



We encourage our people to bring their authentic selves to work every day

Gender pay report 2024

Diversity and inclusion



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Hello,

As Chair of our EMEA Diversity and Inclusion (D&I) Steering Committee, I am pleased to disclose our gender pay gap data for 2024.

In this report, you can learn about our 2024 gender pay gap report and the actions that we are taking to not only reduce the gaps but also support gender diversity more widely at SMBC. This report focuses on a comparison of female and male pay (as required by UK legislation), but we recognise that many gender identities and expressions exist and we respect all areas of diversity and intersectionality.

You will find relevant data relating to our gender pay gaps for both SMBC Bank International plc (SMBC BI) and our consolidated entities¹, as well as our statutory gender pay gap disclosure for SMBC BI, below.

At SMBC Group, we understand that equity, fairness, and transparency are key to enabling our colleagues to be their most authentic selves at work. In addition to the statutory pay gaps included in this report we regularly review our remuneration policies and practices to ensure we are meeting our goal of delivering equal pay – namely the legal requirement to pay men and women the same for equal work – which is governed by the Equality Act.

The gender pay gaps can be driven by several factors, including a lack of women in most senior positions, and investigating these helps us to learn more about the broader drivers of inequality within our organisation. Understanding what drives our pay gaps enables us to develop concrete action plans to address barriers for talent from under-represented groups.

Each year since we first began reporting our gender pay gaps, we have made positive progress and, while there is work still to do, I am pleased to report that our progress in both increasing gender diversity and reducing our gender pay gaps is accelerating.

¹ Under UK regulation, organisations are required to publish gender pay gap information for any legal entity that employs more than 250 people. As at 5 April 2024, SMBC Group had one UK entity with more than 250 employees: SMBC BI. We have also chosen to voluntarily disclose our UK consolidated figures, including both SMBC BI London and SMBC Nikko Capital Markets Ltd, to provide a more accurate reflection of the gender diversity of SMBC Group in the UK.

For our consolidated entities our mean gender pay gap has improved by **2.5%**, from 26.7% to **24.2%**, and by **2.4%** for SMBC BI from 23.0% to **20.6%**, mostly due to our sustained focus on increasing the proportion of females at senior levels.

Developing a gender balanced future talent pipeline is central to our emerging talent strategy and investing in increasing the number of female participants in our Corporate and Investment Banking emerging talent programmes is now having a positive impact on our median gender pay gaps. This year, our median gender pay gap has also decreased from 26.2% to **25.0%** for our consolidated entities, and from 24.3% to **23.4%** for SMBC BI.

Our mean and median gender bonus gaps have decreased significantly this year, both for SMBC BI and our consolidated entities as a result of our focus on ensuring that we are not only increasing female representation at senior levels but ensuring that this is spread evenly across the Bank.

Taking Action





Increasing gender balance across the organisation and supporting the progression of female talent to reduce our gender pay gaps remain key priorities for SMBC. In September of this year we launched a new EMEA DEI strategy, including the 'Every Moment Matters' pillar. This pillar highlights the importance for all our employees to make decisions and take actions to support our diversity, equity and inclusion goals. As part of this, we have enhanced or introduced a number of initiatives specifically designed to support increasing gender diversity. You can read more about these in this report.



2024 data

Mean and median gender pay gap

These figures show the difference between the hourly rate of pay of female and male employees at SMBC BI, reported on both a mean (average) and median (mid-point on a distribution) basis:

	2024	2023
Gender pay gap		
mean	 20.6%	23.0%
median	 23.4%	24.3%
Gender bonus gap		
mean	 35.4%	38.4%
median	 41.2%	45.9%

Data summary

In accordance with the regulations, the data contained in this report is for all UK based SMBC BI employees as at 5 April 2024.

