

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

## Gender pay report 2020

SMBC BANK INTERNATIONAL



# Diversity & Inclusion



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Executive Officer & Deputy Head of EMEA Division, and  
Chair, Diversity & Inclusion Steering Committee

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Hello,

SMBC Group is committed to diversity and inclusion and it is integral to both our business strategy and our internal culture statements, which set out the standards and expectations for our employees, at all levels of the organisation. Whilst this report focuses on gender, we are committed to all areas of diversity and intersectionality and further initiatives have been implemented during the year.

I have the privilege of leading the firm's diversity and inclusion steering committee and it is in this capacity that I am responsible for signing the SMBC BI gender pay report for 2020.

This is our fourth year of publication and whilst I am pleased to report that our mean gender pay gap continues to decrease, the pace of progress has been slower than in previous years. This year we have seen a decrease in our mean gender pay gap (-0.2%) and in our median bonus gap (-1.9), demonstrating the focus we have continued to place on gender diversity.

SMBC Group is also a proud signatory of the Women in Finance Charter. In 2020, to reflect organisational changes and our desire to maintain ambitious targets with respect to gender diversity progression, we have moved our seniority target up to a higher level. Our aim now is to have 30% of all senior roles (director and above) filled by female leaders by 2023. Our current Women in Finance Charter achievement against this new target is 25.7% (as of July 2020).

The extraordinary events of this year have shown us more than ever the importance of creating an agile and flexible environment in which everybody can thrive. While we have made good progress, we recognise there is much more to be done to reduce our existing pay and bonus gaps further.

In this report, I will share some of the strategies we have put in place to continue to reduce these gaps and you can also learn about:

- 2020 gender pay report data
- Key diversity and inclusion initiatives that will further support gender diversity at SMBC.

# 2020 Data

## Mean and median gender pay gap

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

	2020	2019
<b>Gender pay gap</b>		
mean	↓ 33.4%	33.6%
median	↑ 32.4%	30.1%
<b>Gender bonus gap</b>		
mean	↑ 47.9%	46.9%
median	↓ 61.7%	63.6%

## 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 2020.

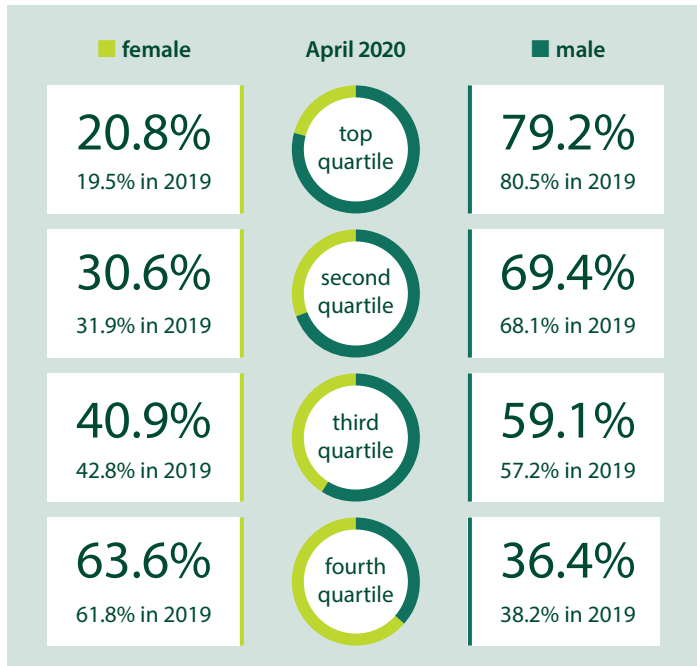
### Key points

- The SMBC BI 2020 gender pay gap has decreased in the mean calculation (↓ 0.2%) and increased in the median calculation (↑ 2.3%).
- The gender bonus gap has increased in the mean calculation (↑ 1%) and decreased in the median calculation (↓ 1.9%).
- Whilst the average hourly rate of pay for female employees and the average bonus for female employees has increased, we have seen an increase in the number of females employed in more junior roles.
- The proportion of female employees has increased in both the top and the fourth quartile. There has also been an increase in female employees across mid- to senior levels through promotions and hiring activities since April 2019.
- The proportion of female employees who received a bonus has increased by 3.5% in the fiscal year 2019.

