



# Gender and ethnicity pay gap report

Snapshot date: 5 April 2023

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# About the British Business Bank

The British Business Bank is the UK Government's economic development bank. Our mission is to drive sustainable growth and prosperity across the UK, and to enable the transition to a net zero economy, by improving access to finance for smaller businesses. To achieve this, we design, deliver and manage access to finance programmes for smaller businesses across the UK. Ours is a purpose driven organisation, and our values – commitment, collaborative and creativity – are at the heart of everything we do.

As well as increasing both supply and diversity of finance for UK smaller businesses through our programmes, we work to raise awareness of the finance options available to smaller businesses. This helps support the creation of a sustainable UK economy, with smaller businesses at the heart, driving enduring prosperity for all.

## The Bank has four strategic objectives:

**Driving sustainable growth:** Ensuring smaller businesses can access the right type of finance they need to start, survive and grow.

**Backing innovation:** Ensuring innovative businesses can access the right capital to start and scale.

**Unlocking potential:** Unlocking growth by ensuring entrepreneurs can access the finance they need regardless of where and who they are.

**Building the modern, green economy:** Financing groundbreaking solutions to climate change and helping smaller businesses transition to net zero so they thrive in a green future.

# Foreword

Published annually, our Gender pay gap report allows us to track an important measure of gender equality at the British Business Bank, and to devise strategies to improve diversity, equity and inclusion more broadly as well as the measure specifically.



For the first time we are pleased to report our ethnicity pay gap data. Whilst it is not currently a statutory requirement to report on our ethnicity pay data, we believe doing so is an important indicator of serious intent in driving greater diversity, equity and inclusion.

One of our key strategic objectives as an organisation is to unlock potential by ensuring entrepreneurs can access the finance they need, regardless of where and who they are. If we truly wish to support our customers and achieve this goal, it is vital that we apply a similar philosophy to diversity, equity and inclusion within the British Business Bank.

Because we believe strongly that diversity, equity and inclusion must all work together for each to succeed in their own right, we are committed to nurturing this work continuously across our business.

That means putting people and culture at the heart of our organisation, empowering diverse talent through challenging work that makes a difference, and by ensuring diverse perspectives are being well represented within our own business.

## Gender pay

The year in review shows our 2023 median gender pay gap has improved to 16.2%, 4.4 percentage points lower than in 2022. However, our median bonus gap has substantially increased to 43.9% compared to last year. While progress has been made against the gender pay gaps published last year, there remains significantly more to do.

Our analysis shows that while we have progressed to a more balanced proportion of men and women across our

business and continue to achieve our headline target of ensuring 50% female representation at our Executive level, we still have notable gender imbalance in middle management and other senior roles.

The work needed is not only in addressing our gender representation at these levels but at various touch points throughout our people and culture strategy. This has led us to initiate a review of our overall reward, resourcing and talent strategies, as well as a review of our overall employee value proposition. We are committed to actionable changes that allow us to track progress on our DEI goals broadly (as well as on our gender pay gap) and to be accountable for this change to all our stakeholders.

### Ethnicity pay

The year in review shows our 2023 median ethnicity pay gap is 13.7% with a mean ethnicity pay gap of 15.1%. Our median and mean ethnicity bonus gaps are 28.0% and 36.4% respectively.

We have broken the data down across our colleagues from a Black, Asian, Mixed or Multiple Ethnic groups and

Other Ethnic Minority backgrounds, in addition to White colleagues, to create greater understanding of any specific barriers that are preventing people from meeting their full potential. Our ethnicity pay gap is at its widest for our Black or Black British colleagues, who are still disproportionately underrepresented at senior levels.

### Due consideration

Our analysis is not considered in isolation. We have specifically garnered feedback and insight from our employee resource group, Stronger Together, our Colleague Forum, and feedback from across all of the Bank's teams. Working with external experts, we have also been learning from our customers' journeys, bringing them closer to the heart of what we do and how we do it.

