



## Our Pay Gap Report 2020





**The transparency and accountability that pay gap reporting brings is crucial in driving greater equality in the workplace. This is our fourth annual gender pay gap report, and for the first time we are voluntarily disclosing our ethnicity pay gap. This report sets out what we have been doing. We are making progress, but we are impatient for change and ambitious to move faster.**

To achieve our goal of a genuinely diverse and inclusive workplace we promote everyday inclusion – the behaviours that we can demonstrate every day to make everybody feel respected, valued and able to contribute. This will continue to create a culture where all of our colleagues can be themselves and feel empowered to succeed; this is critical if we are to attract and retain the best talent and deliver a customer experience that is second to none.

This means tackling biases and contributing to a wider debate about the sort of society we all wish to see. We have in place a systematic approach so that inclusion is part of all stages of our colleague journey: recruitment, career development and retention. We consider all our colleagues' professional needs and are inclusive of gender, ethnicity, sexual orientation, disability, age, religion, caring responsibilities and gender identity/expression.

I am committed to understanding the root causes of issues, finding solutions that are both practical and beneficial to employees and being transparent. With that aim, this year we sponsored a key piece of research in partnership with Business in the Community – “Everyday Inclusion: What Really Works?” which follows our previous “Equal Lives: Parenthood and Caring In The Workplace” research.

We are not afraid to challenge our own preconceptions of how we work and established ways of thinking. We see this as critical in enabling us to understand what our customers want and expect from us, and to better represent the communities that we serve.

A handwritten signature in blue ink, reading 'Nathan Bostock'.

**Nathan Bostock** Chief Executive Office, Santander UK  
I confirm that the figures in our disclosure are accurate and have been calculated in accordance with gender pay gap reporting requirements as outlined in the legislation and accompanying guidance.

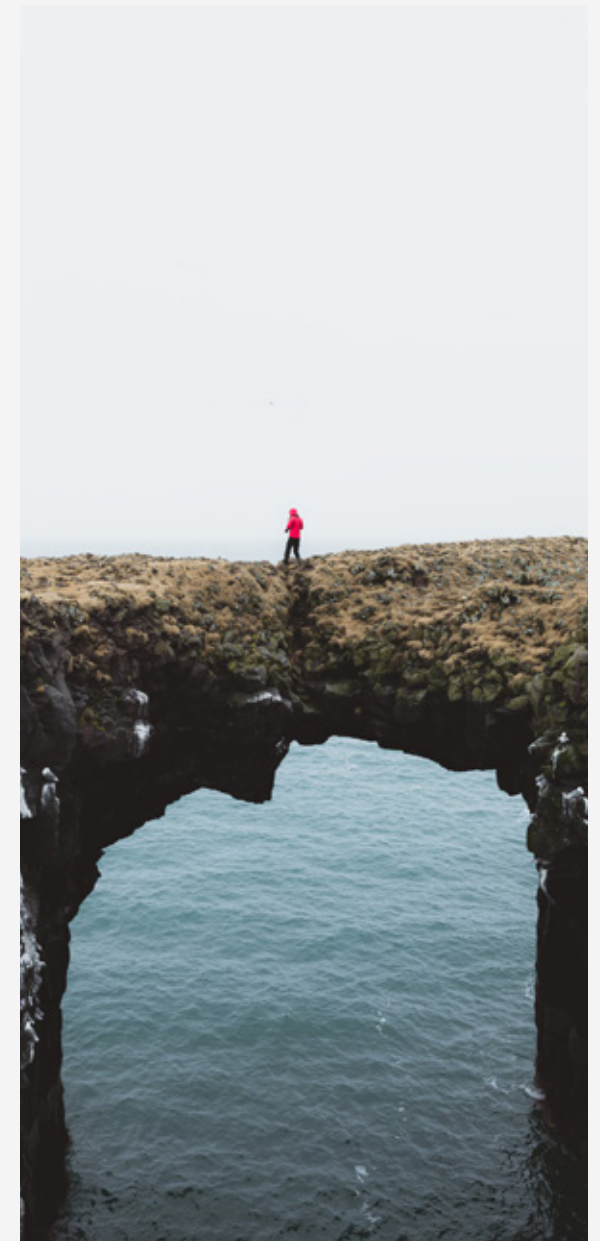
# What is our Gender Pay Gap at Santander?

