

# 2023 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. As a result of the quantitative data gained from analysing broad D&I data, we ran confidential listening groups for ethnic minority staff in 2022, led by the Employers Network for Equality and Inclusion (ENEI). Using the outputs from this, we have developed a specific action plan, including supporting recruitment and progression of ethnic minority staff to more senior grades. 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 to a continued focus on reducing our ethnicity pay gap.

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## Headline ethnicity pay gap figures

To calculate our ethnicity pay gap, we have followed the same approach as for the gender pay gap. We have not broken down the data further due to the size of our data set being too small for meaningful analysis.

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 2023, paid at the snapshot date of 5 April 2023.

**Mean pay gap**  **25.3%**  
**Median pay gap**  **25.6%**

For comparison, in 2022 the mean pay gap was 24% and the median pay gap was 23.6%.

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## Bonuses

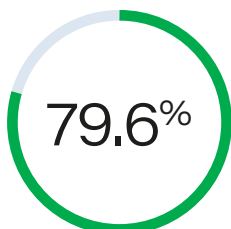
At AAT we have an organisation wide bonus which everyone is eligible to receive if they perform to (at least) the expected standard as agreed during the annual performance process if certain targets are met. The organisation wide bonus is the same

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. The Executive team were also eligible for a separate bonus scheme based on individual performance.

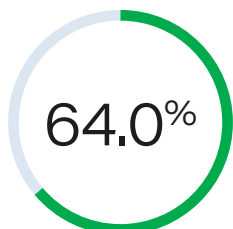
**Mean bonus gap** ■ **14.3%**

**Median bonus gap** **0%**

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



% of white staff to receive bonus



% of ethnic minority staff to receive bonus

## 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	Lower	Lower middle	Upper middle	Upper
<b>Total</b>	60	60	60	60
<b>% Ethnic minority</b>	48%	55%	28%	15%
<b>% White</b>	50%	42%	72%	85%
<b>% Undeclared</b>	2%	3%	0%	0%

## 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 leads on celebrating different events and initiatives, including World Cultural Day for Diversity and Black History Month.

- We have established an Executive Sponsor for Race who is tasked with promoting and supporting our work in this area.
- We are further developing our approach to responsible business. This includes partnering with the D&I group and developing a decision-making framework. 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.
- Our new HR system, implemented in 2023, 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 increased our most recent score and achieved a bronze TIDE award for our work in relation to staff, governance and procurement in 2023.
- We provide equality and diversity training for all staff, and are making workplace equality the responsibility of all managers through our training, policies and procedures. We also deliver unconscious bias induction training for new starters.

For more information on our commitment to ensuring diversity and inclusion at all levels, visit [aat.org.uk/paygap](https://aat.org.uk/paygap)

**Olivia Hill**

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