To improve our gender and ethnic diversity, equity and inclusion, we will continue to:

- **Analyse our recruitment processes to ensure they are fair and free from bias from beginning to end.**
- **Test and calibrate our talent, succession and**

**performance management process for fair and unbiased review, as well as representation against the wider organisation population; and**

- **Test our annual remuneration review, progression and development for differences based on gender and ethnicity.**
- **Develop our capability in relation to pay gap reporting, adopting an intersectional view of both our gender and ethnicity pay gap reports to understand whether the intersections between characteristics have any impact on headline figures.**

Our Board and Executive team are fully committed to our diversity goals and inclusion initiatives. They recognise that this is an ongoing and continuous effort with the upside benefiting not only our own colleagues but also our customers. I look forward to engaging further on this very important agenda, and to delivering improvements in our performance.

**Louis Taylor,  
CEO, British Business Bank**

# Our 2023 gender pay gap at a glance



## Proportion of male and female colleagues in each pay quartile

Quartile	Headcount		Percentages	
	Male	Female	Male	Female
Upper quartile	88	53	62.4	37.6
Upper middle quartile	85	58	59.4	40.6
Lower middle quartile	66	74	47.1	52.9
Lower quartile	72	69	51.0	49.0

Each pay quartile represents a quarter, or 25%, of our total workforce ranked by pay.

## Gender pay gap (As a % of mean/median male pay)

	Male	Female	Pay gap
Median hourly rate	£29.90	£25.05	16.2%
Median annual salary	£58,512	£49,011	

	Male	Female	Pay gap
Mean hourly rate	£32.74	£29.90	8.7%
Mean annual salary	£64,063	£58,519	

## Gender bonus gap (As a % of mean/median male bonus)

Element	2023
Median %	43.9
Mean %	24.7

## Proportion of male and female colleagues (Based upon 565 colleagues at our snapshot date of 5 April 2023)

Gender	2023
Male %	55
Female %	45

## Proportion of male and female colleagues receiving bonuses

Gender	2023
Male %	66.1
Female %	66.8

# Reporting gender pay gaps - an overview

In the UK, public, private and voluntary sector organisations with 250 or more employees are required to report on their gender pay gaps annually. The reports show the difference between the average earnings of men and women, expressed relative to men's earnings. If an organisation reports a gender pay gap, it does not mean women are paid less than men for doing the same job, but it does show that, on average, men occupy higher-paying roles than women.

Employers must report six different measures, based on a snapshot of pay data on a date set out by the Government Equalities Office:

**Median gender pay gap** – the difference between the median hourly rate of pay of male full-pay relevant colleagues and that of female full-pay relevant colleagues.

**Mean (average) gender pay gap** – the difference between the mean hourly rate of pay of male full-pay relevant colleagues and that of female full-pay relevant colleagues.

**Median gender bonus gap** – the difference between the median bonus paid to male relevant colleagues and that paid to female relevant colleagues.

**Mean (average) gender bonus gap** – the difference between the mean bonus paid to male relevant colleagues and that paid to female relevant colleagues.

**Bonus proportions** – the proportions of male and female relevant colleagues who were paid bonus during the relevant period.

**Quartile pay bands** – the proportions of male and female full-pay relevant colleagues in the lower, lower-middle, upper-middle and upper quartile pay bands.



## Additional definitions

**Mean** is the average of a set of numbers is calculated by adding up all the values and then dividing the sum by the total number of values.

**Median** is a measure of central tendency in a set of data. It represents the middle value when the data set is ordered or ranked.

**Hourly pay** is the total of salary and any cash allowances paid, before any deductions for tax, calculated as an hourly rate. The figure used for the 2023 gender pay gap is the hourly pay for April 2023. Colleagues who did not receive their normal full pay during that month for any reason are excluded from the calculation.

