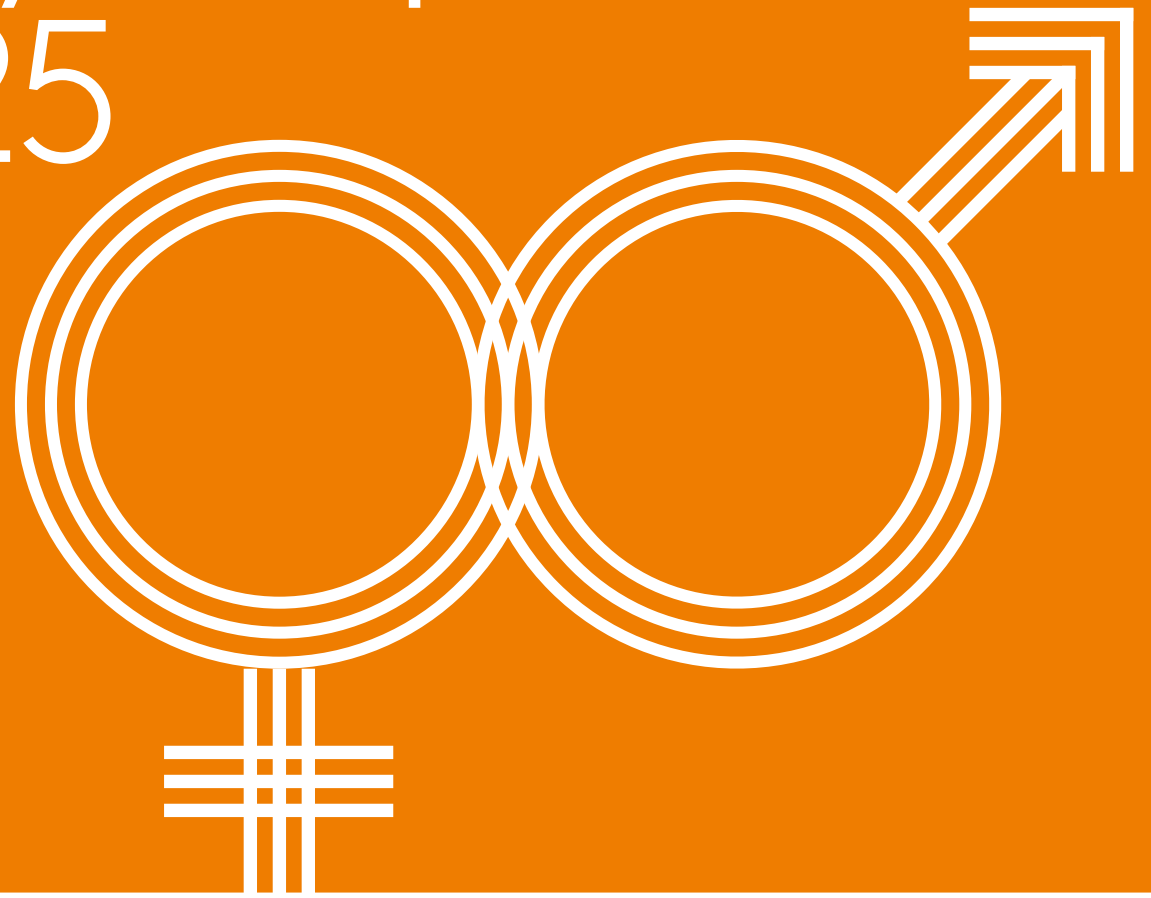


Gender Pay Gap Report 2025



Introduction

At Monmouthshire Building Society, we are committed to creating a diverse and inclusive workforce that reflects our communities. We believe that everyone should have the opportunity to thrive, and we are working hard to build a culture where all colleagues feel valued, respected and supported. In line with this commitment, this report sets out our gender pay gap data as at 5 April 2025 and outlines the steps we are taking to reduce the gap.

It forms part of our wider equity, diversity and inclusion strategy and reflects our ongoing efforts to recruit, retain and develop more women across all areas of our business.

While we are seeing year-on-year improvements in both our mean and median gender pay gaps, our figures remain above the UK average, and we are committed to reducing it further. Closing the gap requires sustained action, and we have remained focused on targeted interventions, inclusive policies and fair opportunities for all colleagues.

This is our third year of gender pay gap reporting, and we're proud of the progress we've made so far. We remain committed to building a workplace where people of all genders and all backgrounds can succeed and grow.



