

# **Gender Pay Gap Report**

2022

# Message from our CEO

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## **Creating a diverse and inclusive place to work really matters. It's better for business and it's better for society.**

I am pleased to share our Gender Pay Gap Report for 2022. At Aldermore, we strive to create a diverse and inclusive environment where our employees feel supported, no matter their background. Our business has been working hard over the past few years to address the gender pay gap and the representation of women in senior roles. Our investment has meant that we have seen an improved mean and median pay gap for the third straight year.

As we evolve our Diversity, Equity and Inclusion (DEI) strategy, we will continue to drive our focus in creating an inclusive workplace culture. Being transparent and holding all of us to account in ensuring that we keep momentum on this important topic is an essential part of our progress.

Aldermore Group is an excellent place to work, and I continue to be impressed with the passion and commitment our colleagues show every day in looking after our customers and each other. As outlined in our Report to Society, I am determined that we strive for parity in gender and aim to recruit a diverse pool of talent to create a more dynamic workforce offering a broader range of ideas and perspectives reflecting the communities we serve.

There is still an underrepresentation of women and certain ethnic groups in our most senior roles, however we are improving. 2022 saw the percentage of women in our top two pay quartiles increase from 29% to 33% and 40% to 42% respectively.

Whilst the data is not yet where we want to be as a business, these trends help us to identify important actions and initiatives that we can take to close these gaps in the coming years and continue to make Aldermore a more diverse and inclusive place to work.

Steven Cooper CBE, CEO

# Gender Pay Reporting 2022

## Mean & median pay and bonus gaps

At a consolidated Aldermore Group level, we have seen an improved mean and median pay gap for the third straight year. The mean has reduced 4.6% to a pay gap of 19.1% and the median has reduced 7.9% to 22%. Whilst the gap is still much higher than we would like, this is predominantly driven by the underrepresentation of women at senior levels. The improvement is evident in both Aldermore and MotoNovo Finance, demonstrating that our initiatives to improve our gender pay position are working across the group. At Aldermore we are confident that we pay our people fairly for the jobs they do and we treat all our employees equally.

We recognise that the Aldermore Group bonus gap has increased year on year to a mean of 86.7% and a median of 48.0%. The gap itself is predominantly driven again by underrepresentation of females at the

most senior levels where bonuses are more significant. However, there are also two other factors to be considered when comparing the gap vs prior year:

- There was no 2020 bonus paid at Aldermore due to the impact of Covid-19. As such, the 2021 gender pay gap report had much lower gaps as the numbers weren't a true reflection of business as normal.
- For the 2022 report, the impact of a new CEO and his recruitment award, had a significant impact on the overarching pay gap.

Whilst a large gap is definitely not our end goal on gender pay, significant leadership changes that occurred throughout 2022 at our Executive Committee level will likely again mean that the bonus gap may take longer to reduce than we would like.



Pay Gap - Aldermore Group	2020	2021	2022 <sup>2</sup>	+/- <sup>2</sup>
Mean	25.0%	23.7%	<b>19.1%</b>	<b>-4.6%</b>
Median	30.2%	29.9%	<b>22.0%</b>	<b>-7.9%</b>

