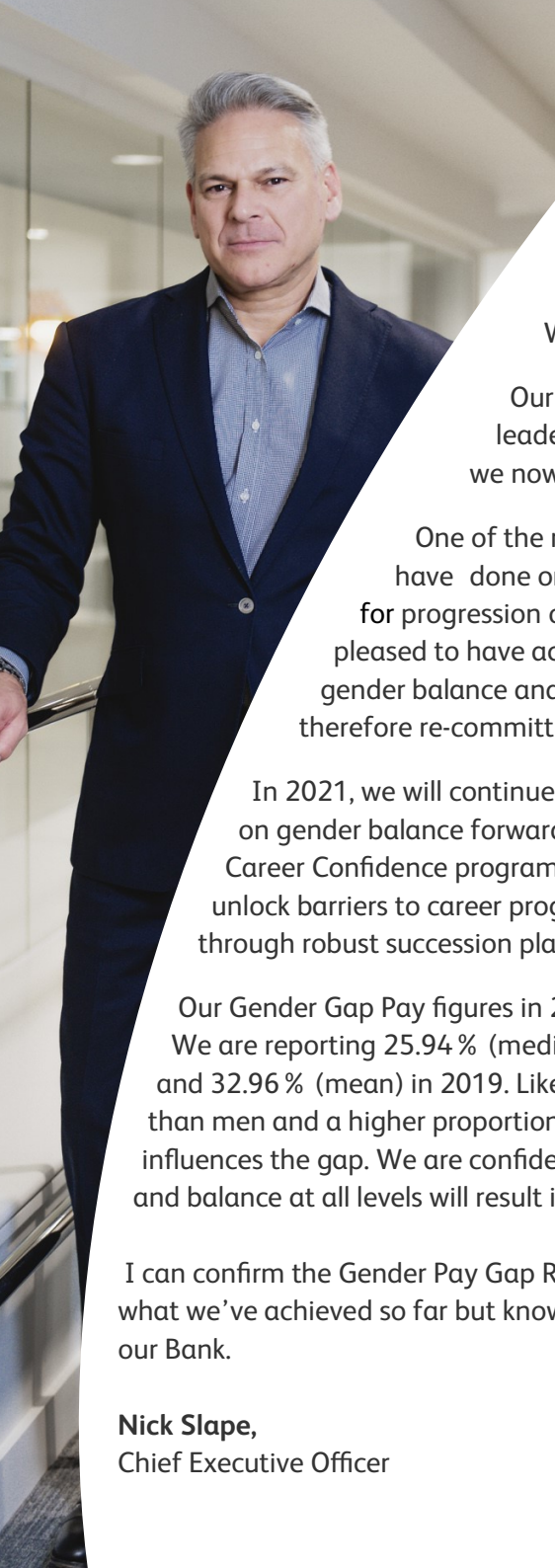


HMT Women in Finance Charter and Gender Pay Gap

December 2020

The **co-operative** bank
for people with **purpose**





“We are proud of what we’ve achieved so far but know there is still more work to do to improve gender balance across our Bank” Nick Slape, CEO

We were one of the first banks to sign up to HM Treasury’s Women in Finance Charter in 2016.

Our target was to increase female representation in our senior leadership from 32 % to 40 % by 2020 and I am pleased to report we now have 42 % women in senior roles at our Bank.

One of the main reasons we have achieved our initial target is the work we have done on encouraging and supporting women to put themselves forward for progression opportunities alongside their male colleagues. Whilst we are pleased to have achieved our aim, we know that there is more to do to achieve gender balance and particularly in our senior leadership population. We are therefore re-committing to a 45 % women in senior roles target by the end of 2023.

In 2021, we will continue to focus on our five point gender diversity plan to drive our focus on gender balance forward. As part of this, over 100 colleagues joined Cohort four of our Career Confidence programme which launched in September this year and aims to help unlock barriers to career progression. We will also continue our focus on internal progression through robust succession planning and talent collaboration.

Our Gender Gap Pay figures in 2020 have shown some improvement in all areas except median. We are reporting 25.94 % (median) and 27.95 % (mean). This is compared to 22.62 % (median) and 32.96 % (mean) in 2019. Like many financial services firms, our Bank employs more women than men and a higher proportion of women than men in our customer facing roles which influences the gap. We are confident that in the long term, our focused work on gender inclusion and balance at all levels will result in the gap narrowing.

