

Gender Pay Gap Report 2024



Introduction

As a Society that's committed to fostering an inclusive work environment, we want all colleagues to be confident their contributions are equally valued and we're passionate about developing a culture where everyone can thrive.

We're proud to continue developing an environment where anyone can carry out any role - regardless of gender, ethnicity, sexual orientation, disability or any other characteristic.

This is the second time we have reported on our Gender Pay Gap (GPG). We are pleased to report a reduction in both our mean and median pay gaps as a result of our activities to recruit and retain more women in the workplace.



About this report

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

In line with reporting requirements, we've focused on tracking our performance against the mean and median gender pay gap, the mean and median gender bonus gap and the distribution of pay by quartiles.

For this report, we have defined the mean and median Gender Pay Gap and Gender Bonus Gap regardless of role or seniority.

We did this by measuring the mean and the median hourly rates for colleagues across the Society and compared the results for men and women.

The data was taken on 5 April 2024.

Equal pay

The Gender Pay Gap is different to equal pay. Equal pay compares pay for doing the same role. We're confident our approach to pay is fair and gender neutral.

We pay men and women equal pay for performing equal work.

Our colleague profile

As of 5 April 2024, females make up 64.71% of our workforce but they are not evenly spread across roles in the Society as demonstrated on page 6.

As at 5 April 2024, the MBS colleague statistics were:

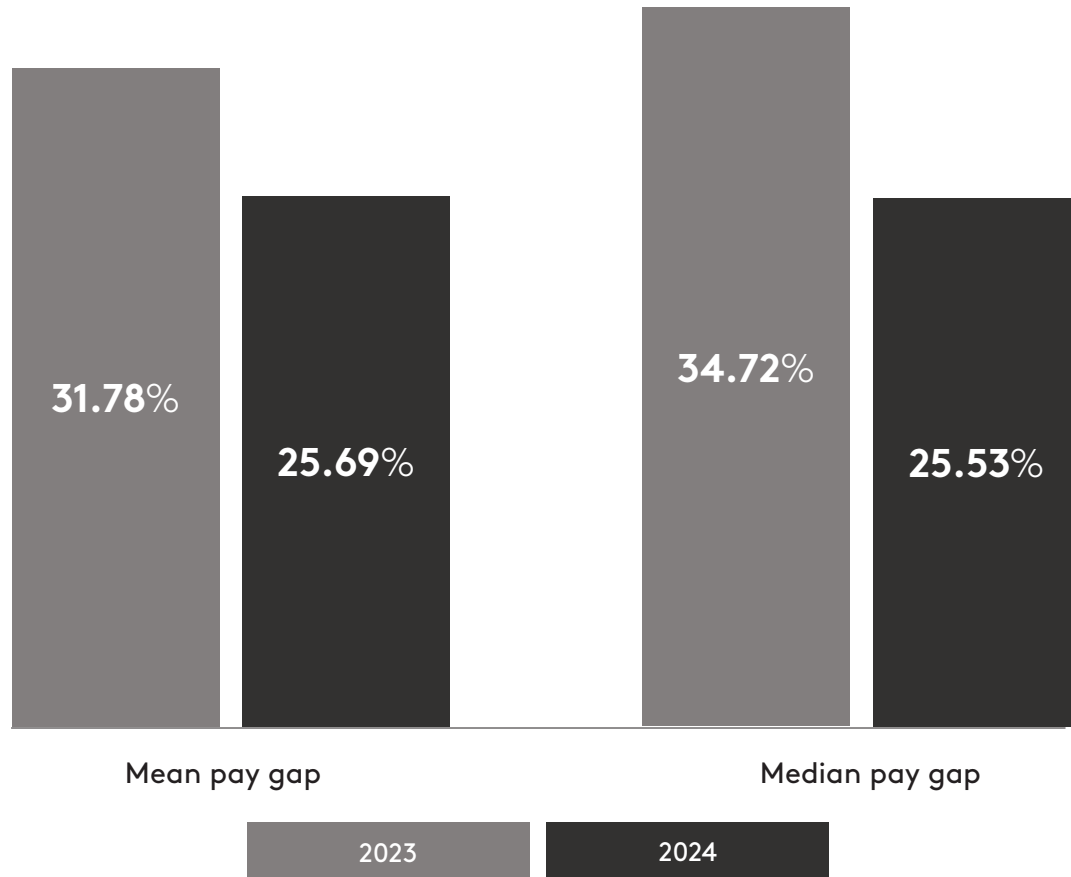


*Please note, this does not include Non-Executive Directors or students on N75 combined work placement and part-time study course.