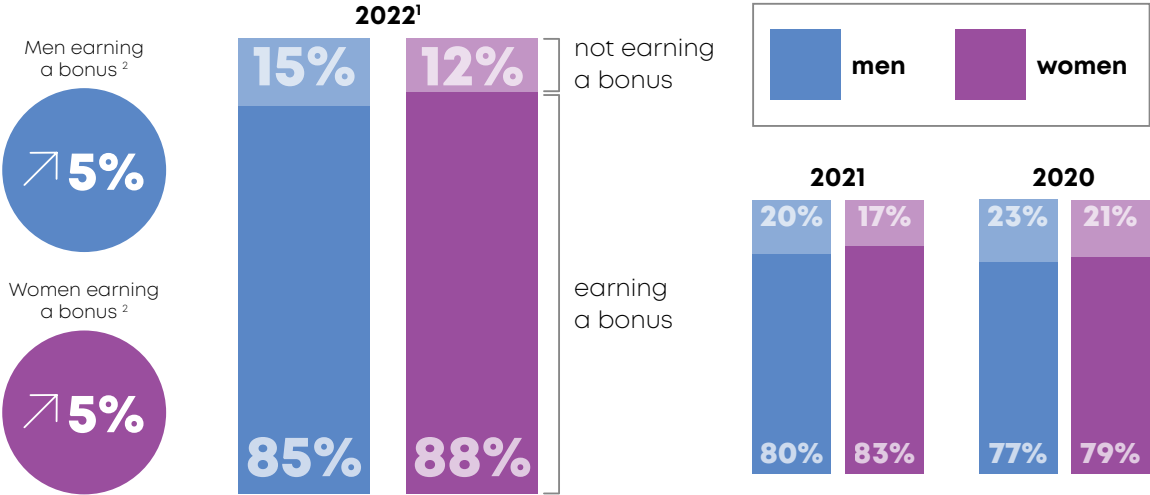


Bonus Gap - Aldermore Group	2020	2021	2022 <sup>2</sup>	+/- <sup>2</sup>
Mean	48.4%	31.1%	<b>86.7%</b>	<b>55.6%</b>
Median	39.9%	-	<b>48.0%</b>	<b>48.0%</b>

<sup>2</sup> Year-on-year changes are reported in percentage points

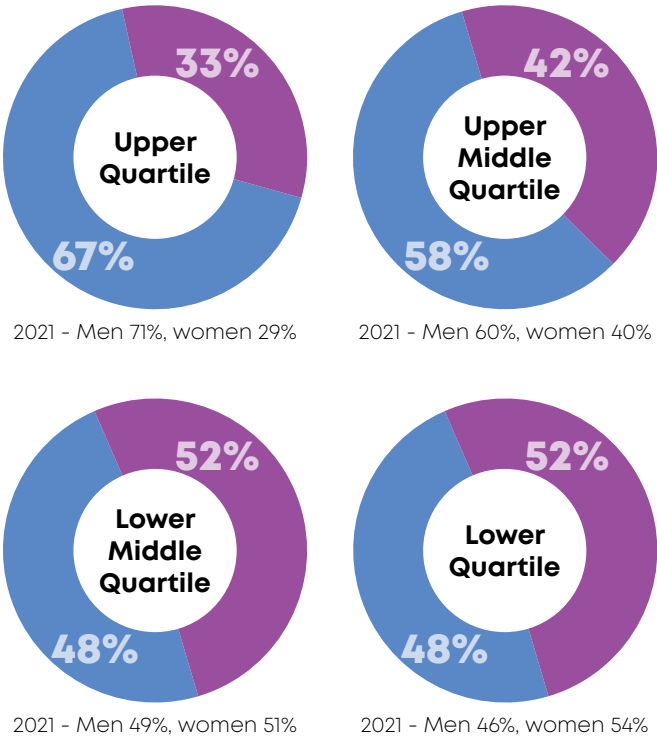
**Bonus eligibility**

All individuals are eligible for a bonus at Aldermore if they are in role on 1 April and still employed on the bonus payment date. There is therefore no difference in eligibility by any social categorisation and the variance for 2022 is purely a matter of timing of attrition.



**Gender by quartile**

Continued focus through recruitment and internal initiatives to support and develop our female talent have resulted in an improvement in the number of women in both the Upper Quartile (29% to 33%) and Upper Middle Quartile (40% to 42%).



**Good to know!**

The current Government guidelines require us to report gender in a binary way, recognising only men and women. Therefore, at the moment we're unable to report non-binary or other identities in our calculations. We know it is not an actual reflection of gender identity. We remain committed to advancing equality and inclusion for all genders, including increasing data declaration rates to improve reporting and analysis.

# Case studies

## Danielle Soto

Managing Director,  
Savings & Commercial  
Shared Services



“ In January 2022, I made the decision to join Aldermore Bank, as it's a bank that has an exciting strategy, which is to transform and grow. The size of the business means that I can play a really active role in this transformation and delivery of the new strategy.