Key points

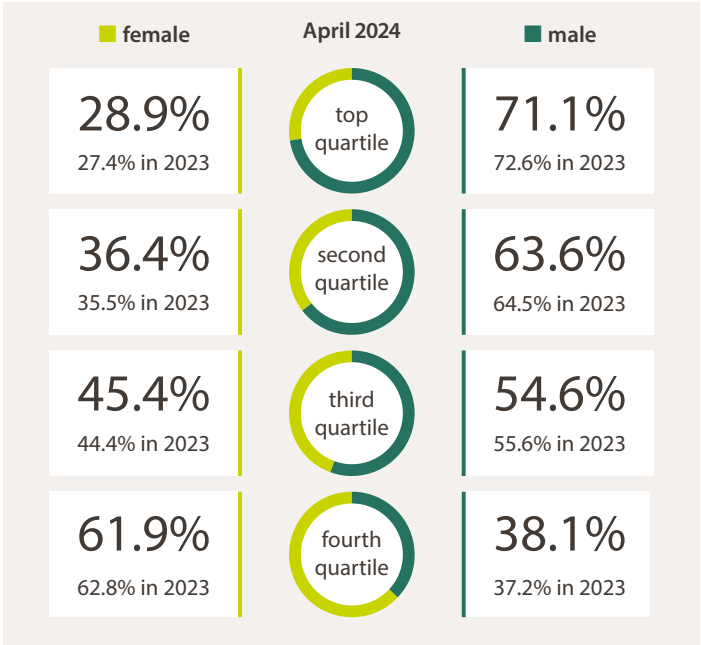
- At a high level, all of our gender pay metrics have improved relative to last year.
- The SMBC BI 2024 gender pay gap has improved in the mean calculation (↓ 2.4%) and in the median calculation (↓ 0.9%).
- The gender bonus gap has also improved in the mean calculation (↓ 3.0%) and in the median calculation (↓ 4.7%).

We are pleased that the mean gender pay gaps have improved. This is mostly due to an increase in female hires and promotions at senior levels. Our sustained focus on building a long-term female talent pipeline is now also positively impacting our median gender pay gaps.

2024 data

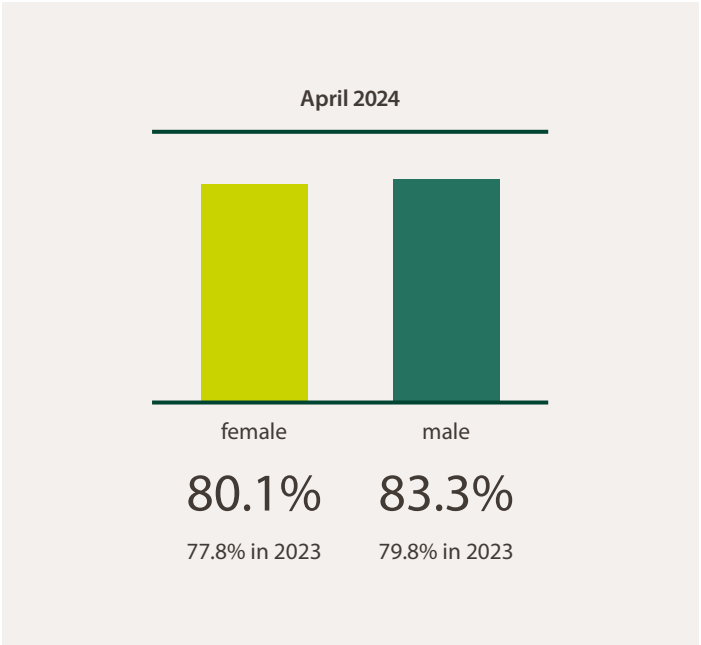
Proportion of employees in each pay quartile

These charts show the gender split for each pay quartile of the SMBC BI population, if all employees were ranked from highest to lowest hourly pay.



Proportion of employees receiving a bonus

The data below shows the proportion of employees that received a bonus during the relevant period between 6 April 2023 to 5 April 2024.



Our actions to increase gender diversity and create a gender inclusive workplace

Every Moment Matters

Understanding the experiences of female talent at every stage in the employee lifecycle is critical to delivering equity for our current and future talent. As part of the 'Every Moment Matters' pillar of our DEI strategy, we have continued to analyse how our recruitment and talent development processes impact the gender balance of our talent. Actions taken to continuously improve these processes have enabled us to sustain our progress on gender diversity and drive a positive uplift in female representation at both senior and junior levels.

It has also been critical to engage all our leaders in playing their part in achieving progress. Increasing gender diversity therefore remains a key metric in senior management performance evaluation, which accounts for approximately 10% of variable remuneration.