The gender pay gap shows the difference in average pay between women and men. This is different to equal pay i.e. women and men receiving the same pay for the same role.

The gender pay gap takes into account all roles at all levels of the organisation, rather than comparing pay received by women and men performing the same roles. We regularly review and analyse our employee pay to ensure men and women are treated equally when performing the same role. We are therefore confident that we do not have equal pay issues. Instead, our gender pay and bonus gaps reflect our organisational structure. We have proportionately more women than men in our branch and customer service centre roles, and proportionately more men in higher-paid leadership roles. Almost the entire gender pay gap is attributable to this organisational profile.

**We are pleased that the mean gender pay and bonus gaps have reduced for the third successive year.**

This will be influenced by the increase in female representation in Santander UK group's top pay quartile. This is the third year running that the gender balance in the top quartile has moved closer to parity, and this reflects the progress which has been made towards our pledge to HM Treasury's Women in Finance Charter. However, there is a less positive picture on the remaining metrics than in previous years of reporting. For example, the median pay and bonus gaps have increased this year compared to 2019. The median gaps are affected by structural changes, and we will be monitoring these metrics, and the impact of changes to the organisation's structure, closely over the coming months.



# What is our Gender Pay Gap at Santander?

29.3%

The **mean** average gender pay gap in Santander UK Group, down 0.5 percentage points from our last report.

27.4%

The **median** average gender pay gap in Santander UK Group, up 0.8 percentage points from our last report.

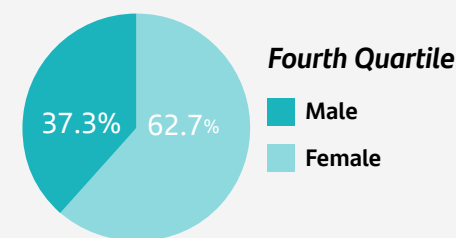
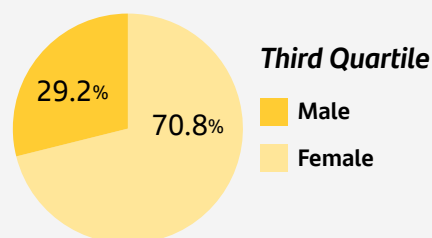
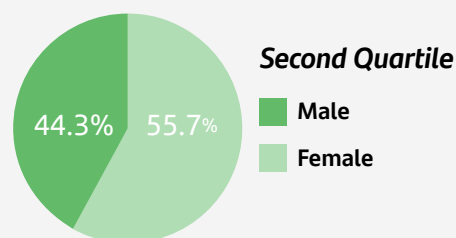
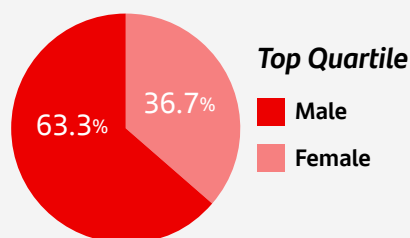
59.5%

The **mean** average gender bonus gap in Santander UK Group, down 2.0 percentage points from our last report.

45.0%

The **median** average gender bonus gap in Santander UK Group, up 3.1 percentage points from our last report.

The proportion of eligible male and female employees who received a bonus was 90.4% (male) and 93.0% (female).



## Footnote

For the purpose of this report, 'Santander UK Group' comprises the employing entities listed in the table on page 15. Under the relevant regulations, we are required to report on each employing entity in the UK that has more than 250 UK employees. In the interests of clarity and transparency, we once again provide here an aggregated figure which covers the whole of the Santander UK Group. The pay and bonus gap metrics reported here are correct as at the mandatory April 2020 snapshot date. Please note that the updates to our action plan in this document are correct at the point of publication, in order to give the most current and relevant picture of progress to date.



# What is our Ethnicity Pay Gap at Santander?

We are committed to ensuring transparency to be an inclusive workplace, so we are voluntarily publishing our ethnicity statistics.

