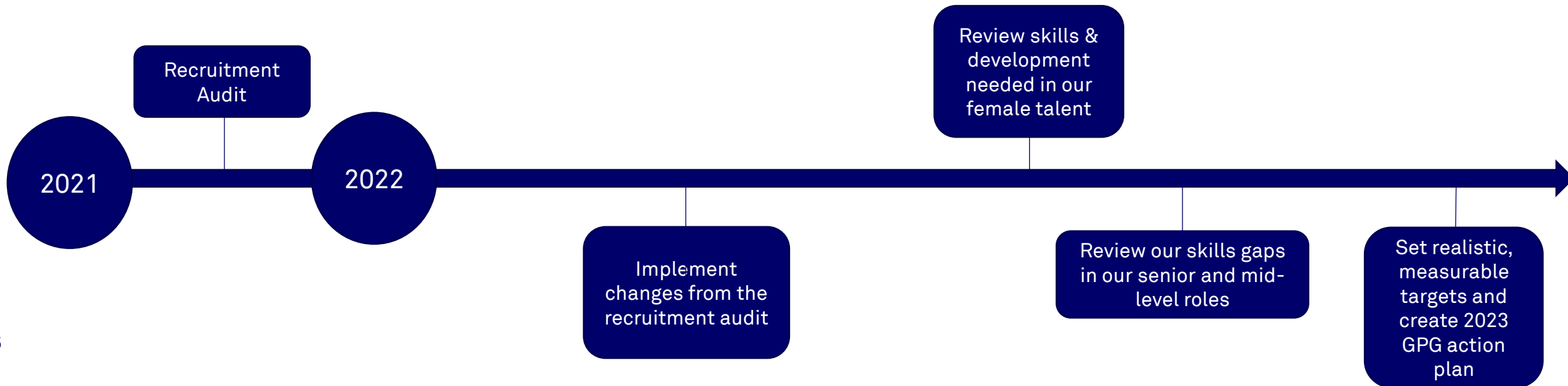
3. Set measurable targets to monitor progress and impact of initiatives we put in place

# Action Plan

We have a strong aspiration to remove our Gender Pay Gap. Therefore, we want to address the top drivers of our gender pay gap through data-driven and evidence-based actions. We decided to create a short-term action plan which is aimed at:

1. Continuing to increase the female talent applying for senior vacancies at Triodos Bank UK
2. Take the first steps to understanding what training and development our female co-workers need to progress into more senior roles

These aims are being achieved by focusing on making sure our **recruitment processes hold no gender bias** and using our talent management cycle to **identify female talent and assessing their skills, development needs**. The latter will go on to inform targeted development initiatives in 2023.



# EDI & TBUK

There are also a number of actions we are taking to support and promote diversity and inclusion more broadly, which we hope will also contribute toward reducing our GPG. Some of these are...



Embedding **flexible working** to facilitate work / life balance



Signatories of the **Women in Business** and **Women in Finance** charters



Growing our **Intern programme** to give more young people opportunities and insight to careers in Finance



Building our **Triodos Inclusion Forum**, a committed group of co-workers who are working to embed Inclusion within TBUK

rare

DIVERSITY  
RECRUITMENT  
EXCELLENCE

Working with **RARE Recruitment** to increase the social diversity of our talent



# Closing Thoughts

We are proud that our GPG figures are below average for the UK Financial Services industry and that we are slowly increasing the number of females in our most senior roles. But we know we still have work to do.

In taking steps to achieve a 0% gender pay gap we are focussing on our top drivers; the distribution of our female co-workers across Triodos UK and their progression into senior roles. We're doing this through targeted action and will keep our action plan under constant review.

Triodos UK is growing, with new roles and opportunities becoming available for talented people to join us. We will continue to develop our recruitment processes so they hold no gender bias and encourage all genders to join us in equal measure. Finally, we will take the next steps to support our female co-workers to grow their careers with us.