Our gender pay gap results

As at 5 April 2024, our gender pay gap statistics were:



We are proud of the activities we've undertaken to reduce our gender pay gap. These are shown on page 10.

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.

Why is there a gender pay gap?

Our gender pay gap is driven by how men and women are distributed across our workforce.

Put simply, this means that, on 5 April 2024, we had more women in the lower pay bands and more men in the higher pay band.

Our gender pay gap results continued

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

Measure		05.04.2024		05.04.2023	
Proportion of men and women in each quartile (band) of pay	Quartile	Women	Men	Women	Men
	Upper Hourly Pay Quartile	53.73%	46.27%	42.19%	57.81%
	Upper Middle Hourly Pay Quartile	52.24%	47.76%	58.46%	41.54%
	Lower Middle Hourly Pay Quartile	70.15%	29.85%	70.77%	29.23%
	Lower Hourly Pay Quartile	82.35%	17.65%	83.08%	16.92%

Definitions

Quartile

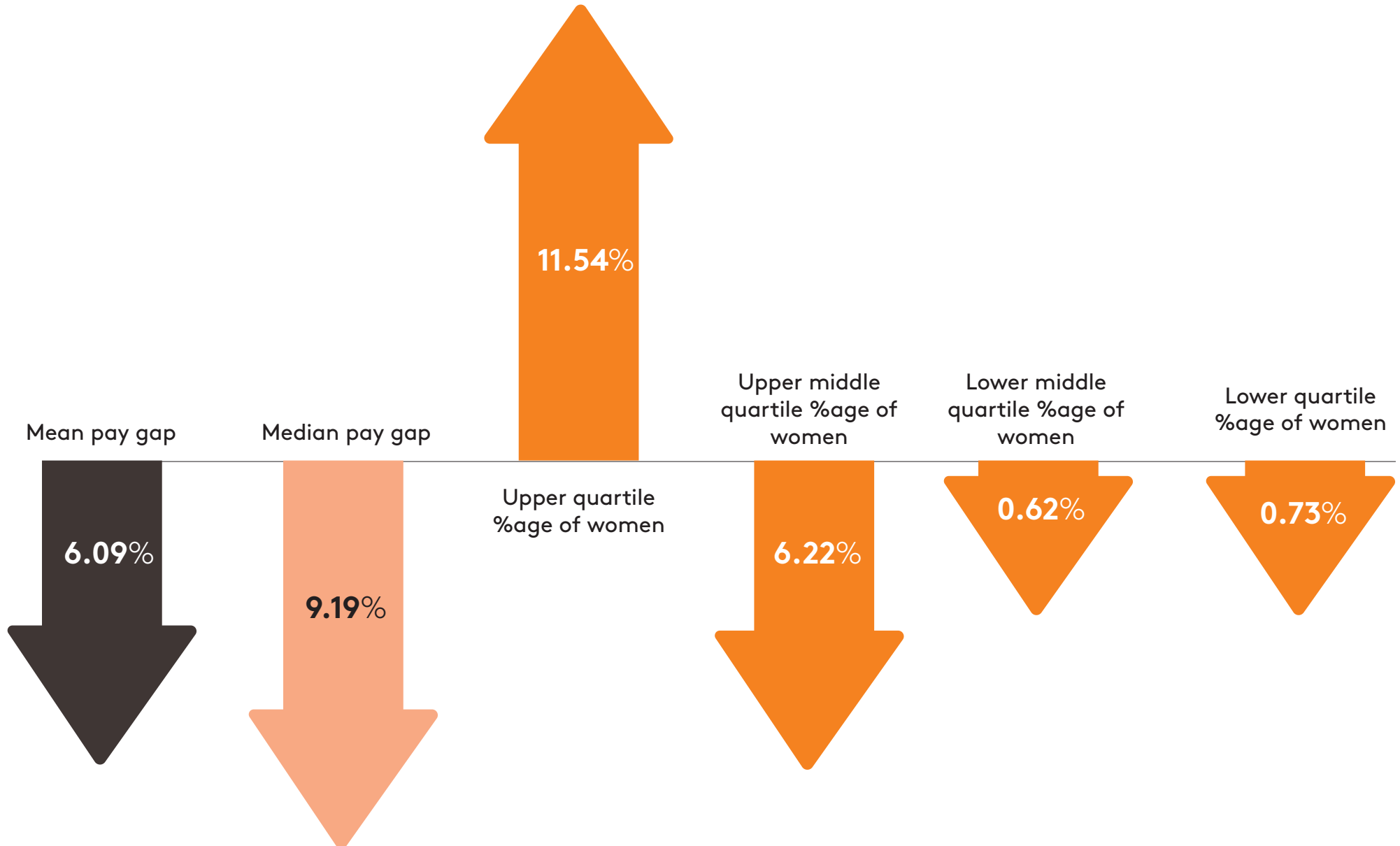
Our workforce is sorted from lowest rate of pay to highest and then split into four equal bands.