I've worked in Financial Services for the majority of my career, starting as a personal banker in a banking hall, moving to Branch manager and then into larger operational roles, at times leading teams of 250+ colleagues, located across the world. Over the last 20 years, I've been very fortunate to have a great network of mentors (formal and informal), sponsors, and critical friends who have helped me along my career journey. My progression hasn't always been through promotions and moving upwards, there have been some lateral moves that I chose to make that meant that I gained experience in specific divisions which were beneficial for me.

A highlight of my time at Aldermore so far has been building a diverse team who are supportive, kind and take ownership. We started in various areas across Aldermore, and we've come together to form a strong team who have the right capabilities, to enable growth for the business. Aldermore has trusted me to onboard strong leaders where we had skill-gaps to further support the team to be the best that they can be.

I've always played a key role in sponsoring our International Women's Day events, as well as accredited learning programmes for women at Aldermore, as I believe it's so important to bring diversity into forums where historically they were led by men. I truly believe that men can play a huge part in a woman's career, be that through sponsorship, mentoring or by being aware and conscious of the challenges that women face, for example.



## Paula Walter

Chief Technology &  
Information Officer



I joined Aldermore in 2022 as Chief Technology and Information Officer, attracted by the Group's purpose and the opportunity to add significant value to the business through technology and data.

I have been in technology roles in financial services for over 20 years; my previous roles include Chief Operating Officer at Ruffer LLP and Chief Technology Officer at Newton Investment Management. I began my career as a software developer in the technology division of Goldman Sachs, where I held various positions supporting the Equities and Investment Management Divisions, running global technology teams.

I studied at the University of Cape Town and Oxford, holding honours degrees in mathematics and linguistics and a DPhil in linguistics.

As a woman in a leadership role, I'm proud of the journey I've been on. Everybody approaches these roles in their own way and faces unique challenges, but for me, I'm focused on creating a culture of support and collaboration where everybody can thrive and achieve their full potential.

In my team alone, we have four women in senior leadership roles, which is a huge step in the right direction. I care about bringing positive change to the workplace, and I hope I can inspire women to build their confidence and take the opportunities available to them.

# Looking ahead

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As part of our commitment to Women in Finance, we set a target of increasing the number of women represented in senior management roles at Aldermore to 30% in FY23 and 50% representation by 2025. As at 31 December 2022, women are represented in 35% of senior management roles<sup>2</sup> and we are confident we will hit our 2025 target through a range of initiatives currently underway such as:

- Committing to gender-balanced shortlists for senior executive roles within the organisation through a robust end to end recruitment process.
- Ensuring a balanced approach to the creation of succession maps for our Executive Committee and senior manager roles, which are reviewed every six months.
- Mentoring 35 women at all levels of the business through the 30% Club Moving Ahead Programme, a cross-company mentoring scheme focusing on racial and gender equality.
- Developing 25 new female leaders through participation in the Chartered Management Institute Women in Leadership programme to build their confidence and develop a broad management skillset.
- Introducing the Women of the Year Awards to recognise the accomplishments of women within our business.

<sup>2</sup>Senior Management defined as Aldermore levels 4.2 and above



## How we're championing women at Aldermore

### Women in Leadership programme

The Women in Leadership (WiL) programme focuses on the strengths of having women's voices at every level of our organisation, helping build colleague confidence and provide explicit opportunity to become an inspirational leader.

Participants gain accredited skills in leadership through the Chartered Management Institute (CMI) and the platform to practically apply new knowledge, skills and behaviours. The programme is underpinned by the leadership apprenticeship standards and provides a modular route to achieve qualifications and wider development through supported learning.

The programme to be split into two distinct talent/succession cohorts – aspiring and new to role leaders and experienced managers and senior leaders. Their programme of learning centres around:

- Month One: Women in Leadership launch event
- Month Four: Identifying your North Star
- Month Seven: Beliefs, Barriers & Behaviours
- Month Twelve: Networking and Influencing as a Woman in Leadership

### Interview Skills initiative

As a commitment to support gender equality within the group, our @One Female Network have launched an interview preparation and presentation service to support female colleagues who are applying for internal roles across the group.