**Bonus** for the purpose of calculating the bonus gap is the total bonus and/or long-term incentive paid during the previous 12 months to all colleagues who were employed on the snapshot date of 5 April 2023. For the Bank, this means bonus payments made in June and August 2022 in respect of the financial year ending 31 March 2022, and long-term incentive payments made in August 2022 in respect of the three-year performance cycle that ended in March 2022.

Headlines about the gender pay gap tend to focus on the median figure, which ignores extremes and is therefore thought to be the most representative measure. It is, however, important to report all of these measures. Each one tells you something different about the underlying causes of the gender pay gap and each one can mask issues that another may highlight.

If there is a big difference between an organisation's mean and median pay gap, this indicates that the dataset is skewed – either by the presence of very low earners (making the mean lower than the median), or by a group of very high earners (making the mean bigger than the median).

Taking a 'snapshot' of this data on a set date, as required by regulation, creates a level playing field for all reporting organisations. However, it masks the fluidity of gender pay gaps, which can fluctuate from month to month and across pay quartiles depending on changes to headcount.

# What is our gender pay gap?



## Colleague profile

In the UK we had 565 colleagues on the snapshot date of 5 April 2023, of whom 311 were men (55%) and 254 were women (45%).

## Our gender pay gap

Our analysis shows that the median gender pay gap between men and women's earnings is 16.2%, based on hourly rates of pay at the snapshot date. This is a reduction of 4.4 percentage points from the gap we reported in 2022. Our mean gender pay gap has also reduced to 8.7%, from 11.0% last year (2.3 percentage points). The gender pay gap is calculated as the difference between average hourly earnings of men and women as a proportion of men's average hourly earnings. It is a measure across all jobs in the company, not of the difference in pay between men and women for doing the same job.

The proportion of men and women in more senior, higher-paid roles, has a significant influence on our

gender pay gap. At the reporting date for the gender pay gap, 59.9% of all colleagues at Senior Manager levels and above (Bands 1 to 5) were men, while at our most junior levels (Band 6 & 7), the distribution is split equally at 50%.

Overall, we made progress towards a more balanced proportion on men and women in the workforce in the year to April 2023, with the percentage of female colleagues increasing by 2% to 45%.

The imbalance between men and women in more senior roles, while typical of a great many employers in the UK, remains a key area of focus for the Bank. Later in this report, we explain some of the initiatives we are undertaking with the aim of increasing the proportion of women in senior roles, including the progress reported by the Bank against its Women in Finance targets in July 2023.

The current imbalance however does help to explain the Bank's gender pay gap. When we consider the pay gap separately for each employee grade ('Band') within the Bank, the gap is much lower.

# What is our gender pay gap?



What this tells us is that the Bank's pay gap is not an equal pay issue - men and women are paid equally for doing equivalent jobs across the firm.

However, we know we cannot afford to be complacent about this. We continue to make sure that our policies and practices are fair. This includes actively reviewing individual decisions around our annual salary, promotion and recruitment processes.

## Our gender bonus gap

The median gender bonus gap between men and women's bonus payments is 43.9%, which is significantly higher than it was last year at 25%. The mean gender bonus gap has also increased from 13.1% to 25.0% (11.9 percentage points)

The 2023 gender bonus gap reflects bonus payments made in June and August 2022, in respect of the financial year ending 31 March 2022. During this period, 66.8% (177) of female colleagues, and 66.1% (209) of male colleagues received a bonus. Only colleagues who

joined the Bank on or before 31 December 2021 were eligible, and for both men and women, the proportion of colleagues receiving a bonus closely reflected the proportion who were eligible for a bonus or long-term incentive award. The Bank continued to grow rapidly during the bonus year, which is why – for both men and women – a portion of joiners (187 (32.2%)) were not eligible for a bonus.

There are several factors that can influence the level of an individual colleague's bonus or long-term incentive award.

Both plans incorporate an element that reflects the Bank's performance as a whole against its strategic objectives, and an element that reflects individual colleagues' performance ratings for the bonus year. Each year we monitor the award of performance ratings carefully to ensure that the distribution of ratings is the same for women as it is for men.