These bands are called quartiles.

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

Our progress

We are pleased to report that every measure in this report has made a positive contribution in reducing our gender pay gap.

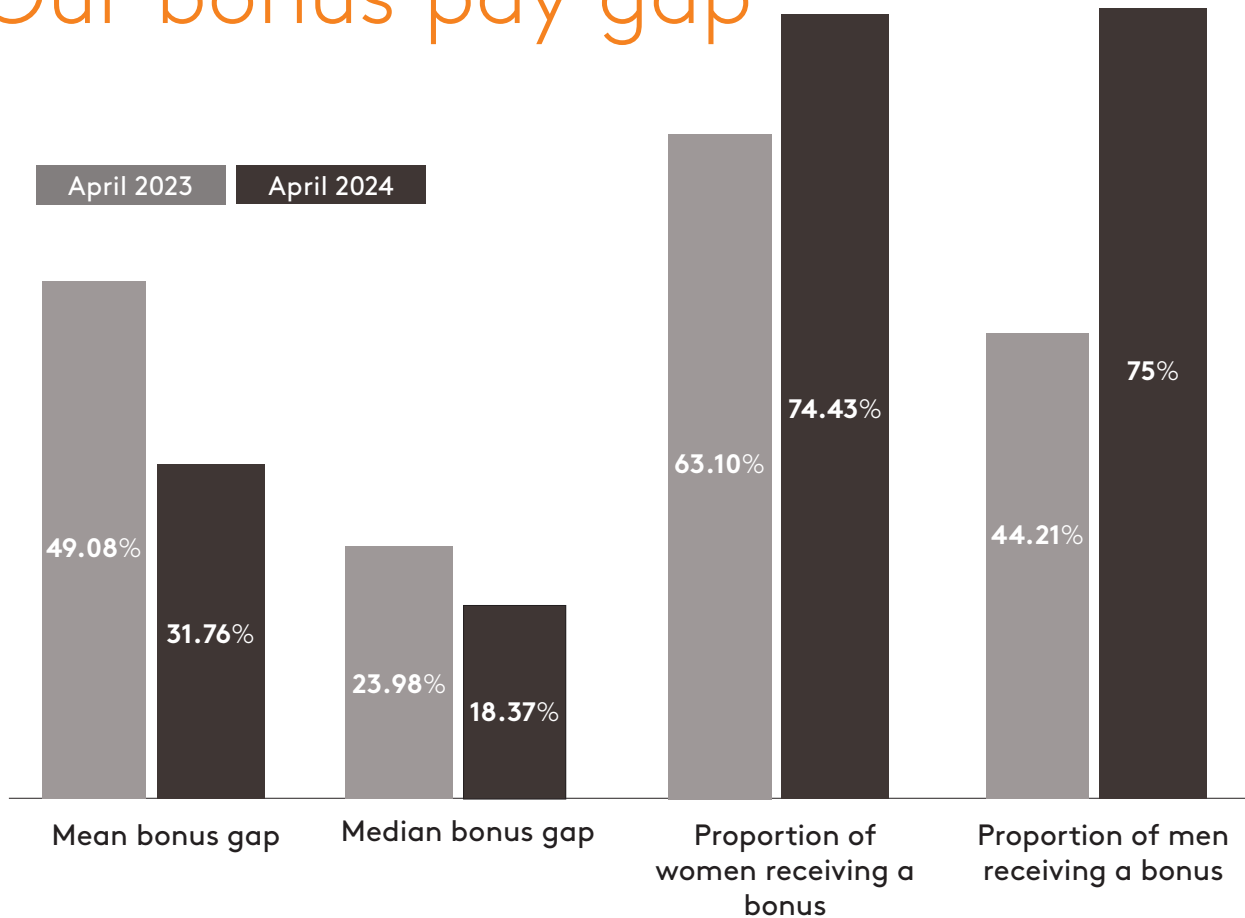


Our bonus scheme

Our bonus scheme is designed to incentivise and motivate colleagues to deliver exceptional performance.