About this report

The Gender Pay Gap is the difference between the average salary of men and women, irrespective of their role.

Under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, all UK organisations with over 250 employees are required to report their gender pay gap each year. The data presented in this report has been prepared in line with these requirements.

The data was taken on the snapshot date of 5 April 2025.

Equal pay

The Gender Pay Gap is different to equal pay.

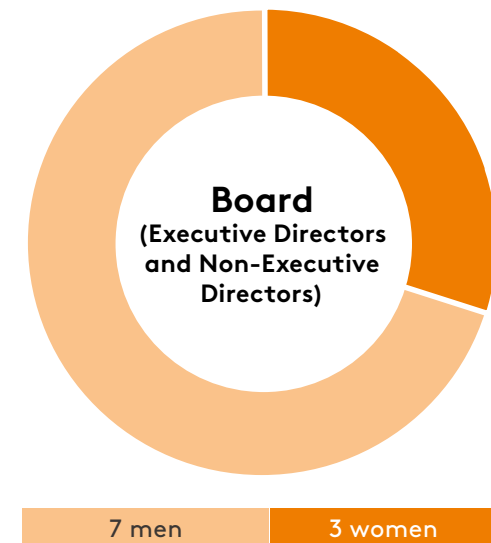
Equal pay refers to paying men and women the same for doing equal work.

At the Society, all colleagues, regardless of how they identify, receive equal pay for performing equal work.

Our pay policy is designed to be fair, consistent and gender neutral. It is reviewed regularly to ensure it is applied equitably across the Society.

Our colleague profile

As at 5 April 2025, the MBS colleague statistics were:



Our gender pay gap results

As at 5 April 2025, our gender pay gap figures were:

Mean gender pay gap

24%

(down from 25.69% in 2024)

Median gender pay gap

20.3%

(down from 25.53% in 2024)

We are pleased to report that every measure in this report has contributed to narrowing our gender pay gap over the past year.

These figures reflect the distribution of men and women across our pay bands, not unequal pay for the same work

While our gender pay gap remains higher than the UK average, we're seeing consistent improvements across both measures. These figures reflect the distribution of men and women across different pay levels in the organisation.

Why is there a gender pay gap?

Our gender pay gap is not a result of unequal pay for doing the same job.

The gap exists because of how men and women are distributed across different levels and roles in our workforce.

On 5 April 2025, we had a higher proportion of women working in roles within the lower pay quartiles, and fewer women in our highest-paid roles. This remains the primary reason for our gender pay gap.

Other contributing factors include:

A higher proportion of women in part-time roles, which may affect opportunities for progression

Differences in career pathways, often shaped by occupational trends and societal expectations

Variations in length of service, which can impact pay development over time.

We have seen a small but positive shift in the lower quartile, with a higher proportion of men and a lower proportion of women compared to last year. This suggests our entry-level recruitment is becoming more gender-balanced which has helped reduce our overall pay gap and will support long-term progress.

Our gender pay gap results continued

Proportion of men and women in each quartile (band) of pay

We have seen a small but positive shift in the lower quartile, with a higher proportion of men and a lower proportion of women compared to last year. This suggests our entry-level recruitment is becoming more gender-balanced which has helped reduce our overall pay gap and will support long-term progress.

Measure	Quartile	2025		2024		Change	
		Men	Women	Men	Women	Men	Women
Proportion of men and women in each quartile (band) of pay	Upper Hourly Pay Quartile	47.1%	52.9%	46.3%	53.7%	+0.8%	-0.8%
	Upper Middle Hourly Pay Quartile	44.9%	55.1%	47.8%	52.2%	-2.9%	+2.9%
	Lower Middle Hourly Pay Quartile	30.4%	69.6%	29.9%	70.1%	+0.5%	-0.5%
	Lower Hourly Pay Quartile	26.1%	73.9%	17.7%	82.3%	+8.4%	-8.4%

Definitions

Gender pay gap

The difference between the average hourly rate of pay for men and women irrespective of their role. This difference is expressed as a percentage.

Mean

The mean hourly rate is the average hourly wage of colleagues across the Society.

Median

The median hourly rate is the midpoint hourly range of colleagues across the Society.

Quartile

Our workforce is sorted from lowest rate of pay to highest and then split into four equal bands.

These bands are called quartiles.

Doing this shows us the proportion of males and females in each pay quartile.

Our bonus scheme

Our discretionary bonus scheme is designed to recognise and reward exceptional performance. The same criteria are applied to all colleagues regardless of gender or any other characteristic.