Based on those who have voluntarily disclosed their ethnicity, approximately 19% of our workforce is of an ethnic minority. Our ethnic minority colleagues are represented broadly equally across all four pay quartiles, but there are a smaller number in the most senior roles.

The ethnicity pay gap shows the difference in the average hourly rate of pay between ethnic minority and non-ethnic minority colleagues. An ethnicity pay gap can be driven by a number of factors including, crucially, a lack of ethnic minority representation in senior positions.

We have chosen to use the same calculation methodology set out by the Government Equalities Office for gender pay gap reporting, for our mean and median ethnicity pay gap, bonus gap, and distribution across pay quartiles. However unlike gender, our ethnicity disclosure rate is not at 100% (at the snapshot date it stood at 73%); any individuals with undisclosed ethnicities are excluded from our calculations.



# What is our Ethnicity Pay Gap at Santander?

It is important to note that as for the Gender Pay Gap reporting, these figures show the gap between the average pay and bonus received by non-ethnic minority and ethnic minority colleagues, and do not reflect differences between colleagues performing the same role.

## 8.9%

The **mean** average ethnicity pay gap in Santander UK Group.

## 28.5%

The **mean** average ethnicity bonus gap in Santander UK Group.

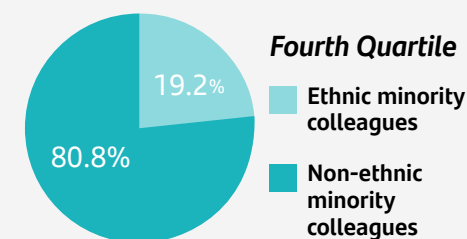
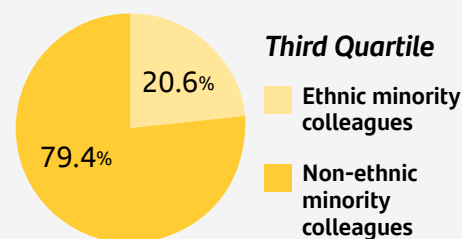
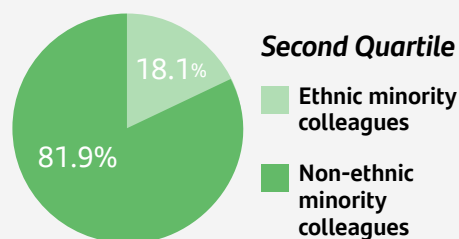
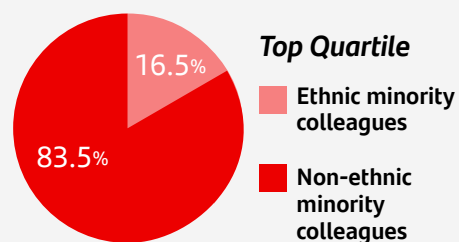
## 7.2%

The **median** average ethnicity pay gap in Santander UK Group.

## 9.6%

The **median** average ethnicity bonus gap in Santander UK Group.

The proportion of eligible employees who received a bonus was 92.3% (non-ethnic minority colleagues) and 88.4% (ethnic minority colleagues).



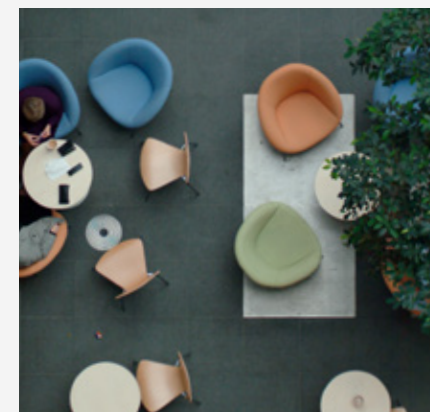
## Footnote

For the purpose of voluntary ethnicity pay reporting, we have relied on the same 'Santander UK Group' which is used for the gender pay gap illustration at page 4, and which comprises the employing entities listed in the table on page 15. The pay and bonus gap metrics reported here are correct as at the April 2020 snapshot date. The same reporting methodology and snapshot date have been used for the gender and ethnicity pay and bonus gap calculations.

# Our commitments to close the gap

This year we set out our next three-year diversity and inclusion strategy “everyday inclusion” to progress in our commitment to be a truly inclusive organisation.

