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Nest Corporation Gender Pay Report 2019

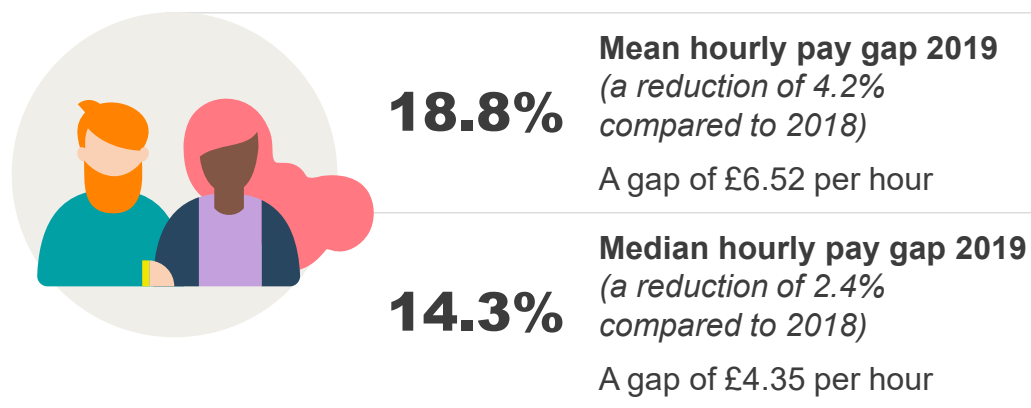
Emma Knight

Director of People & Development

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nestpensions.org.uk

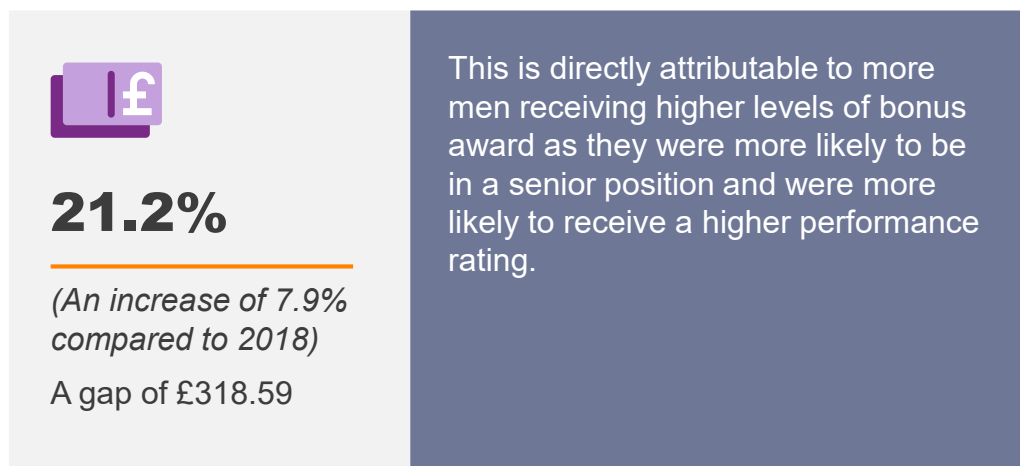
Mean and median gender pay gap



- › In 2019 we recruited more senior women than senior men which has reduced both our mean and our median pay gap in comparison to 2018
- › There has been a slight drop in the mean and median pay for men in 2019 which has also contributed to a reduction in the gender pay gap