We use the same criteria to award variable bonus payments to all colleagues regardless of gender or any other characteristic.

Our bonus pay gap



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.

Our 2023 statistics were lower than usual as we appointed a significant number of new colleagues after our bonus cut off date on 31 December 2023.

Our bonus pay gap continued

Why is there a bonus pay gap?

Our mean and median bonus pay gap have reduced by 17.32% and 5.61% respectively.

The bonus pay gap is calculated using the number of colleagues in the Society and doesn't take part-time colleagues' reduced (or pro-rated) bonuses into account.

This widens our bonus pay gap because the majority of our part-time colleagues were female on 5 April 2024.

Another factor is, we pay our bonuses as a percentage of salary, so colleagues in the upper quartiles are awarded a higher bonus because their salaries are higher.



Part-time 16.18% Full-time 83.82%



Men - 6.82% Women - 93.18%

What actions have we taken?

We've worked hard to ensure we have the right foundations in place so we can continuously close our gender pay gap.

We've continued to analyse colleague data to identify where, and understand why, our pay gap exists.

Doing this has helped us to identify potential barriers for female colleagues progressing their career so we know how and where we need to focus our efforts.

Since our last report, we have taken part in many activities to support our continuing journey to recruit and retain more women in our workplace.

We have:

- Identified Do The Right Thing, which includes gender equality, as one of our strategic responses in our new five-year strategy
- Supported female colleagues to attend She Who, a celebration for International Women's Day
- Allocated 9 of 11 spots on Accelerate and Amplify, our colleague development programme, to female colleagues
- Continued to support our Menopause network
- Widened our candidate pool of potential Non-Executive Directors (NEDs) through targeted sourcing and utilising job boards such as Women on Boards
- Attended multiple careers fairs to encourage females to apply to roles in the financial services sector, challenging 'traditional' male stereotype roles
- Continued to review our leadership development programme to make sure our leaders can have great conversations with their teams and support them with their career progression and development plans.



Our next steps

We know there is no quick fix to deliver meaningful and sustainable change. That's why we launched our new five-year strategy, Sustainable Growth Through Modernisation, earlier this year.

As part of our, 'Do the right thing' strategic theme, we've reinforced our commitment to building a thriving workforce that reflects our communities – and tackling our gender pay gap remains a critical part of this work.

To do this, we will focus our efforts on:

- Improving and making better use of our people data to support inclusive decision-making. We have recently appointed an external partner to strengthen our work to date and provide independent challenge on our approach to tackling our gender pay gap and creating a more inclusive Society. This will support us to develop an evidence-based plan which focuses on activity and support for women to develop at the Society.
- Investing in our Employer Value Proposition (EVP) so we can use deliver compelling campaigns through effective channels to attract and retain more diverse talent.
- Supporting colleagues to progress their chosen career path and creating a pipeline of talent at all levels of the Society.

We know we are in the early days of our reporting our gender pay gap journey, but we're keen to build on our foundations and create a culture where anyone can carry out any role - regardless of gender, ethnicity, sexual orientation, disability or any other characteristic - and have the opportunity to thrive.

Declaration

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



A handwritten signature in black ink that reads "Dawn Gunter".

Dawn Gunter
Chief Operating Officer

Our results at a glance

Measure		05.04.2024		05.04.2023		Difference	
Mean pay gap		25.69%		31.78%		-6.09%	
Median pay gap		25.53%		34.72%		-9.19%	
Proportion of men and women in each quartile (band) of pay	Quartile	Women	Men	Women	Men	Women	Men
	Upper Hourly Pay Quartile	53.73%	46.27%	42.19%	57.81%	+11.54%	-11.54%
	Upper Middle Hourly Pay Quartile	52.24%	47.76%	58.46%	41.54%	-6.22%	+6.22%
	Lower Middle Hourly Pay Quartile	70.15%	29.85%	70.77%	29.23%	-0.62%	+0.62%
	Lower Hourly Pay Quartile	82.35%	17.65%	83.08%	16.92%	-0.73%	+0.73%
Mean bonus gap		31.78%		49.08%		-17.32%	
Median bonus gap		18.37%		23.98%		-5.61%	
Proportion of men receiving a bonus		75% (72 out of 96)		44.21% (72 out of 96)		+30.79%	
Proportion of women receiving a bonus		74.43% (131 out of 176)		63.10% (106 out of 168)		+11.33%	



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