Potential bonus or long-term incentive levels increase for more senior colleagues as a percentage of salary. While this incentive structure is typical of many employers, it

# What is our gender pay gap?



does have a bearing on our bonus gap, as there is a greater proportion of male than female colleagues at the Bank in senior grades as has been previously noted.

The gender bonus gap is further impacted by part-time working. Regulations require that bonus calculations include actual bonuses received by part-time colleagues rather than full-time equivalent amounts, which means that, for the gender pay gap calculations, average bonus levels for part-time colleagues are generally lower than they are for full-time colleagues. Less than 5% of roles at the Bank are part-time and 85.7% of these are undertaken by women, so the methodology for calculating part-time bonuses has a higher impact on average bonuses for women than it does for men.

Other factors that influence bonus levels at the Bank are individual colleagues' length of service during the year, and the fact that, for our most senior colleagues (Band 1 and 2), incentive payments may be deferred for up to two years.

Once a colleague's performance rating for the year has been determined, there is little or no discretion for managers to adjust formulaic bonus or incentive plan outcomes. On this basis, we are confident that our gender bonus gap is due to structural factors such as the proportion of men and women in senior roles, rather than to any gender-related bias. We remain committed to ensuring that all pay, and bonus decisions are free of any form of bias through a combination of line manager training, clear guidance, and robust governance.

# Our 2023 ethnicity pay gap at a glance



## Proportion of White and Other Ethnic Minority colleagues in each pay quartile

Quartile	Headcount		Percentages	
	White	Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic backgrounds	White	Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic backgrounds
Upper quartile	105	19	84.7	15.3
Upper middle quartile	100	25	80.0	20.0
Lower middle quartile	102	23	81.6	18.4
Lower quartile	83	41	66.9	33.1

Each pay quartile represents a quarter, or 25%, of our total workforce ranked by pay.

## Ethnicity pay gap (As a % of mean/median white pay)

The difference in our median pay for different ethnic groups

	White	Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic backgrounds	Pay gap
Median hourly rate	£28.47	£24.57	13.7%
Median annual salary	£55,715	£48,087	

The difference in our mean pay for different ethnic groups

	White	Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic backgrounds	Pay gap
Mean hourly rate	£32.61	£27.69	15.1%
Mean annual salary	£63,813	£54,176	

# Our 2023 ethnicity pay gap at a glance



## Our mean and median pay gaps by ethnicity

Ethnicity Group	Number of colleagues who disclosed ethnicity	Median %	Mean %
Asian or Asian British	67	14.1	14.8
Black or Black British	21	36.0	29.4
Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds	20	-10.6	1.0
<b>Total Black, Asian, Mixed or Multiple Ethnic groups or Other Ethnic Minority backgrounds</b>	<b>108</b>	<b>13.7</b>	<b>15.1</b>

## Ethnicity bonus gap (As a % of mean/median White bonus)

Element	2023
Median %	28.0
Mean %	36.4

## Proportion of White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority background colleagues (Based upon 498 colleagues at our snapshot date of 5 April 2023)

Ethnicity Group	2023
White %	78.3
Black, Asian, Mixed or Multiple Ethnic groups or Other Ethnic Minority backgrounds %	21.7

## Proportion of White colleagues and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority background colleagues receiving bonuses

Ethnicity Group	2023
White %	71.4
Black, Asian, Mixed or Multiple Ethnic groups or Other Ethnic Minority backgrounds %	56.4

# Reporting ethnicity pay gaps - an overview

The UK workforce reflects the UK's increasingly diverse society but there is still more to be done to remove barriers to entering the labour market and to ensure pay and progression in the workplace is fair for all ethnic groups.

While ethnicity pay reporting is voluntary, many employers already report on their ethnicity pay data. In April 2023, the government released their first guidance which sets out a consistent approach to measuring pay differences.