Our new service aims to back our female talent by providing access to a passionate group of volunteers who will host practice interviews, mock presentations, and facilitate feedback sessions. Whether it is a lateral move, a promotion opportunity or perhaps it's a career change within Aldermore, we want to help our colleagues feel confident and prepared for their next challenge.





# Appendix

Full reporting for Aldermore and MotoNovo

## Aldermore Bank

### Mean & median pay and bonus gaps

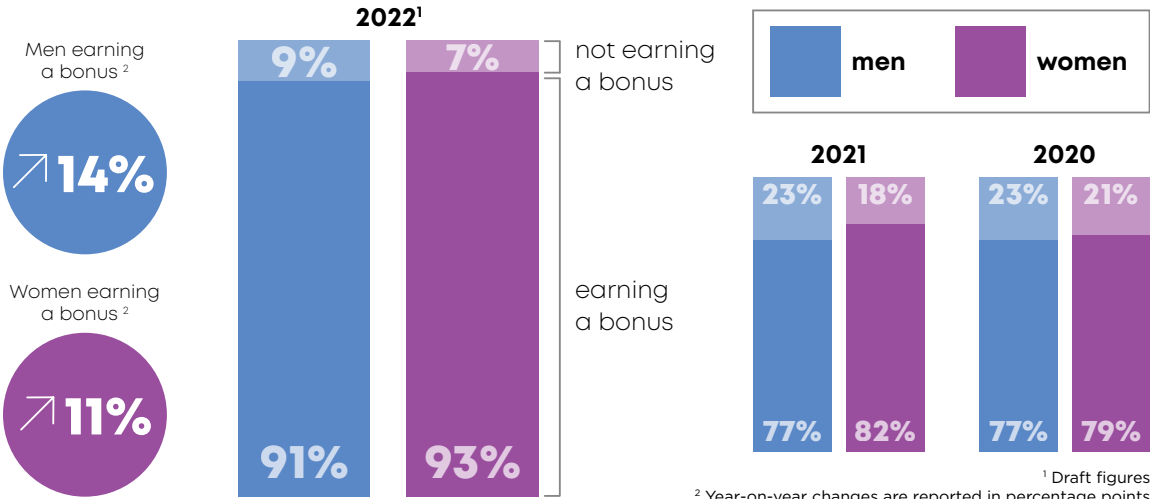


Pay Gap	2020	2021	2022 <sup>1</sup>	+/- <sup>2</sup>
Mean	25.3%	25.5%	<b>21.8%</b>	<b>-3.7%</b>
Median	32.6%	30.5%	<b>22.8%</b>	<b>-7.7%</b>

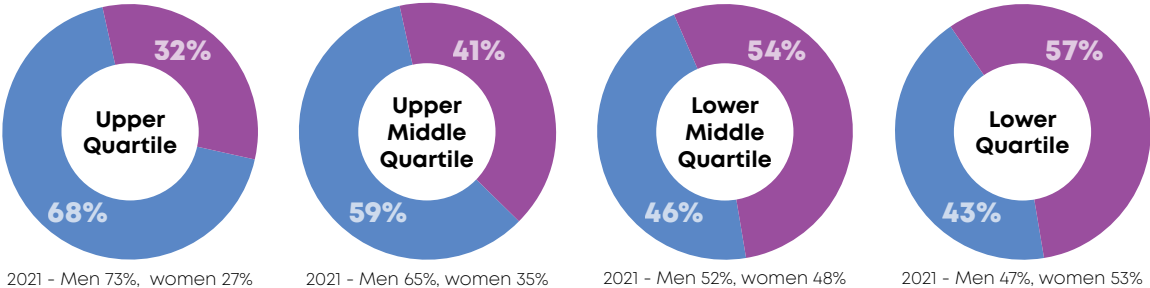


Bonus Gap	2020	2021	2022 <sup>1</sup>	+/- <sup>2</sup>
Mean	47.7%	-0.3%	<b>92.3%</b>	<b>92.5%</b>
Median	38.1%	-	<b>44.2%</b>	<b>44.2%</b>

