

# SMBCE 2017 GENDER PAY GAP REPORT

At SMBCE we are committed to diversity and inclusion and believe that a balanced workforce enhances profitability and workplace culture.



It is for this reason that in February 2017 we became a signatory of the **HM Treasury Women in Finance Charter**, setting the target to increase female representation in senior roles to a minimum of 30% by March 2022.

As an inclusive employer, we are also committed to reducing our gender pay gap.

## [1] Pay and Bonus Gap

Difference between men and women		
	Mean	Median
Hourly fixed pay	34.2%	34.9%
Bonus Paid	43.5%	62.6%

The table above shows our overall mean and median gender pay gap based on hourly rates of pay, calculated on the snapshot date (5<sup>th</sup> April 2017). It also outlines the mean and median difference between bonuses paid to men and women in fiscal year 2016-17.

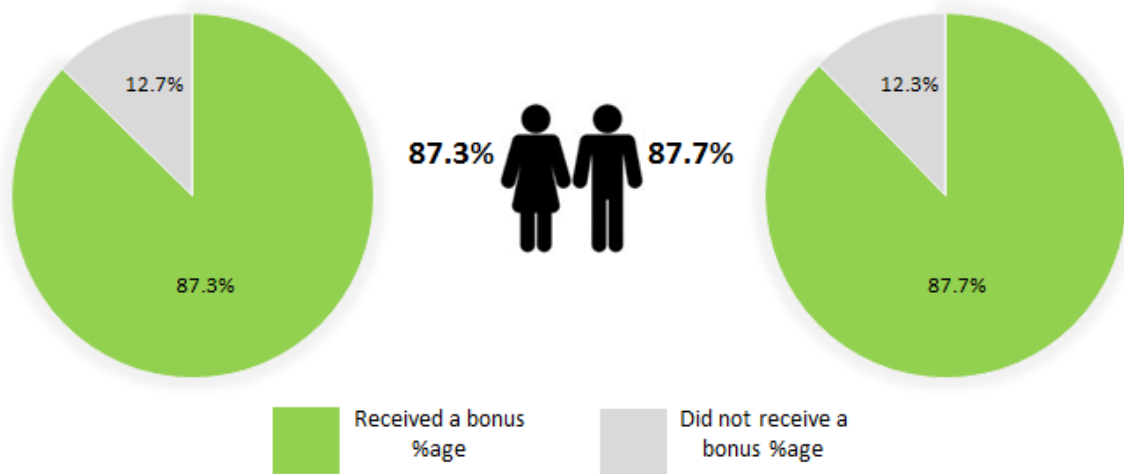
We are confident that men and women at the same level are paid equally across our business.

The gender pay gap is the difference between men and women's average earnings across the organisation. At SMBCE women are underrepresented in senior roles, which is the primary cause of our gender pay gap of 34.2% (mean). In signing the Women in Finance Charter, SMBCE has set out its intention to close this gap. To support the Bank achieve this objective, it has established DRIVE – its EMEA wide diversity initiative. It has also established a Diversity and Inclusion Steering Committee that oversees workstreams focused on recruitment, communications, ways of working and development.

**Equal pay** means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.

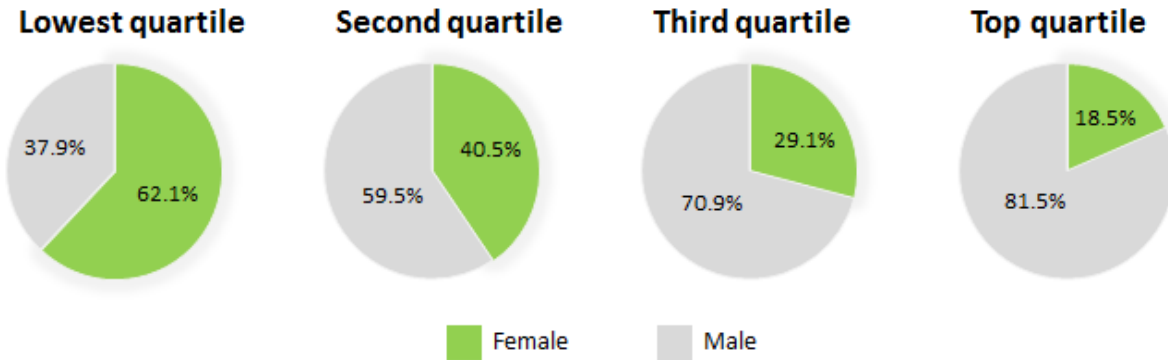
**Gender pay gap** is a measure of the difference between men's and women's average hourly pay (*mean or median*) across an organisation.

[2] Proportion of colleagues awarded a bonus for fiscal year 2016



This shows a 0.4% difference between the number of women and men being paid a bonus for their performance in fiscal year 2016. 96 of the 98 Individuals who did not receive a bonus were new joiners in the year.

[3] Pay Quartiles



The above image illustrates the gender distribution at SMBCE across four equally sized quartiles, each containing around 200 colleagues.

We are confident that as we progress towards, and beyond, our Women in Finance Charter target to increase the number of women in senior roles, our gender pay gap will reduce.

I can confirm the data reported is accurate.

**Stanislas Roger**

Deputy CEO, SMBCE; and Chair, Diversity and Inclusion Steering Committee

# EMBRACING DIVERSITY AND INCLUSION

SMBCE is committed to diversity and inclusion because it drives performance, talent and culture.

**Driving**  
**Performance**



Diverse organisations achieve **better** financial results

**Driving**  
**Talent**



Diverse organisations attract, develop and retain the **best** talent

**Driving**  
**Culture**



Diverse organisations **value** different perspectives

We recognise there is a lot of work that needs to be done. Here is an overview of some of the actions we have taken.

**1** Signing the HM Treasury **Women in Finance Charter**


In March 2017 the Bank became a signatory to the **HM Treasury Women in Finance Charter** and set the target to increase female representation in senior roles in SMBC EMEA Division to a **minimum of 30% by 2022**.

March 2017 (Actual)	March 2022 (Target)	February 2018 (Update)
22.7%	30%	25.4%

We are pleased that this figure has increased to **25.4%** (Feb, 2018), however this also shows there is a lot more to be done.

**2** Engaging Employees on **Why Diversity is Important**

**DRIVE**, our EMEA wide diversity initiative, was launched in September 2016. DRIVE holds monthly events that have received **over 1,400 request** to attend.




All employees in EMEA Division have completed **Unconscious Bias** training in the last year. This training supports colleagues to **reduce bias** and improve decision-making in areas such as recruitment and performance management.

**3** Developing a **Diverse Talent Pipeline**

**ELEVATE**, a new programme designed to **enhance diverse leadership** in the Bank was launched November 2017.

All recruitment agencies are required to provide **balanced shortlists** to ensure we have **diverse candidate lists**.



**4** Driving **Senior Accountability**

A **Diversity and Inclusion Steering Committee**, chaired by Deputy CEO Stanislas Roger, was formed in June 2016

**Senior Management** have set diversity targets that support the overall **Women in Finance Charter** commitment.