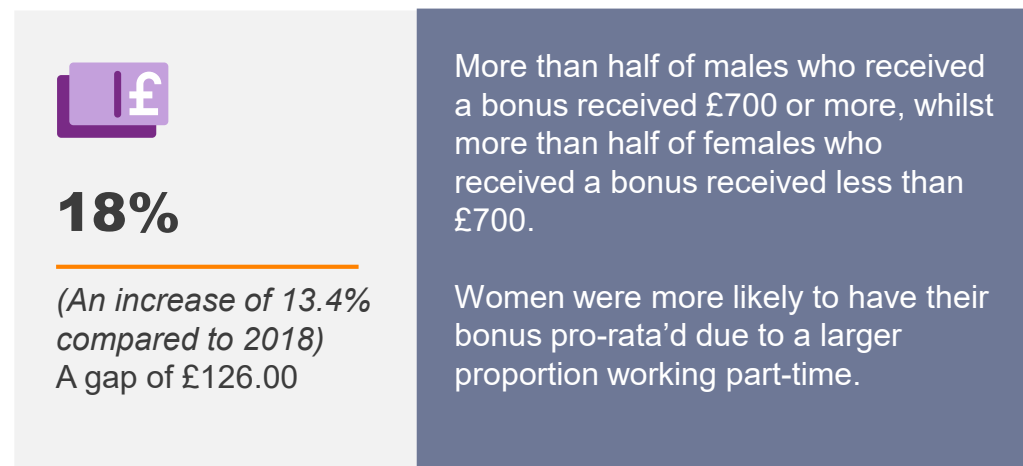
Mean Bonus

Unfortunately, we have seen an increase in the gap.



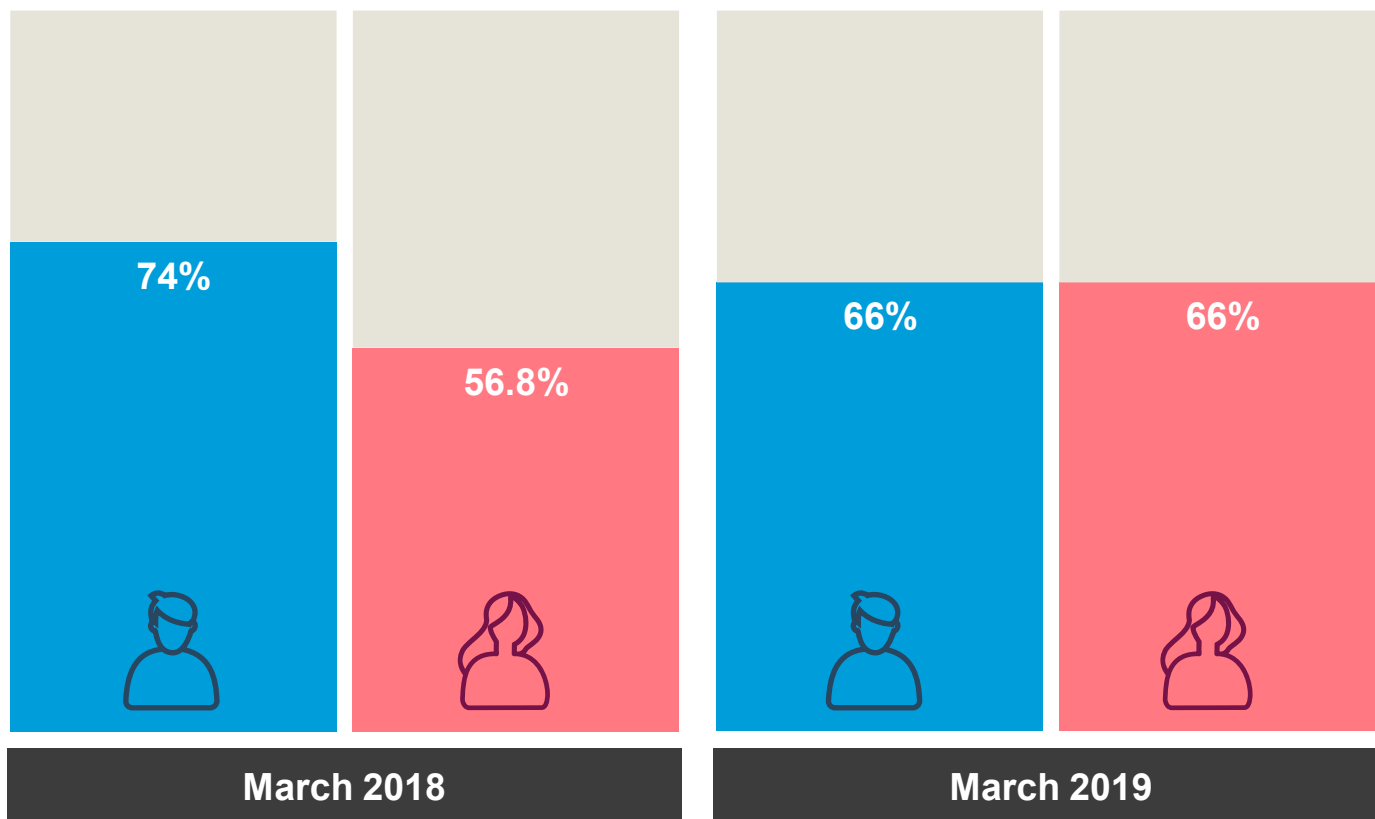
Median Bonus

This year we have seen a gender gap in our median bonus paid.