This will prioritise the themes of respect, balance, leadership, advocacy, allyship, transparency and accountability. A member of our Executive Committee sponsors our diversity strands of gender, LGBT+, ethnicity, disability, families and carers, social mobility, and mental wellbeing. We hold a quarterly Diversity and Inclusion Forum to provide guidance and direction to our strategy attended by our Executive Committee Sponsors, our Chief HR Officer, HR Culture and Inclusion Team and our Employee Led Network Leads.



## Delivering on Everyday Inclusion

### Increasing Our Senior Level Representation

We have set a target to increase the number of women in senior management roles to 50% (+/- 10%) by 2021 and signed the HM Treasury Women in Finance Charter Pledge. Our Senior Manager population has increased from 27% in 2015 to 32.2% in 2020; an increase of 5.2%. For our level below the Executive Committee, in 2015 this was at 18.6% in 2015 and now in 2020 this is at 30.1%.

In 2019 our Board approved an ambition to increase ethnic minority senior leadership representation to 14% (+/- 2%) by 2025, with a review of progress in 2021. This is moving in the right direction and is currently 9% increasing by 1% in the last 12 months.

From 2021, we will report our male:female and ethnicity hire ratio for senior manager roles at the quarterly Executive everyday inclusion forum to continue to increase transparency and the opportunity to challenge through transformation.

### Data Monitoring Progress

Our data monitoring includes an inclusion dashboard, recruitment data and directorate culture and inclusion dashboards. We have also established directorate-specific inclusion working groups to ensure targeted focus across our different business lines. Recently we have built a new transformation dashboard. In 2021 this will enable targeted action plans to remediate and minimise risks which disproportionately underrepresented groups as a result of COVID-19 and our business transformation.

### Inclusive Recruitment

Since 2016 we have aimed to have gender balanced candidate shortlists for our senior manager roles. We have found that when a balanced shortlist is achieved, just under 70% of roles are filled by females, as compared to just over than 30% when not, recognising that we are competing directly with many organisations for a restricted availability of senior women in the financial services industry. Female interviewers are included in interview panels for senior roles to provide a balanced view of potential candidates and avoid any bias. In 2021 we will be launching a targeted hire programme to support those who have been out of work for a period of time.

# Our commitments to close the gap

## Times Top 50 for Women

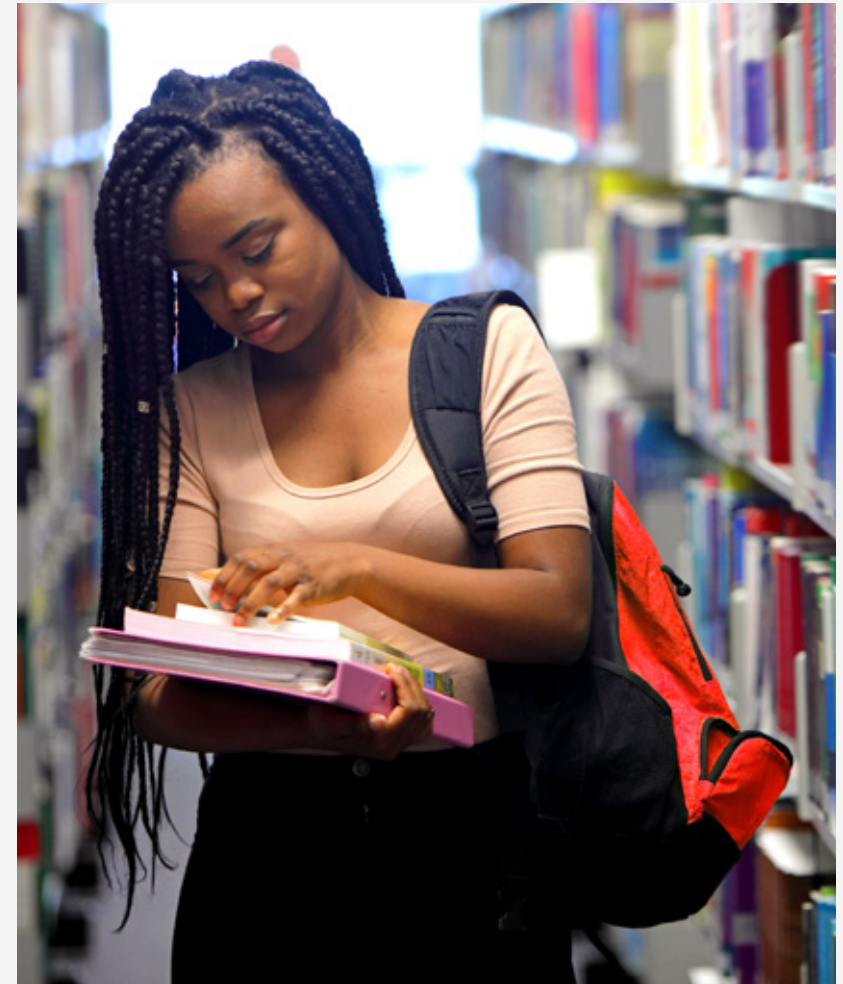
This year we featured in The Times Top 50 for Women and commended for being in the top ten per cent of organisations that have featured regularly during the ten years that list has been published.