Guidance for ethnicity pay reporting recommends that those publishing ethnicity data report in the same way that organisations in the UK are required to report on gender pay gaps, using the following six measures:

**Median ethnicity pay gap** – the difference between the median hourly rate of pay of white full-pay relevant colleagues and that of full-pay relevant colleagues from other ethnic backgrounds.

**Mean (average) ethnicity pay gap** – the difference between the mean hourly rate of pay of white full-pay relevant colleagues and that of full-pay relevant colleagues from other ethnic backgrounds

**Median ethnicity bonus gap** – the difference between the median bonus paid to white relevant colleagues and that paid to relevant colleagues from other ethnic minority backgrounds.

**Mean (average) ethnicity bonus gap** – the difference between the mean bonus paid to white relevant colleagues and that paid to relevant colleagues from other ethnic minority backgrounds.

**Bonus proportions** – the proportions of relevant colleagues from white and other ethnic minority backgrounds who were paid bonus during the relevant period.

**Quartile pay bands** – the proportions of full-pay relevant colleagues from white and other ethnic minority backgrounds in the lower, lower-middle, upper-middle and upper quartile pay bands.



## Additional definitions

**Mean** is the average of a set of numbers is calculated by adding up all the values and then dividing the sum by the total number of values.

**Median** is a measure of central tendency in a set of data. It represents the middle value when the data set is ordered or ranked.

**Hourly pay** is the total of salary and any cash allowances paid, before any deductions for tax, calculated as an hourly rate. The figure used for the 2023 gender pay gap is the hourly pay for April 2023. Colleagues who did not receive their normal full pay during that month for any reason are excluded from the calculation.

**Bonus** for the purpose of calculating the bonus gap is the total bonus and/or long-term incentive paid during the previous 12 months to all colleagues who were employed on the snapshot date of 5 April 2023. For the Bank, this means bonus payments made in June and August 2022 in respect of the financial year ending 31 March 2022, and long-term incentive payments made in August 2022 in respect of the three-year performance cycle that ended in March 2022.

# What is our ethnicity pay gap?



## Colleague Profile

In the UK we had 565 colleagues on the snapshot date of 5 April 2023. 88.1% (498) of our colleagues openly disclosed their ethnicity to us. Of those, 390 (78.3%) are White (including White British, White Irish and any other White colleagues) and 108 (21.7%) are from Black, Asian, Mixed or Multiple Ethnic groups or Other Ethnic Minority backgrounds. We are pleased to have such a high disclosure rate as we work towards an inclusive and open culture.

## Our ethnicity pay gap

Our analysis shows that the median ethnicity pay gap between White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds' earnings is 13.7%, based on hourly rates of pay at the snapshot date. Our mean ethnicity pay gap is 15.1%.

The ethnicity pay gap is calculated as the difference between average hourly earnings of White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds as a proportion of White

colleague's average hourly earnings. It is a measure across all jobs in the company, not of the difference in pay between White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds' for doing the same job.

The factors influencing the Bank's ethnicity pay gap are likely largely similar to those impacting our gender pay gap. We have lower ethnic minority representation in senior leadership positions (Bands 1 to 5) that attract a higher rate of pay, compared to White colleague representation.

Only 16.1% (42) of the senior leadership positions are filled by colleagues from Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds compared to 27.8% (66) of colleagues at the junior level (Bands 6 and 7).

We are confident we pay colleagues fairly and equally in the same and similar roles, but in a relatively small organisation like the Bank, small changes in our demographics and the levels and pay grades at which people operate have a significant impact on our figures.

# What is our ethnicity pay gap?



## Our ethnicity bonus gap

The median ethnicity bonus gap between White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds' bonus payments is 28.0%. Our mean ethnicity bonus gap is 36.4%.