### Bonus eligibility



### Gender by quartile



# MotoNovo Finance Ltd

## Mean & median pay and bonus gaps

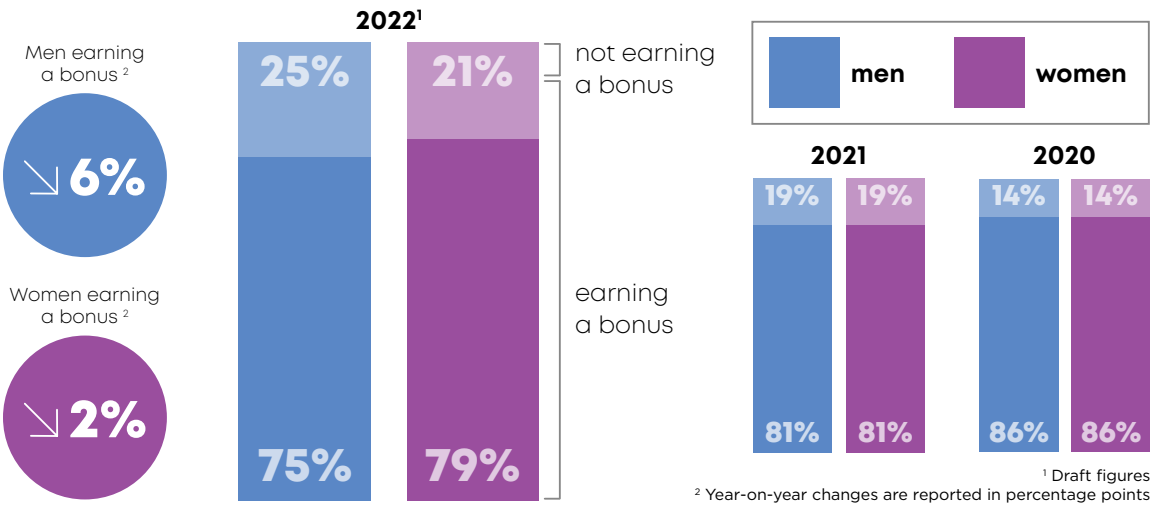


Pay Gap	2020	2021	2022 <sup>1</sup>	+/- <sup>2</sup>
Mean	26.4%	20.2%	<b>15.6%</b>	<b>-4.5%</b>
Median	16.8%	13.7%	<b>9.9%</b>	<b>-3.8%</b>

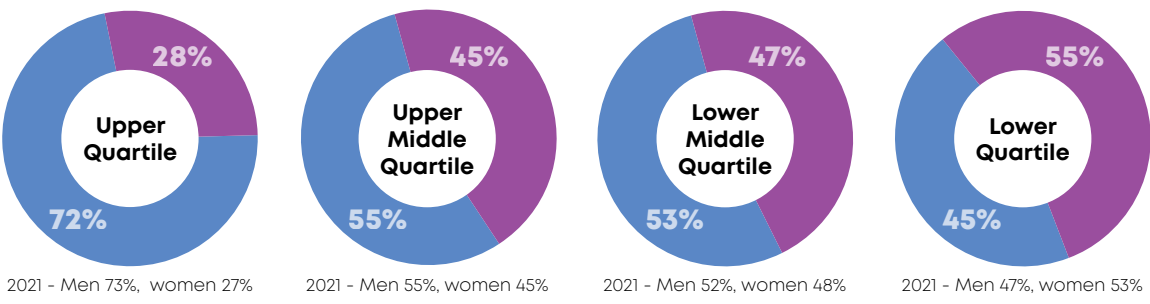


Bonus Gap	2020	2021	2022 <sup>1</sup>	+/- <sup>2</sup>
Mean	52.4%	43.4%	<b>72.2%</b>	<b>28.8%</b>
Median	18.8%	15.4%	<b>39.1%</b>	<b>23.8%</b>

## Bonus eligibility



## Gender by quartile



**Aldermore**