The Times Top 50 Employers for Women is published in partnership with Business in the Community. The alphabetical and unranked list celebrates UK employers that are committed to creating inclusive workplace cultures and women's progression at work. The listing involves a comprehensive submission process managed by Business in the Community.



### Our submission commended us on:

- Extensive family friendly policies and a flexible working policy which encourages colleagues and managers to work together to deliver a positive balance for their work and home life. We are still one of a small number of organisation to publicly disclose our family-friendly policies, enabling external candidates to view and compare these with those of other organisations, before interview.
- Our approach to recruitment with our 50:50 shortlists for senior manager roles and removing gendered language from our job adverts.
- Changing our assessment approach to our Graduate Programme resulting in 58% female graduates in our 2019 intake.
- Our approach to monitoring progress through a number of robust data sets to identify areas that may have particular operational, structural or cultural barriers.





# Our commitments to close the gap

## Inclusion Box Sets To Become A Everyday Inclusion Ally

This year we launched a series of everyday inclusion boxsets on our learning platform to educate and support colleagues to become an ally for inclusion. It includes TED talks, blogs, articles and everyday inclusion podcasts to really speak to the heart of inclusion. In the podcasts, colleagues from our seven people networks share their lived experience on what everyday inclusion means to them and what we can all do to make everybody feel respected, valued and able to contribute. Inclusive leadership training will be a focus for 2021.

## Employee Led Networks

Executive Committee sponsors lead each of our seven employee-led networks focused on women, ethnicity, LGBT+, disability, families and carers, social mobility, and mental wellbeing. The networks support our culture of everyday inclusion and foster a sense of belonging with a focus on three core priorities (1) as a community to support each other (2) as a support for colleagues careers and (3) as agents of change. The networks each have a digital community space where they can connect and share articles, stories and connect. Our colleagues can join as many networks as they want and choose how they are involved.

## Supporting Career Progression

Nearly 400 colleagues have now completed our specialist leadership development programme for high-potential women. This nine-month programme supports career development, builds resilience, broadens network and develops the personal brands and profiles of women in our business. Feedback has been universally positive with many participants commenting that the programme helped develop their leadership skills and boost their confidence to apply for more senior roles. This programme is now being developed through an intersectional lens as part of our everyday inclusion strategy for 2021 to be rolled out to build senior representation across all diversity strands.

Through our Ethnicity@work network we launched a three-part programme to enhance confidence, networking and personal branding to support Asian, Black and Minority Ethnic colleagues. The network also provides the opportunity for mid-level seniority and above role models to mentor colleagues from junior levels based on individual development needs.

## Mentoring and Sponsorship

We work with our D&I partners to participate in cross-company mentoring programmes with over 100 female colleagues building mentoring relationships during 2019/2020. We continue to participate in the 30% Club scheme, a cross-company mentoring programme that aims to achieve better balance of men and women at all levels of organisations, predominately launched to achieve 30% women on FTSE 350 boards and 30% women at senior management level of FTSE 100 companies by the end of 2020. Since 2015, we have had 264 participants on this programme, with 84 graduating from the 2020 programme. In 2021 we will launch a new inclusion talent sponsorship circles programme for our identified high potential talent.



