

2024 Ethnicity pay gap report

AAT has a strong commitment to diversity and inclusion (D&I) within our organisation and for our customers. Through our D&I strategy, we aspire to be a workplace where all colleagues are empowered to bring their whole self to work, feel included and can reach their full potential.

AAT has been a leader on gender equality in the financial sector 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. We have also campaigned for compulsory ethnicity pay gap reporting and, in 2021, we published our ethnicity pay data for the first time, with the aim of effecting similar change in this area.

Additionally, we are committed to reviewing and sharing our D&I data annually and maintain our commitment to support ethnicity equality in the workplace, including our job evaluation process which ensures equal pay for work of equal value.

This data sets a benchmark and gives us a goal to work towards to address our ethnicity pay gap. We recognise that publishing the data alone is not enough; we must back this up with action. We developed an action plan, for example ensuring our recruitment partners who are clear about our ambitions to increase diversity at senior levels and can attract diverse talent, as well as using more diverse job boards in our own recruitment campaigns. Whilst some actions are quick and have been implemented, others are longer term, and we acknowledge that seeing the impact will take time. However, we remain committed and focused on reducing our ethnicity pay gap.

Headline ethnicity pay gap figures

To calculate our ethnicity pay gap, we have followed the same approach as for the gender pay gap.

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 opposite and are based on hourly rate of pay as at April 2024, paid at the snapshot date of 5 April 2024.

Mean pay gap  **29.1%**
Median pay gap  **28.6%**

For comparison, in 2023 the mean pay gap was 25.3% and the median pay gap was 25.6%.

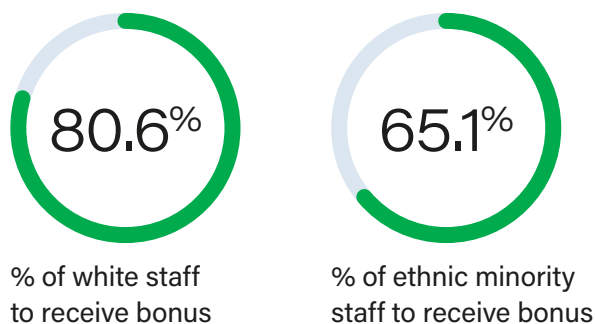
Bonuses

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 to the organisation wide bonus, the Executive team were eligible for an individual performance bonus. This was removed during the financial year 2023/2024, with only a proportion being paid for the first four months of the year.

Mean bonus gap 13.6%
Median bonus gap 0%

Proportion of white and ethnic minority colleagues receiving a bonus payment:



The total number of staff included in the reporting figures were those in post on 05 April 2024. This included new joiners from 01 January 2023 who would not have been eligible for the organisation bonus which was paid in June 2023, but are still included in the figures as they were in post at the reporting date of 05 April. This has impacted the percentage of staff who received the organisation wide bonus and the percentage of ethnic minority staff is lower due to the higher proportion of ethnic minority colleagues joining between January 2023 and April 2024 (26% of our ethnic minority colleagues joined during this period, compared to 17% of our white colleagues).

Pay quartiles

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

Quartile	1	2	3	4
Total	65	65	65	65
Ethnic minority	40	36	17	10
% Ethnic minority	62%	55%	26%	15%
White	24	28	46	55
% White	37%	43%	71%	85%
Undeclared	1	1	2	0
% Undeclared	2%	2%	3%	0%

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Information is accurate at the time of publication.

Our next steps

We recognise that publishing this data is a useful step, but it must be supplemented by action.

- Our Diversity and Inclusion (D&I) champions, made up of employees throughout the organisation, produced a strategy to increase inclusivity within our working environment. This strategy is under constant review to ensure it meets its aims. The group lead on celebrating different events and initiatives, including Race Equality Week and Black History Month.
- D&I is demonstrably embedded within AAT and this supports the *Charity Code of Governance Equality Diversity and Inclusion* pillar.
- We have signed up to the *Race at Work Charter*, and have developed an action plan to support recruitment and career progression for ethnic minority employees.
- We are committed to zero tolerance of bullying and harassment and have recently run mandatory training sessions for colleagues and managers.
- Our new HR system, has allowed us to introduce name-blind recruitment for the first time. This will enable greater data collection and analysis of the diversity profile of candidates through the recruitment process.
- 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 and achieved a silver TIDE award for our work in relation to staff, governance and procurement in 2024, with our biggest improvement on 2023 being in the category of 'attraction and recruitment'.
- We provide equality and diversity training for all staff, and are building making workplace equality the responsibility of all managers into our training, policies and procedures.

For more information on our commitment to ensuring diversity and inclusion at all levels, visit aat.org.uk/paygap

Olivia Hill

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