Proportion of male & female employees who received a bonus

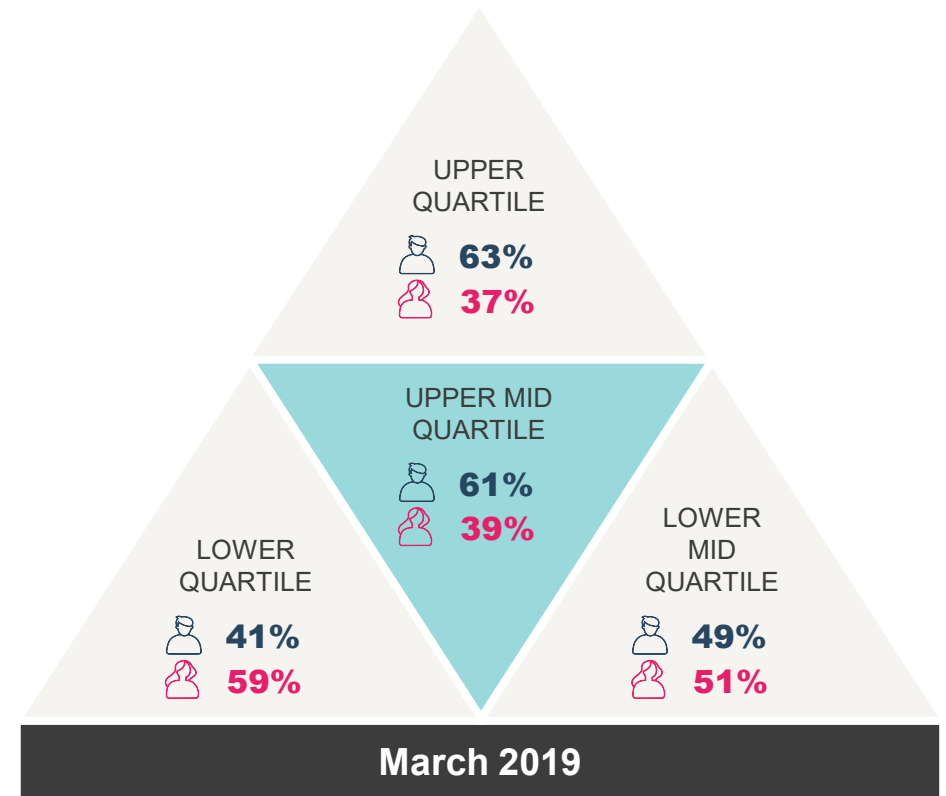
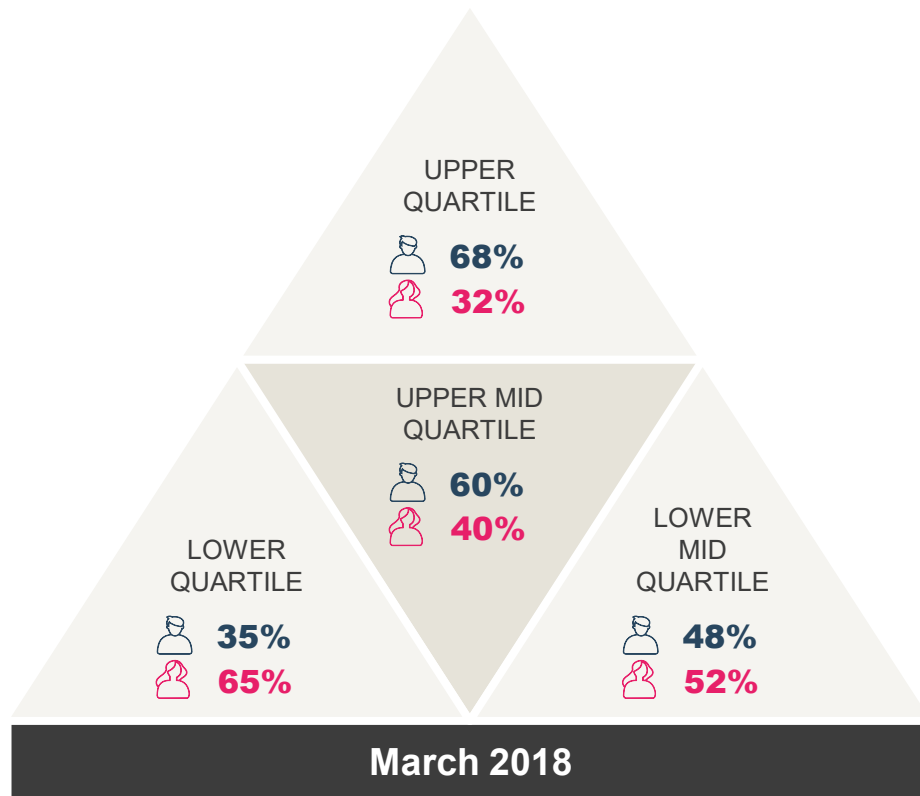
- › There have been significant increases in the proportion of women who received a bonus
- › The proportion of women who received a bonus increased by 10 per cent
- › The proportion of men who received a bonus fell by 7 per cent
- › 2019 is the first year since gender pay gap reporting began where the proportion of men and women who received a bonus was equal
- › However, the mean bonus and median bonus amounts paid to women were lower than men.