# 2020 Data

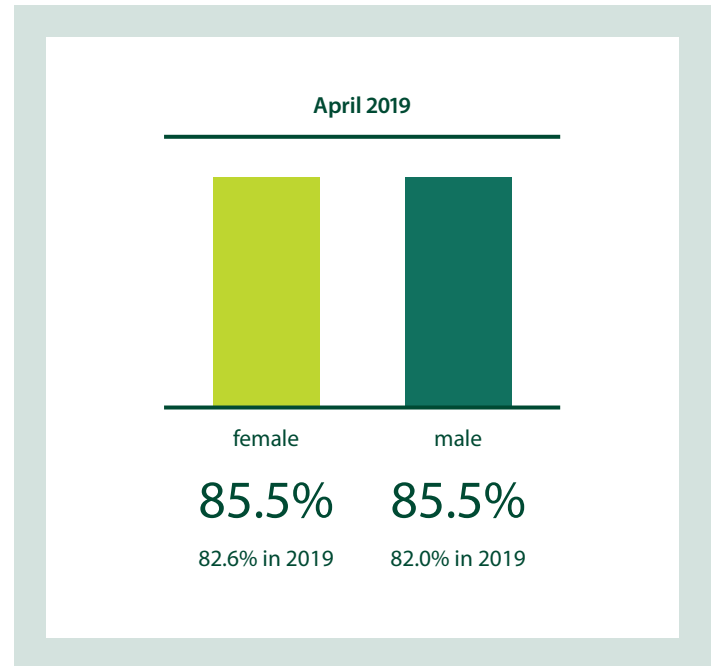
## Proportion of employees in each pay quartile

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 above shows the proportion of employees that received a bonus during the relevant period between 6 April 2019 to 5 April 2020.



# Signature Actions

## Committed to the Women in Finance Charter

SMBC BI is a proud signatory of the Women in Finance Charter.

In 2020, to reflect organisational changes and our desire to continue to hold an ambitious target to support gender diversity progression, we have moved our target up to a more senior level. We recognise that this upgraded focus will further support us in reducing our gender pay gap.

- We now aim to have 30% of all senior roles (director and above) filled by female leaders by 2023
- Our current Women in Finance Charter position against this new target is 25.7% (as of July 2020).

## Building a diverse and inclusive workplace

To continue to attract, develop and retain diverse talent, we have focused on a number of areas, including:

- Enhancing our family friendly policies with the launch of two new policies on surrogacy and transitioning at work
- Increasing our gender focus in our promotion process, leading to 58% of 2020 promotion nominations being female
- Calling for at least 40% female representation across our external candidate shortlists to increase accountability through our recruitment process
- Developing senior talent, with 50% female participation in Mirai, our senior leadership development programme for executive directors and above
- Supporting colleagues' mental wellbeing through several learning and wellbeing initiatives, including weekly one-hour mindfulness sessions.



# Signature Actions

## Collaboration with our employee networks

SMBC Group's employee-led networks, Balance and Niji, operating under the umbrella of DRIVE (which stands for diversity, respect, inclusion, value and equality), continue to thrive. In addition to Balance and Niji, this year has seen the establishment of our new Black Employees & Allies Network.

DRIVE also launched the third round of Collaborate, our inter-company networking initiative, with 252 registrations across EMEA geographies and entities.



## An expanded diversity and inclusion strategy

To foster an inclusive working environment in which everybody can thrive, we have:

- Supported the launch of our new Black Employees & Allies network, and facilitated externally-led, anonymous 'listening groups' to gather employee feedback
- Continued to enhance our recruitment process by tracking the progress of candidates to ensure our assessment and selection approach attracts diverse talent across our markets
- Completed our first year as a Stonewall Global Diversity Champion, led by our Niji network
- Partnered with Purple Space to launch learning workshops for employees as part of our action to become disability confident
- Worked collaboratively with our newly established country D&I councils across five countries to further embed our D&I strategy across the EMEA region.