I can confirm the Gender Pay Gap Reporting data in this document to be accurate. We are proud of what we’ve achieved so far but know there is still more work to do to improve gender balance across our Bank.

Nick Slape,
Chief Executive Officer

Committed to co-operative values and ethics

Our commitment to the values and ethics of the co-operative movement continues to be demonstrated in our inclusion and diversity strategy which includes a strong focus on:

- Increasing the number of women in senior roles at The Co-operative Bank
- Building gender balance across all levels of our organisation

We believe that this focus on gender balance will help reduce our Gender Pay Gap over time.

This report provides updates on our gender equality approach, an overview of our progress towards our HM Treasury Women in Finance Charter targets as well as outlining our Gender Pay Gap Reporting for 2020.





Gender balance at The Co-operative Bank

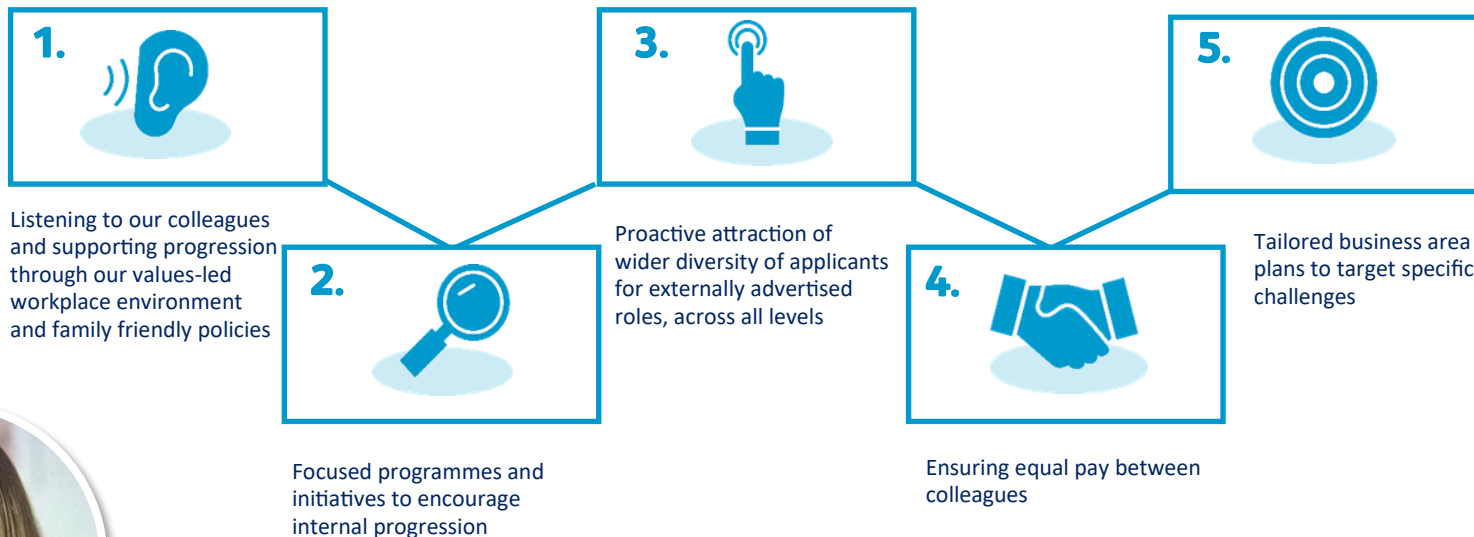
“Despite the challenges of 2020 brought about by the coronavirus pandemic, we have remained committed to inclusion and diversity and achieving gender balance across our organisation.

“We’ve adapted to support our colleagues and customers, offering virtual learning and development opportunities and additional, flexible support to help colleagues impacted by lockdown restrictions.

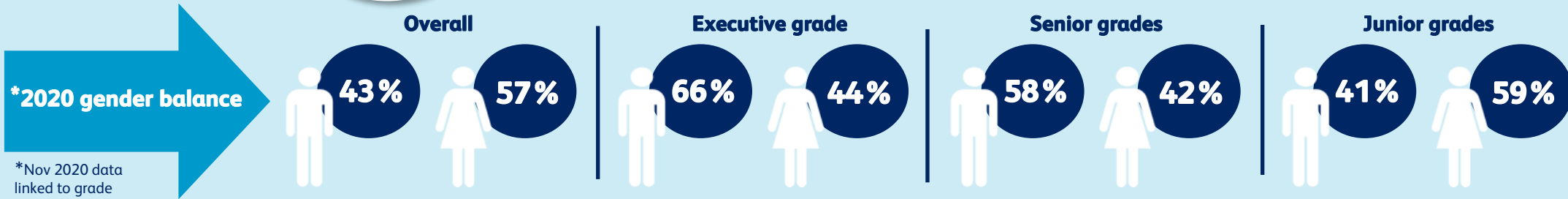
“Although recruitment and internal movement in general has been limited, we have promoted a number of women into senior roles and are focused on achieving our 45 % target by the end of 2023.”