In 2024, no discretionary bonuses were awarded as the Society did not meet the scheme's criteria. However, 33 colleagues received one-off payments in recognition of:

- Long service
- Successful colleague referrals
- Internal awards (such as our colleague awards and other recognition schemes)

These one-off payments are included in our gender bonus gap calculations for 2025, in line with reporting requirements.

Definitions

Mean bonus

The average bonus awarded to colleagues.

Median bonus

The mid-point of bonuses paid to colleagues.

Bonus pay gap

The difference in bonuses paid to men and women expressed as a percentage.

Why is there a gender pay gap?

A negative percentage means that, on average, women received higher bonuses than men in 2025.

This is due to the one-off nature of the payments made rather than a structured reward scheme.

These payments were more frequently received by women, largely due to difference in average length of service.

On the snapshot date, 42.4% of women had more than five years' service compared to just 19.6% of men.

Our bonus pay gap

	2025	2024	Change
Mean bonus pay gap	-32.8%*	31.76%	-64.6%
Median bonus pay gap	-300%*	18.37%	-318.4%
Proportion of men receiving a bonus	7.8% (8 out of 102)	75%	-67.2%
Proportion of women receiving a bonus	14% (25 out of 178)	74.43%	-60.4%

Our progress

We've continued to build strong foundations to close our gender pay gap. Over the past year, we've deepened our understanding of the data behind our gap and taken meaningful steps to remove barriers, support career development and create an inclusive environment for all colleagues.

Our focus has been on attracting, developing and retaining women across all levels of the Society, particularly in roles and levels where women are currently under-represented.

Embedding EDI in strategy and governance

Launching our EDI strategy

In February 2025, we launched our Equity, Diversity and Inclusion (EDI) strategy, setting out a clear vision and roadmap for building a fair and inclusive workplace. The strategy outlines key priorities and actions to support colleagues, members and communities and ensures we stay focused on meaningful interventions.

EDI as part of our Society strategy

Equity, Diversity and Inclusion are embedded into our Do The Right Thing strategic theme, reinforcing our commitment to building a workforce that reflects our communities and promotes social inclusion.

Embedding EDI into the Society's strategy ensures it remains a strategic priority with clear accountability, with our Executive Sponsor for EDI playing a key role in championing inclusion at Board and leadership level.

By making inclusion a core strategic theme, we are helping to embed gender equity into how we lead, challenge structural barriers and strengthen our talent pipeline to support our ambition of becoming a truly inclusive and purpose-led organisation.

Developing talent and supporting progression

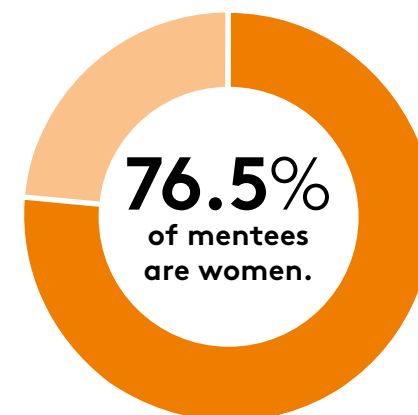
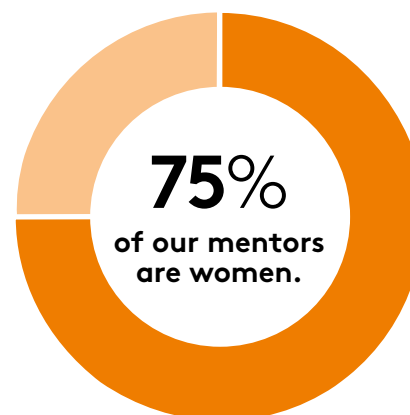
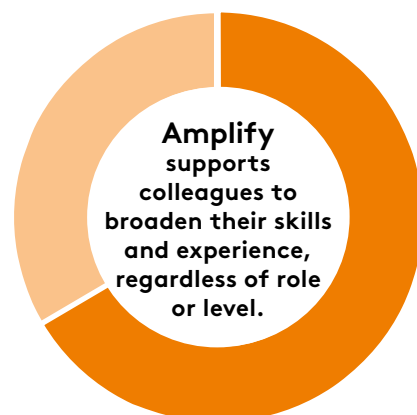
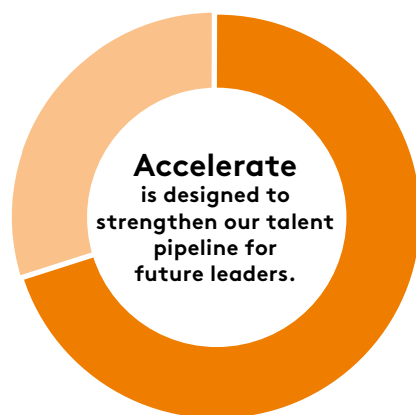
Developing and progressing our existing female workforce remains central to our approach.

