

# Gender Pay Gap Report

## Which? Group



## What is the Gender Pay Gap?

The gender pay gap is the difference in pay between men and women across all employees. Unlike equal pay, which is equal pay for equal work, this looks at all our employees and takes an average result regardless of important factors such as job role or location.

**Mean Pay Gap:** This is the difference in the average hourly rate of pay between men and women.

**Median Pay Gap:** The median is the middle point between the highest and lowest hourly rate of pay. The gap is calculated by comparing the hourly wage mid-point of all male employees with that of all female.

### What's included in our calculation?

To calculate the hourly rate of pay we include an employees' normal salary along with any additional payments earned for that period, such as bonuses, on call payments or acting up allowances plus any monies paid for car allowance. It will not include over-time or any one off payments such as redundancy; it also excludes any employees who had reduced pay through family leave, such as maternity, or sick leave.

### Our approach

Which? will be reporting our gender pay gap in line with other UK organisations. We are committed not only to reporting on time, but also to the principles and aims of reporting and addressing the gender pay gap issues as they arise.

We are dedicated to ensuring we have a robust remuneration approach, we externally benchmark all roles against the relevant job and market to ensure all our employees are being paid fairly for the work that they do. This takes into account salaries and any role specific payments such as bonuses or out of hours payments.

In this report we will not only review our Gender Pay Gap figures at the snapshot date of April 5th 2018 but compare these against the figures reported for April 2017.



# 1 Results from the Which? Group

Which? is an entirely independent not for profit organisation made up of three entities. Our Charity, Consumers' Association, our commercial function(s) Which? Limited and our FCA regulated entity Which? Financial Services.

Although we are three entities we are very much one organisation. We have one leadership team with an overarching purpose and mission to make consumers lives better. This is why we think it's important we continue the precedent that we set last year and continue to report our Gender Pay Gap figure for the group as a whole.

## a Hourly pay gap

	Which? Group		National Average*
	Mean	Median	Mean
Hourly pay	8.55%	10.06%	17.9%

\*Source ONS Annual Survey of Hours and Earnings 2017 based on both full time and part time employees is 17.9%.

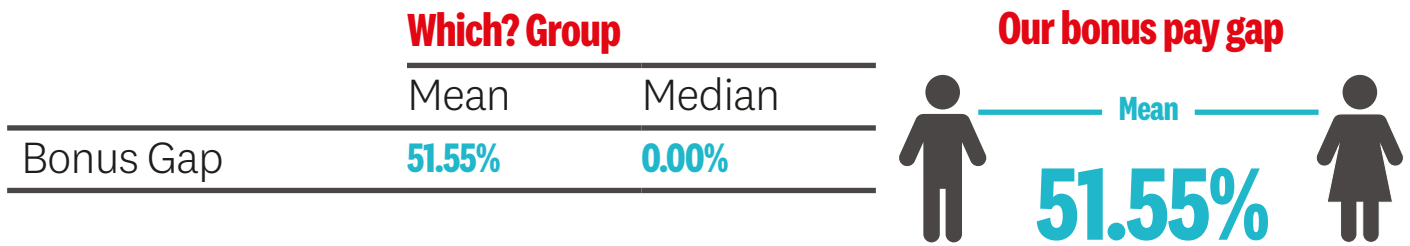
Our group gender pay gap shows on average for the total population, men are paid 8.55% more than women. This is an increase in 1.34% on April 2017. This increase, whilst still below the national average has been driven in part by the makeup of our organisation in 2018. We have made significant changes to our structure, particularly at senior leadership level, since that time and are confident we have made progress to help reduce the gap for future years.

We are confident that the practices and policies we have in place in our organisation reward equal pay for equal work and that it is not inequality that is driving this figure.

As we saw in 2017, in April 2018 we had a higher proportion of women working in our organisation, 54.4% women vs 45.6% men. However, there are a couple of factors that are driving the higher mean hourly wage value seen for men. At the time we had a male CEO as the highest earner in the organisation, his earnings will impact on this figure. We also had some departments that, at the snapshot date, had a greater proportion of men than women. This reflected industry trends and were areas that are traditionally both male dominated and require skill sets that are more highly paid in their industry such as Which? Financial Services and Technology.

Conversely we had a higher proportion of women working within customer support and administration roles. This is again in line with traditional trends where women have been more likely to be in roles where there is more flexibility in working hours. As these roles tend to be lower paid, this will drive a lower average hourly rate of pay.

