

Gender pay gap report 2024

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Foreword

We have continued our transformation journey throughout 2024. This has brought plenty of opportunities for the long-term sustainability of the Society, but also challenges as we seek to grow, which requires investment whilst managing an increasing cost base. This has meant we have to be measured in our investment choices to ensure they will give us the necessary returns. Due to the pressure on our cost base, some of these investments now must deliver results quicker than we had originally anticipated. However, our commitment to our colleagues and their development continues to be key to our changing business. Whether colleagues are established or new to the Society, it continues to be our priority to ensure that working at Lincolnshire Co-op is productive and fulfilling.

Being data-led is a key foundational pillar for our Purpose Beyond Profit 2030 business strategy. This year we have focused more on the quality of the data we provide and understanding the insights from the data. In our Gender Pay Review I am excited to present a clear set of actions that we will be held accountable to, through recruitment, retention and progression (see page 4). This will ensure we meet our business objectives, while enabling our colleagues to meet the challenges of transformation driven by economic and environmental change and help Lincolnshire Co-op deliver our purpose of bringing together ideas, energy and resources to make life better in our communities.

Alison Hands
Chief Executive Officer



Gender pay gap



Key points

Our gender pay gap has increased this year.

There has been significant change in the structure of the business with the creation of a range of senior roles across all the trading areas and a corresponding increase in the roles in the upper quartile. Many of these roles have been filled by men which have increased our gender pay gap since our last report.



Our gender bonus pay gap has decreased.

Bonuses overall have decreased. However, the decrease in mean bonus for women was 9%, as opposed to 13% decrease in mean bonus for men. This means more women received a bonus in 2024.



Our **mean** hourly rate gap has increased from **19%** in **2023** to **21%** in **2024**.



Our **median** hourly rate gap has increased from **5%** in **2023** to **8%** in **2024**.



Our **mean** bonus pay gap has decreased from **59%** in **2023** to **57%** in **2024**.



Our **median** bonus pay gap has decreased from **25%** in **2023** to **22%** in **2024**.



90% of women and **84%** of men received a bonus in 2024

Facts and figures

Key points

There are fewer women employed in our Upper quartile compared to the other quartiles. The highest percentage of women is in the Lower Quartile.

This reflects the retail industry where there are likely more women than men working in lower paying occupations and demonstrates we can and should do better at creating opportunities for women colleagues to consider Upper quartile roles

Upper
quartile

59% women | 41% men

Middle
quartile

74% women | 26% men

Lower
middle
quartile

75% women | 25% men

Lower
quartile

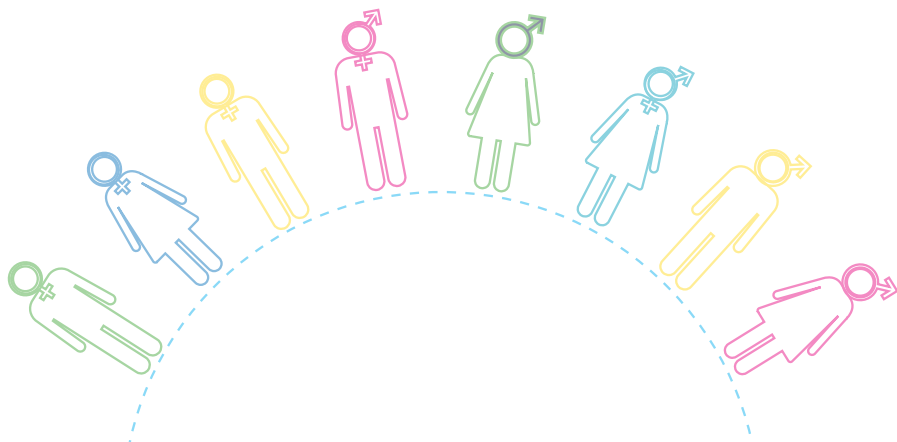
81% women | 19% men

Our actions

➔ Recruitment

➔ Retention

➔ Progression



➔ Recruitment

Our first Action Pillar is to increase diversity within our workforce through inclusive recruitment. We have reduced gendered language throughout the recruitment pipeline and improved internal communication on available roles. Our careers website has been refreshed to highlight the diversity of our workforce and the support and opportunities we provide for all our colleagues. We have also improved data gathering throughout the recruitment process to help us understand if there are any obstacles to inclusive recruitment.

