



# Loans at Home

## Gender Pay Gap Reporting 2019

### What is it about?

As part of the NSF family, we remain passionate about employing high quality people and ensuring that they are paid fairly, irrespective of their gender or any other aspect of diversity.

UK employers with more than 250 employees are required to publish their gender pay gap each year and the analysis below is based on data as at 5th April 2019.

The gender pay gap shows the differences in the average pay between men and women. This is different to equal pay which requires that men and women who carry out the same or similar jobs, or work of equal value, are paid the same. It is unlawful to pay people unequally because they are a man or a woman.

### Pay & Bonus Gap

The table below shows our overall mean and median gender pay and bonus gap based on hourly rates of pay as at the snapshot date of 5th April 2019, and bonuses paid in the year up to 5th April 2019.

| Pay & Bonus Gap | Mean  | Median |
|-----------------|-------|--------|
| Hourly Pay Gap  | 23.0% | 12.0%  |
| Bonus Gap       | 12.0% | -0.49% |

These are the statutory calculations that we are required to publish each year. The mean is the average and the median is the middle value of all of the numbers listed in numerical order. It shows the difference in average pay and bonus between all men and women within our Company.

The principal reasons for the difference in average pay between men and women include that, Loans at Home has more female employees working in entry level (administration) roles compared to male employees, and a higher proportion of male employees fulfilling the most senior positions. Entry level positions at Loans at Home tend to attract more flexible working opportunities, with more women than men working on a part-time or flexible basis.

This is the third year Loans at Home has disclosed its gender pay gap and bonus gap. The table below provides the comparative data for both 2018 and 2017.

| Pay & Bonus Gap | 2019  |        | 2018  |        | 2017  |        |
|-----------------|-------|--------|-------|--------|-------|--------|
|                 | Mean  | Median | Mean  | Median | Mean  | Median |
| Hourly Pay Gap  | 23.0% | 12.0%  | 20.0% | 11.0%  | 27.4% | 15.4%  |
| Bonus Gap       | 12.0% | -0.49% | 12.6% | 0.75%  | 3.4%  | 13.6%  |

In the second year (2018) that Loans at Home reported the gender pay gap, the mean gap reduced (by over 7%) from 27.4% to 20.0%. In 2019, we have seen a small increase of 3% (20.0% to 23.0%). We are aware of the increase that is partly explained by the fact that on the snapshot reporting date there was a high number of female employees on family friendly leave.

In 2018, our mean bonus gap increased from 3.4% to 12.6%. An analysis of this movement showed that in the previous reporting year no bonuses were paid to the most senior employees in the organisation (Directors) whereas in 2018 bonuses were paid to those employees, the majority of whom (80%) are male. If we removed the Directors from the calculation in 2018 the mean bonus gap would have changed to 0.56%.

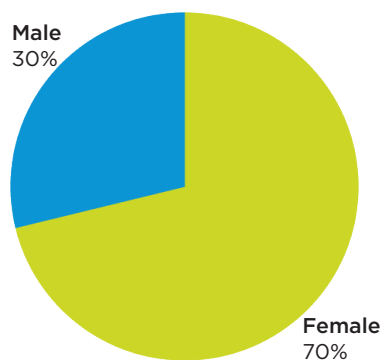
In 2019, our mean bonus gap reduced slightly for the same reason as in 2018 and if Directors were removed from the calculation then the mean bonus gap in 2019 changes to -8.0%.

In other words, the principal reason for the gap is a structural one rather than any significant differences in pay or bonuses between men and women. We continue to apply the same bonus eligibility rules to both men and women.

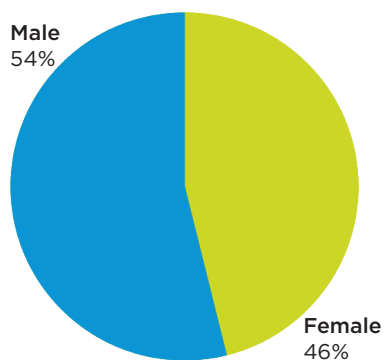
If Directors are removed from the 2019 calculations, the bonus gaps show that women are performing ever so slightly better than men in our business for this reporting period.

## Pay Quartiles

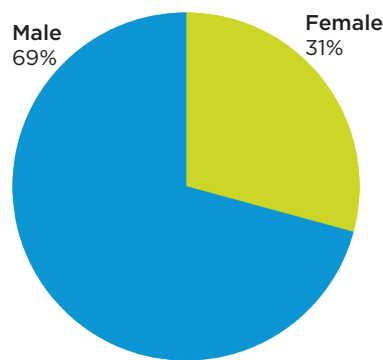
The data here illustrates the gender distribution at Loans at Home across four equally sized quartiles of our business (dividing our employees into 4 equal groups, from lowest to highest paid).



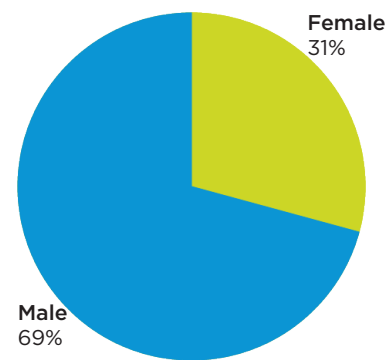
Lower Quartile



Lower Middle Quartile



Upper Quartile



Upper Middle Quartile

### Changes from 2018

|                       | Male | Female |
|-----------------------|------|--------|
| Lower Quartile        | -2%  | +2%    |
| Lower Middle Quartile | -4%  | +4%    |
| Upper Middle Quartile | +6%  | -6%    |
| Upper Quartile        | +6%  | -6%    |

The data confirms that we have more men in higher paying and senior roles, than women, and more women in entry level roles. We are confident that men and women are paid equally for doing equivalent jobs across our business.

# Our Actions

**Our recruitment processes are bias free and we never compromise on selecting the best person for the job.**

We continue to:

- Promote our Family Friendly policies that help remove the barriers that employees with family commitments can sometimes face
- Keep gender pay a key area of focus in our annual pay review - through moderation of our performance ratings
- Our Development Opportunities ensure that it is merit alone that determines who our future leaders are

## Statement

We confirm that the information and data provided is accurate and in line with mandatory requirements.

A handwritten signature in black ink, appearing to read 'David Thompson', with a long horizontal line extending to the right.

David Thompson  
CEO  
February 2020