# Our commitments to close the gap

## Supporting Menopause

We have taken targeted action in the areas we believe it will have the greatest impact, as such we wanted to provide an initiative that would support women aged 50 and over who make up approx. 20% of the San UK female workforce.

Many of these women will be in senior leadership positions and are at the age where they are potentially experiencing the impacts of menopause.

External research tells us that 3 in 4 women experience menopausal symptoms which interfere with their quality of life and 45% of women say they feel the menopause has a negative impact on their work.

To support colleagues, we have placed significant emphasis in encouraging meaningful conversations around the menopause and generally around wellbeing between colleagues and line managers.

As well as publishing guidance for colleagues and managers, we undertook a trial in late 2019 in which 130 colleagues engaged with Peppy, a healthcare service that provides access to confidential support and guidance from NHS trained nurses who specialise in menopause treatment and support.

Following the overwhelming success of this trial we have now rolled this out to colleagues across the bank and currently have over 400 colleagues actively engaged. We expect this to have a significant impact on the wellbeing of our colleagues and a reduction in absenteeism reporting for our female population.



## Workplace Ally Training

In 2020 we introduced webinar-based training on 'how to be an ally', which is being rolled out across our Employee led networks. In 2021 we will continue with a upstander and allies programme for colleagues to act as role model sponsors of inclusion to further progress our everyday inclusion strategy.

# Our commitments to close the gap



## Raising Awareness - Including Men In The Conversation

Caring responsibilities continue to be a major factor in addressing gender imbalance. In 2018 we sponsored Equal Lives, a cutting-edge research project from Business in the Community (BITC), exploring the experiences and needs of men with caring responsibilities in the UK. We also launched a campaign where we have told the stories of our 'Working Dads' both internally on our intranet and also externally through working with partners like The Working Mum's white paper on 'Working Dads' which was hosted by a senior leader in our Corporate and Commercial directorate; and a published article on working dads featuring a colleague who had taken shared parental leave. We have been recognised as being in the top 10% of organisations by WorkingMums.co.uk for our paternity leave offering in terms of time off, having doubled it in 2019.

## Raising Awareness – Lets Talk About Race Sessions

Following on from a pilot session held in December 2019, we delivered 20 virtual Let's Talk about Race sessions, in partnership with Business in the Community, attended by over 350 colleagues. The sessions are designed to empower colleagues to develop a confidence around a common language about Race and help stimulate constructive and respectful discussions about the importance of addressing race in the workplace. They build confidence amongst the participants to speak fluently about different cultures, enabling them to take their learnings into discussions with their peers – encouraging more meaningful and open conversations and help to create everyday inclusion.

After the session, 100% agreed they understood the importance of talking about race and over 95% said they would feel comfortable and had an understanding of the appropriate ways in which to do so.





# Our commitments to close the gap

## Family Friendly Policies

This year we increased the number of paid weeks' leave for maternity, adoption and shared parental leave, from 16 to 20 weeks. Additionally, for colleagues who have a baby prematurely (before 37 weeks' gestation), employees now receive additional paid leave to make up the difference in time between the date their baby was born and 40 weeks of gestation, to help them get back some of the time after the birth that they have not been able to use as planned. There is also a period of compassionate leave (normally up to two weeks' paid leave) for colleagues whose partner has had a premature birth and whose baby requires a period of hospitalisation.

In recognition to the change to our family friendly policies to support those colleagues whose baby is born prematurely, we have been awarded The Smallest Things Employer with Heart Chartermark and have been added to their Hall of Fame.

**We are still one of a small number of organisations to publicly disclose our family-friendly policies, enabling external candidates to view and compare these with those of other organisations, before interview.**



## Supporting Colleagues Who Work In A Challenging Home Environment

Through the COVID impacts, working from home can be challenging, and many peoples' lives are being impacted in different ways. This can be even more relevant to more vulnerable colleagues and we want to ensure that everyone is supported during these difficult times. We have created toolkits and support pages on our wellbeing hub around some key issues for colleagues who aren't sure where to turn. This included support for Domestic Abuse, LGBT+ Isolation, Funerals and Bereavement and Religious Celebrations.