The 2023 ethnicity bonus gap reflects bonus payments made in June and August 2022, in respect of the financial year ending 31 March 2022. During this period, 56.4% (62) of Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds' colleagues, and 71.4% (284) of White colleagues received a bonus. Only colleagues who joined the Bank on or before 31 December 2021 were eligible, and the proportion of colleagues receiving a bonus closely reflected the proportion who were eligible for a bonus or long-term incentive award. The Bank continued to grow rapidly during the bonus year, which is why – for both White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds' – a portion of joiners (155 (30.5%)) were not eligible for a bonus.

As outlined earlier in the 'What is our Gender Pay Gap?' section there are several factors that can influence the level of an individual colleague's bonus or long-term incentive award, and these remain the case in relation to our ethnicity bonus gap.

On this basis, we are confident that our ethnicity bonus gap is due to structural factors such as the proportion of White and Black, Asian, Mixed or Multiple Ethnic groups and Other Ethnic Minority backgrounds in senior roles, rather than to any ethnicity-related bias. We remain committed to ensuring that all pay, and bonus decisions are free of any form of bias through a combination of line manager training, clear guidance, and robust governance.

# How are we addressing our gender and ethnicity pay gap?

One of the British Business Bank's strategic objectives is unlocking potential by ensuring entrepreneurs can access the finance they need regardless of where and who they are.



To do so we are accelerating our diversity, equity and inclusion journey to make sure our organisation reflects the diversity of the population we are trying to reach, meet market standards we set for our delivery partners and to continue to create an environment where diverse talent can thrive. In 2023, we actioned the first year of our diversity, equity and inclusion three-year roadmap, which in addition to our strategy and policy are aligned with our organisational ambition. We defined a clear aspiration and are identifying metrics to track progress including on gender and ethnic diversity.

We are committed to recruiting, developing, and retaining individuals with the skills and experience required to enable the Bank to meet its strategic objectives. Our range of people policies and programmes are designed to support a diverse community where talent is recognised and nurtured, and colleagues feel empowered to be proactive in their own development. We continually review these policies and programmes alongside employee groups with a view to further strengthening them where we can and ensuring equal access. We foster a culture of inclusion and sense of open dialogue and encourage colleagues to bring their full selves to work.

# How are we addressing our gender and ethnicity pay gap?

## Stronger Together

Central to our strategy is our employee resource group called Stronger Together. The group is sponsored by our Executive Committee and is a diverse group of colleagues from across the organisation.

Stronger Together is an open forum run by colleagues, for colleagues, to provide a safe and supportive environment in which to discuss issues specifically relating to inclusion and diversity in the Bank.

Our inclusion mission statement, which was created with Stronger Together, supports our inclusion activities:

We are committed to creating a culture where each and every colleague can be truly collaborative and creative. As individuals, and collectively as an organisation, we benefit from ensuring the bank is inclusive, everyone has a voice, and we all have the opportunity to be our true selves at work.

We celebrate diversity and inclusion, engage with colleagues across the organisation and shape the DEI strategy at the Bank.

The UK benefits from the diversity of the businesses we support and empower. We are committed to doing everything we can to help them prosper and grow.

At the British Business Bank, we share the same ambitions for our people. We are proud to create an organisation where everyone is stronger together.

## Diversity data and our people processes

It is our ongoing commitment to continuously monitor and safeguard the integrity and fairness of our policies, processes, and structures to ensure equal opportunities for all:

We test our annual pay progression and promotions for any differences between men and women.

We test our bonus awards for any gender differences in the percentages of bonus pay-outs relative to their bonus opportunities.

We have an internal job evaluation system which considers the scope and the breadth of each role irrespective of the jobholder. This means that our internal Bands are not decided based on the person doing the job (in which case the system could be susceptible to biases) but based on the content of the job.

We test our yearly talent and performance management processes for representation against the wider organisational population.

We collect data to analyse our attraction and recruitment processes.

# Women in Finance Charter



In March 2018, the Bank signed up to HM Treasury's [Women in Finance Charter](#) which commits firms to supporting the progression of women into senior roles in the financial services sector by focusing on the executive pipeline and the mid-tier level.