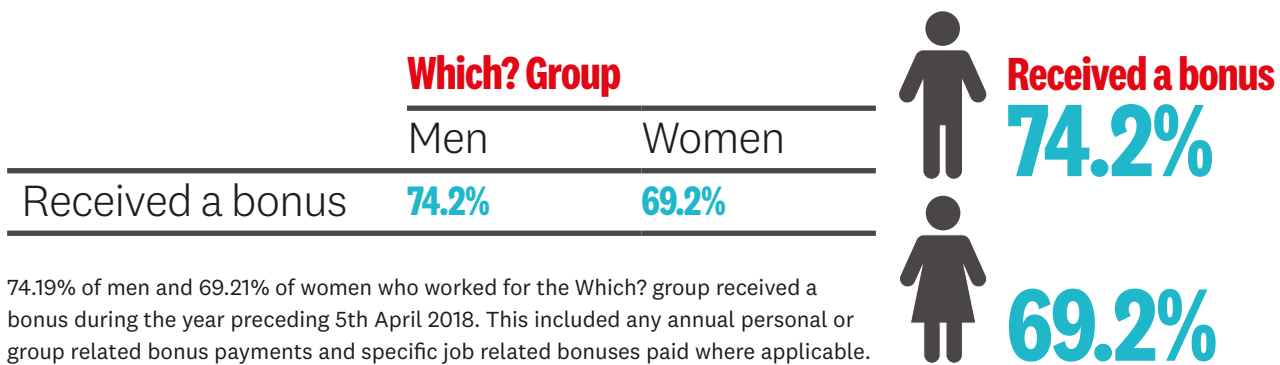
## b Bonus pay gap



Our mean bonus pay gap is 51.55%, which is a 17.15% higher than the bonus gap reported at the same snapshot date in 2017.

As we indicated last year, we expected this figure to increase in the short term as the bonus payments included at the snapshot date relate to 2017 and therefore continued to include payments made in reference to the now closed Long-Term-Incentive-Plan (LTIP). This plan was a legacy scheme that had a higher number of male participants and drives a significant proportion of this gap. We do not expect the LTIP scheme to effect our calculation beyond 2019.

Our median gap remains consistent at 0%.



74.19% of men and 69.21% of women who worked for the Which? group received a bonus during the year preceding 5th April 2018. This included any annual personal or group related bonus payments and specific job related bonuses paid where applicable.

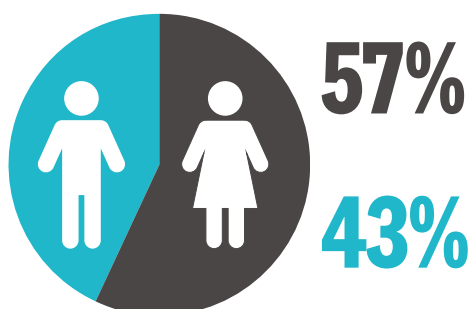
## c Distribution of employees

Distribution of employees is calculated in quartiles, where employees are ranked based on the hourly rate of pay and then they are split into four equally sized bands. The percentage of men vs women as a total of each band is then calculated.

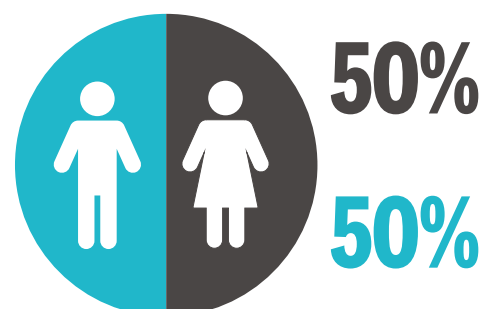
	Quartile 1	Quartile 2	Quartile 3	Quartile 4
% Female	57%	59%	48%	50%
% Male	43%	41%	52%	50%

Women make up 54% of the overall population of employees at Which?. The closest representation of this is found in the upper quartile. This is due to the progress we have made to ensure we have representation of both men and women in senior roles in the organisation. There is more work to do to ensure that this is reflected throughout the organisation. The deviation away from overall representation of women in quartile 1 in part can be linked to the higher proportion of females in customer support and administration roles highlighted earlier.

### Distribution of employees: Q1



### Distribution of employees: Q4



## 2 Results from our entities

Despite functioning internally as one organisation, we are required to report our gap against each separate entity. The results for each of these entities is set out below:

### a Consumers Association

	Mean	Median		Men	Women
Hourly Pay Gap	<b>-10.79%</b>	<b>0.98%</b>	Receiving a bonus	<b>73.08%</b>	<b>65.15%</b>
Bonus Pay Gap	<b>-25.86%</b>	<b>0.00%</b>			

(a negative number means a pay gap in favour of women)

	Quartile 1	Quartile 2	Quartile 3	Quartile 4
% Female	<b>69%</b>	<b>54%</b>	<b>52%</b>	<b>69%</b>
% Male	<b>31%</b>	<b>46%</b>	<b>48%</b>	<b>31%</b>

In April 2018 there were thirteen members who made up the Corporate Leadership Team (CLT) of the Which? Group, five of these sat within the Consumers' Association entity and all five were women. This is a significant factor in driving the favourable gap in both mean hourly and bonus pay towards women.

