

# Promoting equality in The Co-operative Bank

**HM Treasury Women in Finance Charter Update**  
and

**Gender Pay Gap Reporting 2018**

December 2018

“When we signed the Women in Finance Charter in 2016, the number of women in senior roles was 32%. I am pleased to report, that due to our focused work on gender diversity, in particular for internal promotions, we are on track to meet our 40% target by 2020.

“Our focus for 2019 will be a continuation of the work we are doing with our colleagues as well as driving this change further through a focus on our external recruitment.

“We have also provided as part of this report our Gender Pay Gap figures for 2018, with numbers similar to that reported in 2017 with a slight improvement on our mean pay gap. We anticipate that over time our focused work on gender diversity linked to our Women in Finance Charter commitments will result in this gap narrowing.

“I confirm the Gender Pay Gap Reporting data in this document to be accurate.”

**Andrew Bester**  
Chief Executive

The **co-operative** bank  
It's good to be different

# Promoting equality: Our Women in Finance progress

“As we did in 2017, we are again sharing an update on the progress we’ve made against our HM Treasury Women in Finance targets as set out in 2016, and also providing information on our Gender Pay Gap Reporting for 2018.

“We are starting to see demonstrable results from the actions we’ve taken to deliver on our Charter commitments, with an uplift of 3% at the time of reporting. At the end of this year the figure has increased to 4% of women in senior roles since we set our target in 2016. As the executive sponsor for gender diversity, I am delighted that also in 2018, women made up 71% of promotions into senior roles at The Co-operative Bank.”

**Steven Pickering**  
Chief Risk Officer and Executive Sponsor  
for gender diversity, The Co-operative Bank



## Delivering on our commitments

- Steady progress, led by strong retention and succession plans for senior women has meant that we are on track with the target we set of having 40% of our senior roles held by females, by 2020.
- This achievement goes hand in hand with our plans to address the gender pay gap by ensuring we support female progression into senior roles.
- We have a robust five point gender plan in place to help support focus on and drive change in continuing to create an inclusive and diverse culture.



Listening to our colleagues and improving our policies



Supporting colleagues through flexible working and professional development



Ensuring equal pay between male and female colleagues



Delivering tailored plans to promote gender diversity across The Co-operative Bank



Supporting female progression into senior roles – through our commitment to the Women in Finance Charter

# Delivering on our Charter commitments: Five point plan progress 2018

## 1. Listening to our colleagues and improving our policies

We track and analyse how all our colleagues feel about working at The Co-operative Bank through our annual Speak Up colleague engagement survey and other feedback opportunities. We had an 86% response rate to the survey in 2018 and we will act on this insight to continue to make a difference.

As a result of continuing to listen to our colleagues this year, we have:

- Further enhanced recruitment processes and breadth of attraction methods to attract more diverse applicants.
- Launched and embedded a mandatory inclusion and diversity module, including unconscious bias.
- Held everyday inclusion workshops to promote inclusive behaviours.
- Continued to promote membership of our 430 strong career development network, Elevate. It is a fantastic support to the Bank's inclusion work and runs inspirational career story events, along with sessions to celebrate International Women's Day and International Men's Day.

## 2. Supporting colleagues through flexible working and professional development

We're encouraging female colleagues to put up their hand for opportunities. Over the past year we have:

- Launched a Career Confidence programme for 300 colleagues.
- Launched a female focused mentoring programme.
- Launched a parental mentoring pilot programme.
- Shared flexible working stories and highlighted the advantages of agile working with colleagues across our Bank.
- Provided our colleagues with opportunities to meet and learn from role models and leaders, ran by our career development network, Elevate.

## 3. Ensuring equal pay between male and female colleagues

We continually monitor our business and guide our leaders to ensure that colleagues with comparable skills and experience are being paid consistently for doing the same or similar roles, regardless of gender. Our activities include:

- Conducting an annual pay audit and monitoring starting salaries to ensure fairness and that colleague value is reflected in their reward and benefits package, and that difference in gender does not affect this.
- Continuing to use pay reference guides to help ensure colleagues are paid fairly, equitably, consistently and in line with comparable roles within our business.

## 4. Delivering tailored plans to promote gender diversity

Every area of The Co-operative Bank has a responsibility to address gender and diversity, but we recognise that all our departments face different needs and challenges. Activity over the past year has included:

- Each business area ensuring inclusion is built into their people plans.
- Our Inclusion and Diversity Manager supporting local plans, working closely with HR business partners.