We are the only UK bank with a customer-led Ethical Policy which shapes how we work, ensuring co-operative values and ethics are at the heart of our business. As a key part of this, our ethical workplace commitments ensure we continue to build an environment where all colleagues can perform at their best, regardless of personal characteristics and background.

Our five point gender diversity plan is focused on driving better gender balance at all levels of our organisation



Catherine Douglas, Managing Director of SME and Executive sponsor for gender diversity



*2020 gender balance

*Nov 2020 data linked to grade



Our five point plan is pro-actively supported by Elevate, our gender inclusion network, that is run by colleagues, for colleagues, championed by a member of our Executive Team.

Elevate is open to all colleagues regardless of personal demographics.

Its aim is to encourage and empower members to reach their potential. Highlights of their work in 2020 include launching a series of 'equality diaries' articles to raise awareness of gender issues, celebrating International Women's Day and International Men's Day. Elevate have also led a range of activities focusing on career progression including inspirational career journey talks, articles, blogs and vlogs.



Our five point gender diversity plan

We continue to focus on our five point gender diversity plan to help drive change across our Bank. Highlights for 2020 include:



1. Listening to our colleagues and supporting progression through our values-led workplace environment and family friendly policies

- Our Colleague Co-operative Forum provides an opportunity to amplify our colleague voice. Representatives raise topics and give feedback on behalf of colleagues and support the communication and embedding of initiatives across our organisation
- We have focused on internal progression through robust succession planning and talent collaboration
- We promote our family friendly policies including flexible working, sharing success stories with colleagues to support embedding
- Our Elevate gender inclusion network continues to raise the profile of women role models and harness male advocacy
- We refreshed and strengthened our Colleague Proposition this year, continuing to promote the benefits of working at our Bank to all colleagues



2. Focused programmes and initiatives to encourage internal progression

- We launched Cohort four of our career confidence programme to over 100 colleagues this year. This nine month programme, focusing on career progression and is open to all but with a particular emphasis on colleagues from minority groups, including women.
- Our internal parental mentoring programme offers one to one support to all working parents before, during and after parental leave
- We've refreshed our inclusion and diversity mandatory training to increase all colleagues' awareness and understanding of the key actions they can take to embed a culture of inclusion
- Elevate launched a series of podcasts to raise awareness of gender and our wider inclusion agenda



3. Proactive attraction of wider diversity of applicants for externally advertised roles, across all levels

- We embedded focus on balanced shortlists with senior recruitment partners
- We've continued our use of wider advertising through gender specific media and gender bias advert language checking tools whilst also leveraging our external partnerships including Northern Power Women
- We've supported developing gender balance in our junior roles through positive action to attract men as well as women through a range of external events
- Our Digital Bees have raised awareness of opportunities for women within technology across various events and external initiatives



4. Ensuring equal pay between colleagues

- We continually monitor our business and guide our leaders to ensure that colleagues with similar skills and experience are being paid consistently for doing the same or similar roles, regardless of gender. Our activities include:
 - Annual pay audits to ensure reward and benefits packages are fair regardless of gender
 - Using pay reference guides to help ensure colleagues are paid fairly, equitably, consistently and in line with comparable roles within our business



5. Tailored business area plans to target specific challenges

- Every area of our Bank takes responsibility to proactively focus on gender diversity and equality of opportunity
- We recognise that our departments face different needs and challenges and so each executive member has their own gender diversity focused plan to drive local actions, reporting on progress on a quarterly basis sharing successes



Our Gender Pay Gap figures 2020

Gender Pay Gap 2020 data was calculated in line with guidance on 5 April 2020

“As in previous years, we wanted to combine our HMT Women in Finance Charter update with the publication of our 2020 Gender Pay Gap Figures.