Improving access to careers in financial services for all underrepresented groups is a core focus of the Bank's early talent programmes:

Kaika Graduate Programme –

Now in its fourth year, this programme focuses on attracting and developing diverse talent for a career in Corporate and Investment Banking or Global Markets. The 2024 London cohort were 50% female, with 38% of participants identified as minority ethnic and 70% with at least one social mobility indicator (state school educated and/or first generation in their family to attend University and/or received free school meals).

UK Industrial Placement Programme –

The intake for 2024 was 63% female, with students joining us from 18 universities. 25% of Industrial Placement Students from our 2023 intake have since accepted offers at SMBC and will join us in permanent roles in 2025. Of those who will be joining us, 50% are female.

ITSD Apprenticeship Programme –

There is a significant under-representation of females in technology and we are committed to bringing women into technology roles at all levels of the organisation. In 2024, 60% of our first apprenticeship cohort was female. These apprentices have now completed their programme, run in partnership with apprenticeship provider Multiverse. Six apprentices qualified in Software Engineering with a further two qualifying as Data Technicians. They have since gone on to secure permanent Associate positions within our IT department.

This year we have launched a new Accelerator Programme designed to support the career progression of senior female talent. The inaugural cohort of twelve is undertaking a six-month structured development journey, which includes individual and group coaching sessions, building their board insights and experience, and the opportunity to increase sponsorship from senior leaders. The ambition is to facilitate personal growth of individuals in the cohort, increase their visibility with senior leaders, and to create a support network amongst participants based on their shared leadership experiences.

We have also relaunched our female mentoring programme, 'InspiHer!', targeting our mid-career female talent at Vice-President level. Feedback from previous cohorts indicated they most valued the support and advice they were provided by senior female mentors for navigating their careers, including the importance of taking ownership for their own development in order to support progression into more senior roles.



An inclusive culture where all of us feel we belong

The 'Where we Belong' pillar of our DEI strategy focuses on our culture and ensuring that the behaviours we demonstrate support people's sense of belonging.

Recognising the importance of flexibility in supporting the retention and progression of female talent and other underrepresented groups, we continue to offer hybrid working to all employees in addition to formal flexible working options. This year, we also introduced paid Carer's Leave in the UK, cognisant of the disproportionate numbers of female employees with caring responsibilities alongside work.

Various studies have shown that women experience poorer outcomes in various aspects of healthcare and with an increasing number of women in the workplace, it has become imperative that organisations recognise specific gender health factors and support women's health. Building on our existing policies and support for female health, including in respect of fertility and menopause, this year we have introduced healthcare app Peppy, to provide our people with additional menopause and gender specific health services and extending our support related to fertility and parenthood.

Our DRIVE (diversity, respect, inclusion, value and equality) employee resource groups, including our gender network, Balance, continue to play a key role in creating an inclusive culture at SMBC. In the past year, their activities have highlighted the wide range of unique experiences people may have as a result of their identity. DRIVE is a critical enabler for increasing colleague awareness and support for everyone in Team SMBC.



Our external commitments

SMBC Group is a proud signatory of the Women in Finance Charter and has set a target of 30% female representation at Executive Director and above by 2027. Last year, we adjusted the population covered by our Women in Finance Charter target to this smaller group to focus more directly on building a strong pipeline for senior leadership roles. Progress towards this target is linked to Executive performance and compensation to ensure accountability for driving change.

SMBC is also a proud signatory to the UK's Race at Work Charter, to the Valuable 500 initiative, and the UK Government's Disability Confidence Scheme. This year we have also joined Progress Together, to contribute to advocating for greater socio-economic diversity at senior levels in financial services.





Statutory gender pay gap disclosure

	Pay										Bonus			
	Gender pay gap		Proportion of employees in each pay quartile								Gender Bonus Gap		Proportion of employees receiving a bonus	
	Hourly rate		Lower		Lower middle		Upper middle		Upper					
	Mean	Median	Male	Female	Male	Female	Male	Female	Male	Female	Mean	Median	Male	Female
SMBC UK consolidated entities	24.2%	25.0%	38.7%	61.3%	53.5%	46.5%	65.5%	34.5%	73.5%	26.5%	38.5%	41.7%	84.0%	80.3%
SMBC BI London	20.6%	23.4%	38.1%	61.9%	54.6%	45.4%	63.6%	36.4%	71.1%	28.9%	35.4%	41.2%	83.3%	80.1%