## 5. Supporting female progression into senior roles – through our commitment to the Women in Finance Charter

In 2018, we have focused our work on growing great leaders and this has included:

- Strong retention and succession plans for senior women ensuring equality of opportunity.
- A clear emphasis on inclusion and our Charter commitments and encouraging women to volunteer for opportunities.
- Continued focus when recruiting female Executives and Senior Leaders – two female appointments to our Executive team this year.
- Showcasing female achievements with our Chief Customer Officer being shortlisted for the Women In Finance Banker of the Year and one of our female colleagues being nominated for Young Apprentice of the Year.



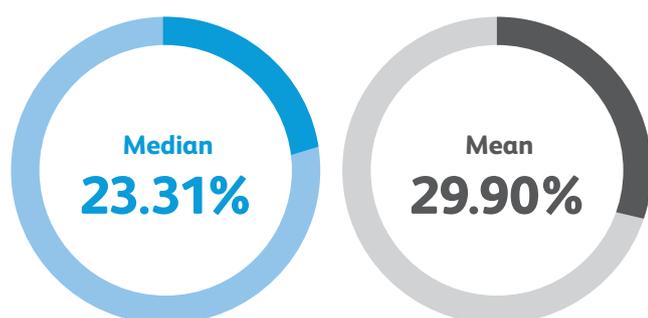
# Our Gender Pay Gap figures 2018

“As we did in 2017, we decided to combine our HMT Women in Finance update with the publication of our 2018 Gender Pay Gap reporting. Our pay gap figures are similar to 2017 with a slight improvement on our mean pay gap. We are continuing to focus on our internal pipeline of talent as we have seen great success in 2017. However we would also like a greater focus and encouragement of more women joining The Co-operative Bank from the outside at all levels for 2019.”



**Tracey Kneller**  
HR Director

## Overall pay gap

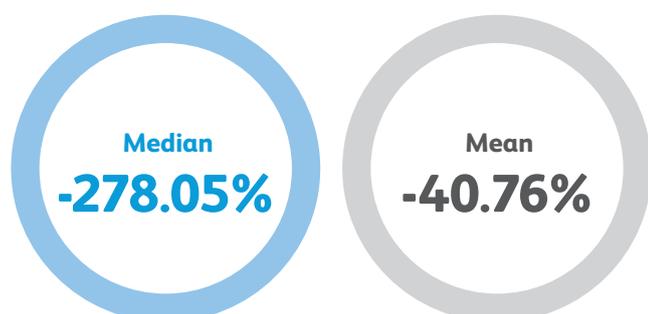


## Our gender profile by pay quartiles

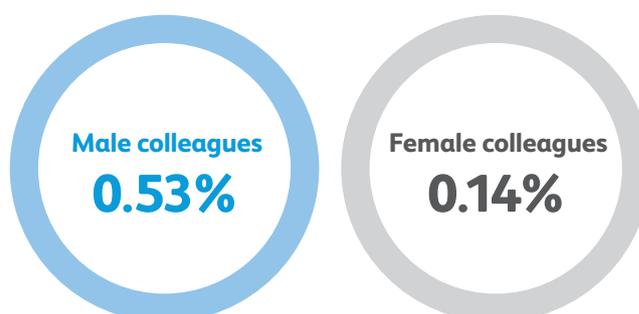
	Proportion of male colleagues	Proportion of female colleagues
In our lower pay quartile	34%	66%
In our lower middle pay quartile	31%	69%
In our upper middle pay quartile	42%	58%
In our upper pay quartile	59%	41%

In terms of our bonus pay figures, these are not a true reflection of our practices. Whilst we did pay some bonuses in 2017, these related to a small number of deferred payments from previous bonus schemes paid out in the reporting period (6 April 2017 to 6 April 2018) with the deferred amounts for females being significantly higher than for males (resulting in large negative gaps). The Bank did not pay a bonus in 2017 for the 2016 performance year. When we are in a position to pay bonuses we would expect to see more normalised bonus gap data.

## Bonus gap



## Proportion of colleagues receiving bonus pay



# Our commitment to an ethical workplace and culture

## Priorities for 2019

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We're committed to gender equality and ensuring a diverse and inclusive workforce. This is reflected in our heritage; The Co-operative Bank was originally formed to support the co-operative movement, and to reflect the values and ethics of that cause.

Today, our commitment to ensuring an ethical workplace reflecting co-operative values is one of the five key pillars of our Ethical Policy. This policy has been shaped by over 320,000 customer responses over the last 25 years. As part of our Ethical Policy, we commit to ensuring we pay and treat people who work for us in equivalent roles, equally.

### **In addition to our five point plan, during 2019 we are committed to:**

- Continued promotion of inclusive behaviours across our bank to benefit our colleagues and our customers.
- Continued positive action to focus on wider diversity groups and gender inclusivity.
- Acting on insight and feedback to support positive progress in support of all demographics.

Our career network Elevate, along with our other inclusion networks have supported our drive to ensure equality of opportunity across our Bank

