

# Ethnicity pay gap report

AAT has a strong commitment to equality and diversity both inside our organisation and within our wider membership. Through our Diversity and Inclusion (D&I) strategy, we aspire to be a workplace where all colleagues bring their whole self to work, feel included and enabled to reach their full potential.

AAT has been a leader in the financial sector on gender equality for many years. We were one of the first organisations to publish our gender pay data, which has led to an increased focus on strengthening diversity within our organisation and among our membership. In 2021 we published our ethnicity pay data for the first time – despite no legal requirement to do so, reinforcing our commitment to D&I. We have started to analyse a lot more data, including performance ratings against diversity data, with the aim of effecting similar change in this area. We are committed to reviewing and sharing our D&I data annually.

This data sets out a benchmark and gives us a goal to work towards in future years to address our ethnicity pay gap. However, we recognise that publishing the data alone is not enough; we must back this up with action. As part of this, we have appointed an Executive Sponsor for Race, and signed up to the Race at Work Charter. As a result of the quantitative data gained from analysing statistics, we ran confidential listening groups for ethnic minority staff, led by the Employers Network for Equality and Inclusion (ENEI). We are currently using the insights from this to develop an action plan to identify how we can further support Black, Asian and Minority Ethnic (BAME) employees and their career progression at AAT. We are also continuing our programme of annual benchmarking through ENEI and providing inclusion training for all our staff.

## Headline ethnicity pay gap figures

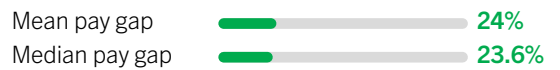
In the absence of a prescribed methodology for calculating an ethnicity pay gap, we have followed the same approach as for the gender pay gap, but expect this will develop in the future.

The ethnicity pay gap is defined as the difference between the mean or median hourly rate of pay that white and ethnic minority colleagues receive.

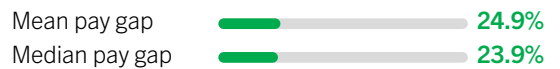
The mean pay gap is the difference between average hourly earnings. The median pay gap is the difference between the midpoints in the ranges of hourly earnings. It takes all salaries in the sample, lines them up in order from lowest to highest, and picks the middle-most salary.

These figures are provided below and are based on hourly rate of pay as at April 2022 paid at the snapshot date of 5 April 2022.

### 2022



### 2021

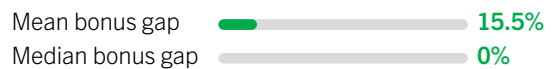


## Bonuses

At AAT we have an organisation wide bonus which everyone is eligible to receive if they perform to (at least) the expected standard as agreed during the annual performance process if certain targets are met. The organisation wide bonus is the same financial amount for all staff. However, it is pro-rated for part time workers and for those who joined throughout the year with a minimum of three months in post.

In addition, the Executive team are eligible for a separate bonus scheme based on individual performance.

### 2022



### 2021



## Proportion of white and other ethnic minority colleagues receiving a bonus (performance award) payment

### 2022



### 2021



# Pay quartiles

The table below shows the split between white and ethnic minority staff when we order hourly rate of pay from highest to lowest and group into four equal quartiles.

## 2022

Quartile	White	Ethnic minority	Undeclared	Total
Lower	45%	53%	2%	55
Lower middle	58%	40%	2%	55
Upper middle	65%	35%	0%	55
Upper	87.5%	13%	0%	54

## 2021

Quartile	White	Ethnic minority	Undeclared	Total
Lower	48%	50%	2%	52
Lower middle	60%	36%	4%	53
Upper middle	68%	32%	0%	53
Upper	83%	15%	2%	52

# Our next steps

- We recognise that publishing this data is a useful first step, but it must be driven by action. Our Diversity and Inclusion (D&I) champions, made up of employees throughout the organisation, produced a strategy to engage greater inclusivity within our working environment. This strategy is under consistent review to ensure this is achieved. We also celebrate different events and initiatives, including World Cultural Day for Diversity and Black History Month.
- We have a Head of Responsible Business and Policy, who is accountable for Responsible Business activity. This includes partnering with the D&I group and developing a decision making framework. We also recently established an Executive Sponsor for race as part of our D&I champions. D&I is demonstrably embedded within AAT and this supports the Charity Code of Governance EDI pillar.
- We signed up to the *Race at Work Charter*, and are undertaking further analysis to identify to understand what's driving the data in relation to ethnicity and how we can support career progression for ethnic minority employees. We have worked with ENEI to host some anonymous listening sessions and gather feedback around barriers to progression for staff from ethnic minority backgrounds at AAT and are using the insights from this to create a development plan.
- We are committed to zero tolerance of bullying and harassment.
- We have been at the forefront of the campaign to ensure compulsory ethnicity pay reporting, and will continue to push on this issue to secure further political, media and stakeholder support.
- As a member of ENEI we carry out annual benchmarking to enable us to identify and take action on issues that need to be improved. We have improved our most recent score through better reporting and our aim is to continue to improve further once we have implemented our new HR System which will enable greater data collection and analysis. ENEI also deliver our unconscious bias induction training for new starters
- We provide diversity and inclusion training annually for all staff, and we are building managers' responsibility for workplace equality into our training, policies and procedures.