Accelerate and Amplify

We continue to invest in two core development programmes:

Mentoring programme

Our mentoring programme is open to all colleagues and we're proud of strong participation from women - as both mentors and mentees.



Career carousels

Our career carousel gives colleagues the opportunity to explore roles in other areas of the Society through information sessions and networking. This initiative helps build cross-functional understanding, encourages internal mobility and supports career development, particularly for women exploring new pathways.

Creating an inclusive culture

Period support

We've introduced emergency period kits to provide discreet and practical support to colleagues caught out by an unexpected period. The kits are freely available and include essential hygiene products.

Menopause support

Our Menopause Network continues to grow, offering a supportive space for colleagues to connect, share experiences and raise awareness of menopause-related issues. This year, we delivered a menopause roadshow across our branches and offices to help colleagues and people managers better understand how to better support those experiencing menopause and foster a more informed and inclusive working environment.

Driving inclusive recruitment

Non-Executive Director recruitment

To support greater diversity at senior levels, we widened our pool of Non-Executive Director candidates through targeted sourcing, including the use of platforms such as Women on Boards and working with appointed partners. As a direct result of this approach, we were delighted to welcome Samantha Blackie onto our Board. As Chair of Remuneration Committee, Samantha brings significant experience and a valuable perspective that supports both representation and decision-making at the highest level in the Society.

Community Academy

We launched our Community Academy. A multiple award-winning initiative that opens up career pathways into financial services for under-represented groups, including women. This continues to challenge traditional perceptions of the sector.

Careers fairs

We attended a number of careers fairs to inspire more women and under-represented groups to consider roles in financial services.

Ensuring fair and equal pay

We continue to benchmark all roles against external market data as part of our annual pay review. Where appropriate, salaries are adjusted to meet the market benchmark. This process is subject to a full EDI review to ensure fairness and transparency, supporting our ongoing work to reduce the gender pay gap.

Our next steps

While we've made encouraging progress this year, we know there's more to do.

Closing the gender pay gap is a long-term commitment and we remain focused on addressing the root causes through action, data-led insights and inclusive leadership.

We have identified four key priorities for the year ahead:

■ Embedding our EDI strategy.

We will continue to bring our Equity, Diversity and Inclusion strategy to life through meaningful action, working with our Executive Sponsor and colleagues across the Society

■ Using data to drive inclusive decisions.

We will strengthen our understanding of colleague data and use these insights to inform more inclusive decision-making, particularly as we navigate organisational change and transformation.

■ Strengthening our approach to resourcing.

We will build on our work to attract, recruit and retain diverse talent by developing our employee brand, investing in digital attraction channels and further developing inclusive talent pipelines. Our award-winning Community Academy will remain a key route for building authentic grassroots partnerships and unlocking access to careers in financial services.

■ Supporting career progression for all.

We recognise that every colleague has their own unique career journey. We will continue to create equitable opportunities for progression, ensuring everyone has the tools, support and opportunity to thrive.

This is our third year of gender pay gap reporting and we're committed to using our data to hold ourselves accountable and drive lasting change across the Society. Tackling the gap has been a central part of our Do The Right Thing strategic theme and we are taking clear steps to create a workplace where colleagues of all genders can grow, succeed and thrive.

Declaration

I confirm that the information contained in Monmouthshire Building Society's Gender Pay Report is accurate.

Will Carroll

Our results at a glance

Measure		05.04.2025		05.04.2024		Difference	
Mean pay gap		24.0%		25.69%		-1.7%	
Median pay gap		20.3%		25.5%		-5.2%	
Proportion of men and women in each quartile of pay	Quartile	Men	Women	Men	Women	Men	Women
	Upper hourly pay quartile	47.1%	52.9%	46.3%	53.7%	+0.8%	-0.8%
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Median bonus gap		-300%		18.4%		-318.4%	
Proportion of men receiving a bonus		7.8% (8 out of 102)		75% (72 out of 96)		-67.2%	
Proportion of women receiving a bonus		14% (25 out of 178)		74.4% (131 out of 176)		-60.4%	



Monmouthshire Building Society is authorised by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Financial Services Register Number: 206052

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