Future plans include:

- Ensuring a balanced short list when considering applications for upper quartile roles
- Encourage voluntary participation of optional diversity data capture by explaining why the data is needed and what it will be used for.
- Introduce reporting process on progress of Diversity, Equity and Inclusion (DEI) in recruitment
- Leverage industry networks to hear best practice on how to effectively improve gender balance and remove bias in recruitment
- Provide training on best recruitment practices and unconscious gender bias awareness prior to any manager being allowed to become a hiring manager.

➔ Retention

Improving retention is our second Action Pillar. We are working hard to develop our colleagues, encouraging the uptake of opportunities. We have funded apprenticeship opportunities across the trading areas and work with local colleges to deliver management T levels. Our new HR system will provide in the moment data relating to our colleagues, helping to clearly identify data in relation to sex, age, ethnicity, and other characteristics. This will be part of a much bigger programme of cultural change that will take our business forward in 2025 and onwards.

Future plans include:

- Adopting a Director and Executive led sponsorship of our DEI activities, including gender to drive progress on DEI measures
- Encouraging senior leaders to act as role models for flexible and hybrid working, showing support for colleagues with parenting and caring responsibilities.

- Driving inclusion for focus areas of diversity using a combination of:
 - Improving feedback channels via employee networks, focus groups and regular discussions
 - Supporting employee networks to enable sharing of lived experiences
 - Building a co-created culture of inclusivity where recognition of unconscious bias can be addressed and reflect these in our people policies
 - Addressing working environment concerns to improve safety at work for women colleagues who form majority of our frontline workforce
 - Supporting events to recognise and celebrate gender diversity in our workforce
- Continuing to improve data collection so availability of data can allow meaningful engagement and participation in BRC D&I charter



➔ Progression

Our third Action Pillar is ensuring that there are balanced and equal progression opportunities. We have developed our People and Culture Strategy with a focus on embedding inclusive best practices, reducing inequalities and improving the lived experience of all our colleagues. Our annual performance and appraisal process has been refreshed to encourage clear goal setting and objective reporting to remove bias. Supported by our updated language guide, including the use of inclusive language throughout all our policies and communications.

Future plans include:

- Review talent planning and succession planning initiatives to track practices on:
- 'all-male spines' to find out how many colleagues report exclusively to men
- Women returners from family leave and reasons for not returning and changing hours or roles.
- Pipeline development of high potential women to pinpoint areas where progression for women drops off

- Use data driven insights to become clearer about communicating opportunities for advancement, growth and upskilling to women
- Focus on designing a structure where advancement opportunities do not disadvantage women and is more attractive in terms of flexibility, expectation of hours and workloads and providing support on menstruation and menopause matters
- Provide opportunities to learn new skills or work in a different capacity even for the women who are not actively pursuing advancement



Useful notes

Mean and median gaps explained

To understand what the gender gap is we have looked at the Median, or typical, and Mean, or average, pay of both men and women. This allows us to see whether overall there is a gender difference between both the typical and average pay.

The median pay gap.

The median is the middle of a dataset. If all our colleagues lined up in order of hourly pay, from the lowest to the highest then the hourly pay of the person in the exact middle of the line is the median hourly pay, or a typical hourly pay for the group.

The mean pay gap.

If we added everyone's hourly pay rate together and divided it by the number of colleagues, this would give us the mean pay, or the average hourly pay for the Society.

As the mean pay can be influenced by a small number of people earning significantly more or less than others understanding what the median pay is allows us to get a better understanding of what a typical hourly pay is within the organisation. When there is a vast difference between what people are earning in an organisation the median value can help balance the picture.

Pay quartiles

Rates of pay for colleagues are listed in order of value and then divided into four equal sections, or quartiles. Colleagues are then equally spread into each quartile. The quartiles are a helpful proxy for dividing more senior roles (upper quartiles) from junior roles (lower quartiles) and help us to understand how men and women are represented across the organisation.