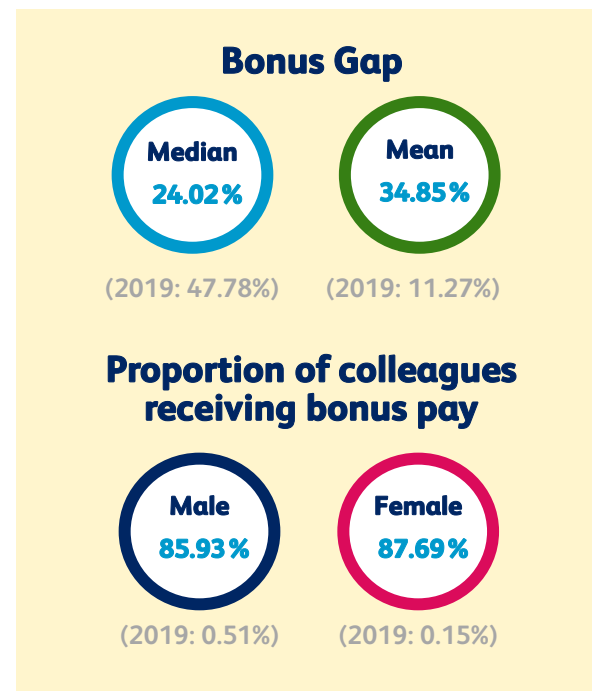
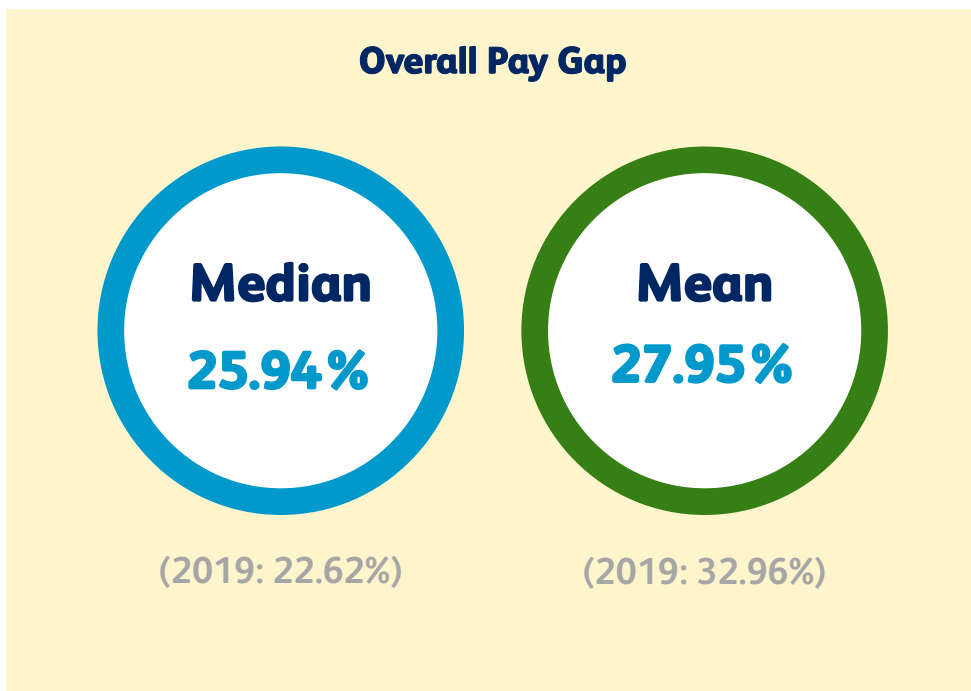
Our Pay Gap remains the result of the much higher proportion of women than men in our customer-facing roles. Additionally, the number of senior female colleagues and the roles they typically hold at our Bank, alongside the salaries they attract, has affected the overall figures.

We have made progress in this space but recognise that we still have work to do to achieve gender balance across all levels of our Bank.

We remain committed to our five point gender diversity plan which we believe will, over time, support our ambitions in this area and drive a reduction in our Pay Gap.”



Maria Cearns
Managing Director,
Customer and People



Our gender profile by pay quartiles

	Proportion of male colleagues	Proportion of female colleagues
In our lower pay quartile	35.4 %	64.6 %
In our lower middle pay quartile	33.0 %	67.0 %
In our upper middle pay quartile	42.6 %	57.4 %
In our upper pay quartile	61.2 %	38.8 %

**Find out more about how we inspire, connect and develop at
The Co-operative Bank:**

Our report is released once a year but you can keep up to date with our activities by following us on social media and on our website.

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