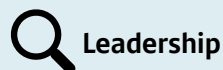




# Our commitments to close the gap

## Black Inclusion Plan

Over the summer we held a number of events in response to the Black Lives Matter movement, listening to colleagues about their experiences and looking at the ways in which our Executive Committee, can support colleagues and accelerate the pace of change. In September we launched our Black Inclusion Plan. The plan was created in response to what colleagues have been telling us, as well as an analysis of our own data. We've identified three areas of focus: Leadership, Allyship and Networks, which will shape our activity.



### Leadership

#### Tackle under-representation of Black people at the top table:

Set an ambition to double our Senior Level Black population by 2023 and build a 'critical mass' of talented role models at senior levels.

Launch a Black talent and sponsorship programme to improve career progression and internal mobility.

Appoint senior Black advisor(s) to ensure decisions around people have a conscious inclusion lens based on the lack of representation at Executive Committee and Business Area Leadership Team level.



### Allyship

#### Drive Positive Change:

Focus on attraction of colleagues from a Black background for apprenticeships and graduate programmes to our Early in Years Programme through leveraging diverse attraction methods.

Deliver a digital on-demand programme, consisting of 8 hours of financial literacy content and education for 3000 Black students leading to a scholarship for 30 students and the opportunity to complete a work placement experience.

Appoint and work with an external partner to inform our approach to Black Inclusion and support Black communities with meaningful volunteering opportunities, education and outreach.



### Networks

#### Talk directly to Black employees about lived experiences:

Establish reverse mentoring initiatives with clear objectives and framework to our Executive Committee and Leadership Teams.

Continue with our minority ethnic advisory group to shape our inclusion strategy and have Black representation at our Executive Committee Diversity and Inclusion Forum.

Through our Ethnicity@Work Network continue with safe space listening groups to inform and shape our approach to Black inclusion.



We will also extend our support to customers and communities by carrying out further analysis on how we can increase our non-financial support to Black-owned businesses through our Corporate Business, SME Breakthrough team and start-up support teams.

Alongside the plan outlined above, we're also committing to the following in support of wider minority ethnic inclusion:

Publishing our ethnicity workforce data and publishing our Ethnicity Pay Gap.

Engaging all colleagues in inclusion training centred on breaking bias, micro messages and respect.

# External engagement and benchmarking

**Through engagement and benchmarking both with our peers and companies across other industry sectors we continually assess how we compare to the market, to identify particular gaps or areas of concern on which our diversity and inclusion programme should focus.**

In 2020 we were again recognised as a Top Employer by the Top Employers Institute which is the global authority on certifying excellence in employee conditions, with a certification programme that enables organisations to assess and improve their workplace environment which includes diversity and inclusion alongside being accredited as a Great Place to Work.

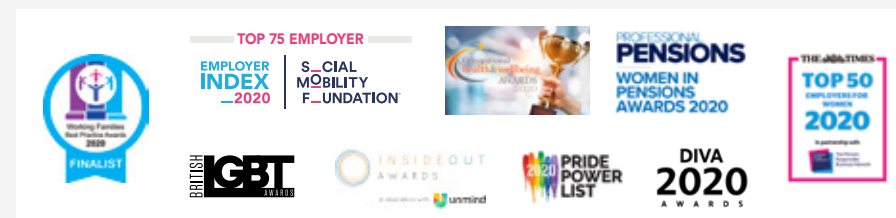
**We are also focusing on supporting Diversity and Inclusion for our customers.** We have also supported gender diversity externally by becoming a signatory of the Investing in Women Code, a commitment to support the advancement of female entrepreneurship in the UK.

Through Santander Breakthrough we supported 70 Women Business Leaders on a 9-month mentoring programme in 2019, the 2020 cohort launched in March and sees 90 Women Business Leaders being supported by mentors.

In a bid to support the next generation of entrepreneurs we launched a new guide to becoming an entrepreneur, including videos and tips from a range of female business owners. This was in response to research we undertook which showed that three-quarters of young people were unable to name one female business owner.