The Charter was established in 2016, following a government review in 2015 which found that women made up only 14% of executive committees in the financial services sector. The Charter asks financial services firms to commit to four industry actions to foster gender balance in senior managerial roles. These are:

- 1 Having one member of our senior executive team who is responsible and accountable for gender diversity and inclusion.
- 2 Setting internal targets for gender diversity in our senior management.

- 3 Publishing progress annually against these targets in reports on our website.

- 4 Having an intention to ensure the pay of the senior executive team is linked to delivery against these internal targets on gender diversity.

## Our commitment to the Charter

Over 400 firms, covering more than 1 million employees, have voluntarily signed the Charter, and are covered by its aspiration to tackle gender inequality in financial services. Since pledging to the Charter in 2018, the Bank has grown significantly to almost 600 colleagues. Through our signatory to the Charter, we are pledging to be one of the leading businesses in the financial services sector.

# Women in Finance Charter

Our commitment in September 2022 was:

That by end-September 2025, we will maintain at least 50% female representation within our Executive Committee, including attendees (within a 10% tolerance)

That by end-September 2025, we aim to achieve 40% female representation amongst our senior leadership team and feeder pipelines (Managing Directors and Directors)

That we would appoint one member of our senior executive team to be responsible and accountable for our commitments to the Women in Finance Charter. Because we consider this a priority for the business, we made this the responsibility of our Chief Executive Officer.

That we intended to link the pay of the senior executive team to delivery against our internal targets on gender diversity. We have a diversity objective included in the performance appraisal process for our senior executive team.

As part of our commitment to the Charter, we reported our progress against our targets as at July 2023 as follows:

46% of our Executive Committee members were women.

We achieved our target of 41% women within our wider senior leadership team and feeder pipelines.

We recognise that the gender balance on our Executive Committee is a backward step from the 58% representation we reported in 2022. We are putting in place deliberate actions to address this and make further progress against our targets.

Throughout 2023, there were significant changes to the Executive Committee and at the time of our Charter submission, the Bank was awaiting the onboarding of three new female colleagues to our Executive Committee, all of whom joined by the end of 2023.

Our diversity, equity and inclusion strategy is reflective of our ambition to be an inclusive employer of choice. We have increased the use of diverse job boards and have introduced an Inclusion Index into our engagement survey, launched a mentoring and development programme through Women in Banking and Finance, and facilitated sessions on Inclusive Leadership and Allyship for our senior leaders. We will review our progress and expand our range of initiatives to address gaps and respond to colleague feedback.

A specific area of focus is talent acquisition at middle and junior levels, and we will take conscious steps to attract female candidates and build a diverse pipeline.

We continue to strive towards our targets and despite setbacks in the 2023 submission we still believe that our recent actions and evolving commitments will enable us to meet our charter targets by our deadline of 30 September 2025.

# Other diversity, equity and inclusion (DEI) initiatives

We are proud to partner with the following organisations:

Race at Work Charter



Armed Forces Covenant



RNIB Visibility Better Employer (RNIB)



Disability Confident Employer



Inclusive Employers





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Publication date: March 2024

Declaration: I confirm that British Business Bank's gender pay gap calculations are accurate and meet the requirements of the Regulations.

British Business Bank plc is a public limited company registered in England and Wales (registration number 08616013, registered office at Steel City House West Street Sheffield S1 2GQ). As the holding Company of the Group operating under the trading name of British Business Bank, it is a development bank wholly owned by HM Government which is not authorised or regulated by the Prudential Regulation Authority (PRA) or the Financial Conduct Authority (FCA). It operates under its own trading name through a number of subsidiaries, one of which is authorised and regulated by the FCA. British Business Bank plc and its subsidiary entities are not banking institutions and do not operate as such. Accordingly, none of the British Business Bank group of companies takes deposits or offers banking services. A complete legal structure chart for British Business Bank plc and its subsidiaries can be found at [www.british-business-bank.co.uk](http://www.british-business-bank.co.uk)