The overall proportion of women in the Consumers' Association at that time was 61%. This is more closely reflected in some quartiles than others. The biggest deviation of this is seen in quartile 3. There are a bigger proportion of women in both quartile 1 and 4. The nature of the make-up of the CLT at the time explains this deviation in quartile 4, with the proportion of women in administration roles driving this in quartile 1.

### b Which? Limited

	Mean	Median		Men	Women
Hourly Pay Gap	<b>24.14%</b>	<b>17.05%</b>	Receiving a bonus	<b>74.05%</b>	<b>73.61%</b>
Bonus Pay Gap	<b>51.24%</b>	<b>0.00%</b>			

	Quartile 1	Quartile 2	Quartile 3	Quartile 4
% Female	<b>60%</b>	<b>62%</b>	<b>53%</b>	<b>40%</b>
% Male	<b>40%</b>	<b>38%</b>	<b>47%</b>	<b>60%</b>

As with the Consumers Association, the representation of the senior leaders is having an impact on our reported figures for Which? Limited. At the snapshot date there were eight CLT members employed by Which? Limited. Five of these, including our Chief Executive, were men. Two of the MDs of our commercial businesses, who do not sit on the leadership team were also men. Both of these factors, had the opposite effect to the greater proportion of women leaders seen in Consumers' Association. This is a significant factor driving the bonus and hourly pay gap for Which? Limited in favour of men.

The proportion of women employed by Which? Limited was 54% at the snapshot date. The furthest deviation away from this is seen in quartile 4, which again is being driven by the makeup of the senior leadership team when viewed as a single entity.

The opposite split to quartile 4 is being seen in quartile 1 which is driven by the higher proportion of women in Customer support roles. It is worth noting that this split has improved by 2% since the snapshot date reported in 2017.

## C Which? Financial Services

	Mean	Median		Men	Women
Hourly Pay Gap	17.77%	10.0%	Receiving a bonus	76%	62%
Bonus Pay Gap	76.13%	83.89%			

	Quartile 1	Quartile 2	Quartile 3	Quartile 4
% Female	63%	44%	33%	21%
% Male	38%	56%	66%	79%

In April 2018 one of the CLT was employed by Which? Financial Services (W?FS). This individual is male, which has a similar impact on the reported figures for this entity to the CEO for the wider group.

The purpose of our Financial Services business remains to offer independent mortgage and insurance advice to consumers. It is an industry that as a whole has been traditionally dominated by men, and the makeup of our organisation reflects this trend. 40% of our employees at the snapshot date were women, this is an increase of 4% on April 2017 which is reflective of the work we did through the latter part of 2017 to try to attract more women into the industry. There has been an increase in both quartile 3 and quartile 4 proportional representation of women since April 2017, however, we acknowledge that there is still work to do in this area and we need to continue our work to ensure this continues to improve. Given the nature of the market and talent available we realise that this may take some time.

## Future Plans

Which? today looks very different to the organisation reflected in the snapshot date of this report. Our leadership has changed, we have a new CEO, Anabel Hoults who as the most senior role in an organisation will have an impact on the Gender Pay Gap report in future years.

Our leadership team is now smaller, with Anabel's leadership team now consisting of 10 individuals with an equal representation of men and women. Celebrating individual talents whilst respecting and appreciating the differences of our people continues to be an important aspect of our people plan. We want to ensure that our teams are truly representative of the consumers whose lives we want to change for the better.

We know this is not just about having an equal representation of men and women at each level, more needs to be done in other areas to help support closing the societal gender pay gap. At Which? we have a number of initiatives that are important to us in supporting this:

We are continuing to review our remuneration policy. We have talked in previous years about introducing a Group wide bonus scheme and we are actively reviewing how we can practically introduce this in our next financial year. We want to ensure everyone is rewarded when the company does well, and not limit this reward to the most senior levels. The aim will be to introduce a fair and transparent approach to bonus, that is linked to business goals and goes hand in hand with our robust benchmarking practices which set role salaries.

We aligned our family friendly policies in early 2018 to offer equal terms for both Maternity and Shared Parental Leave as we know that traditionally women have been more likely to take a break to support their family which can have a negative impact on their career and future earnings. Through 2018 we have seen an increase in the uptake of Shared Parental Leave for both men and women which is going a long way to support the culture of flexibility and choice we want to create, to allow families to decide what support is best for them.