**We have also been shortlisted for and won a number of awards this year in different areas of diversity that all support our gender ambitions:**

- Social Mobility Employers Index, Santander – Top 75 (Ranked 26)
- The Times Top 50 Employers for Women, Santander – Top 50
- Diva Awards, TJ Richards - Diversity Champion of the Year
- 2020 Pride Power List, TJ Richards – Top 100
- British LGBT+ Awards, Susan Allen – Won – Corporate Ally
- Working Families Best Practise Awards, Families and Carers Network – Shortlisted – Family network
- Women in Pensions Awards, Jane Bland – Shortlisted Pensions Manager of the Year and in the Change Excellence of the Year category. Won – Team Leader of the Year
- Occupational Health and Wellbeing Team of the Year, HR Culture Team – Shortlisted
- InsideOut Awards, Best use of Technology category for Mental Wellbeing – Shortlisted



# Appendix: Our gender pay and bonus gap disclosure

Under the gender pay gap reporting regulations we are required to publish the gender pay gaps in respect of each of the Santander employing entities with more than 250 employees at the snapshot date (5 April 2020).

| Employer                | Gender pay gap (mean) | Gender pay gap (median) | Gender bonus gap (mean) | Gender bonus gap (median) | Males receiving bonus pay | Females receiving bonus pay | Top quartile |       | Second quartile |       | Third quartile |       | Lower quartile |       |
|-------------------------|-----------------------|-------------------------|-------------------------|---------------------------|---------------------------|-----------------------------|--------------|-------|-----------------|-------|----------------|-------|----------------|-------|
|                         |                       |                         |                         |                           |                           |                             | Men          | Women | Men             | Women | Men            | Women | Men            | Women |
| Santander UK Group      | 29.3%                 | 27.4%                   | 59.5%                   | 45.0%                     | 90.4%                     | 93.0%                       | 63.3%        | 36.7% | 44.3%           | 55.7% | 29.2%          | 70.8% | 37.3%          | 62.7% |
| Santander UK PLC        | 30.7%                 | 27.0%                   | 63.1%                   | 45.5%                     | 90.6%                     | 92.7%                       | 60.3%        | 39.7% | 41.8%           | 58.2% | 28.4%          | 71.6% | 35.3%          | 64.7% |
| Santander Consumer UK   | 31.1%                 | 28.0%                   | 48.6%                   | 38.9%                     | 88.4%                     | 86.3%                       | 67.3%        | 32.7% | 53.7%           | 46.3% | 45.3%          | 54.7% | 35.2%          | 64.8% |
| Santander UK Operations | 5.2%                  | 1.2%                    | 26.2%                   | 22.5%                     | 93.6%                     | 95.6%                       | 45.3%        | 54.7% | 36.9%           | 63.1% | 33.6%          | 66.4% | 47.3%          | 52.7% |
| Santander UK Technology | 10.0%                 | 9.5%                    | 8.6%                    | 5.9%                      | 84.2%                     | 91.3%                       | 84.8%        | 15.2% | 79.9%           | 20.1% | 72.8%          | 27.2% | 67.3%          | 32.7% |

## Footnote

- Mean gender pay gap: This is the percentage difference between the mean hourly rate of pay for male employees and the mean hourly rate of pay for female employees. Mean averages are calculated by adding up all of the hourly rates of a group of people and then dividing the result by the number of people in the group.
- Median gender pay gap: This is the percentage difference between the median hourly rate of pay for male employees and the median hourly rate of pay for female employees. Median averages are calculated by listing all the pay amounts in numerical order and taking the middle amount (or, if there is an even number of amounts, the average of the two central amounts).
- Mean gender bonus gap: This is the percentage difference between the mean average bonus payment received by male employees and the mean average bonus payment received by female employees. Mean averages are calculated by adding up all of the bonus payments of a group of people and dividing the result by the number of people in the group.
- Median gender bonus gap: This is the percentage difference between the median bonus payment received by male employees and the median average bonus payment received by female employees. Median averages are calculated by listing all the bonus amounts in numerical order and taking the middle bonus amount (or, if there is an even number of bonus amounts, the average of the two central amounts).



For further information visit **[santander.co.uk](https://santander.co.uk)**

Read more about our diversity and inclusion initiatives:  
**[santanderjobs.co.uk/diversity](https://santanderjobs.co.uk/diversity)**