	Total	No. who received a bonus	Proportion %
Men	137	100	73
Women	125	71	56.8

	Total	No. who received a bonus	Proportion %
Men	156	103	66
Women	134	89	66

Comparison of March 2018 and March 2019 quartiles



- › Comparing March 2018 and now March 2019s quartile, we are able to identify that we continue to have a larger percentage of males in the upper and mid upper quartiles
- › However, the gap has reduced in all quartiles apart from the upper mid quartile where there has been a slight decrease in the proportion of women
- › The increase in senior women is evident in the upper quartile. We have seen a 5% increase in the representation in women

What has Nest done to address gender pay gap?

Promoted flexible working

- › We have attracted and appointed more female candidates and have also recruited to more part time and job sharing roles in the last year than previously
- › Our employees continually rank their ability to have a good work life balance here at Nest as one of the major positives of working here.

Improved our recruitment practices

- › We have embarked on more of a direct hire strategy which has seen us using diverse online job boards such as 'women returners'
- › We have targeted our agencies to provide gender balanced shortlists and monitor this quarterly
- › We have changed our recruitment and selection policy to ensure we have gender balanced panels at each stage
- › We are finalising proposals to revise our Reward proposition and are confident that this will be another mechanism that will narrow our gender pay gap.

Focussed on Diversity & Inclusion

- › In 2019 we launched our new Diversity and Inclusion Strategy
- › The two year strategy focuses on creating an inclusive culture, developing the workforce, particularly underrepresented groups like women and attracting, recruiting and retaining a diverse workforce
- › We recruited a Diversity and Inclusion Business partner to help embed our D&I strategy and associated action plan
- › We continue to add a diversity related objective for each executive team member as part of the annual performance review process
- › Overall we have a significant increase in the representation of women at the Director level. In 2018 25 per cent Directors were women, in 2019 this was 37 per cent.

Continued in year monitoring and reporting on our progress

- › In 2017 we reported 7% more men than women in our organisation. In 2018 this was 5%. In 2019 there isn't a significant gap
- › The number of women working at Nest has increased, but women are still more likely to occupy more junior roles
- › This is not necessarily a bad thing as through development, talent management and succession we continue to see improvements in promotions for women in particular.



What next?

We will publish our report on our website and civil service .gov website before 31 March 2020.

We will continue ensure that through our Diversity and Inclusion strategy we address the gender pay gap and aim to improve female representation in the upper mid and upper quartiles.

Actions include:

- › Building an inclusive workforce environment that fosters women's empowerment
- › Updating our Women In Finance Charter pledge after reaching our target of 30 per cent of Directors being women. We are now at 37 per cent.
- › A continued review of our women's leadership and empowerment offer and exploring initiatives such as sponsorships and confidence programmes
- › Ensuring gender-balanced recruitment panels and using our Equality and Diversity Panel to ensure all interview panels are diverse
- › Using our workforce equality data to understand workforce demography and identify any necessary interventions
- › A continued focus on direct hiring ensuring that we directly source the best diverse talent
- › Working collaboratively with other finance services to improve female representation in the sector. We recognise that gender balance is a sector wide issue and one that we cannot tackle alone
- › Finalising the review of our total reward proposition.



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