

Gender Pay Gap Report 2019



Santander Consumer UK has a diverse and inclusive culture and is about ensuring everyone, regardless of their background, ethnicity or gender has an opportunity to progress, develop and thrive. This is a commitment that starts at the very top of our organisation and flows through it.

About Us

Santander Consumer (UK) Plc (SCUK), trading as Santander Consumer Finance is part of the Spanish Banco Santander Group. Santander Consumer Finance provides a range of products designed for purchase of personal and business vehicles. Our finance and related products are distributed via a network of dealers and intermediary introducers and also through partnerships with selected car and motorcycle manufacturers. We are one of the UK's leading independent finance companies with over half a million live customer agreements.

In addition, we have Joint Venture arrangements with Hyundai Capital and Banque PSA Finance UK providing wholesale finance facilities for both Hyundai and Kia, as well as Peugeot and Citroen dealer networks. Our head office is in Redhill, Surrey and we have a sales force based across the United Kingdom.

What is the gender pay gap?

The gender pay gap shows the difference in average pay between women and men. This is different to equal pay i.e. women and men receiving the same pay for the same role.

The gender pay gap takes into account all roles at all levels of the organisation, rather than comparing pay received by women and men performing the same roles.

At SCUK, we regularly review and analyse our employee pay to ensure men and women are treated equally when performing the same role. We are confident that SCUK's gender pay gap is not a pay issue; our approach to pay is gender neutral by design where like work for like pay is measured.

As a motor finance organisation within the financial services sector, like many organisations, SCUK is affected by traditionally male dominated populations in senior positions.



You can find last year's gender pay gap report for SCUK on our website
www.santanderconsumerfinance.co.uk/genderpaygap

Our gender pay and bonus gap

The pay and bonus gap metrics here are correct as at the mandatory April 2019 snapshot date. Please note that the current updates to our action plan in this document are correct at the point of publication, in order to give the most current and relevant picture of progress to date.

27.9%

The **mean** average pay gap in SCUK, down almost 5 percentage points from our last report

25.5%

The **median** average pay gap in SCUK, down 3 percentage points from our last report

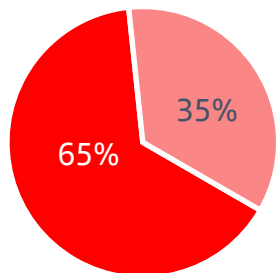
55%

The **mean** average bonus gap in SCUK, up 2 percentage points from our last report

39%

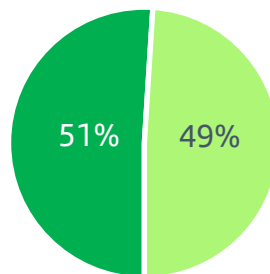
The **median** average bonus gap in SCUK, down 3 percentage points from our last report

Top Quartile



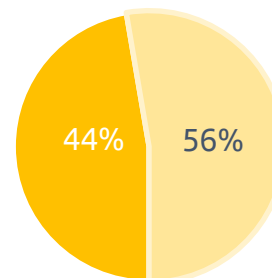
■ Male ■ Female

Second Quartile



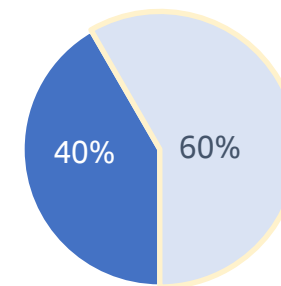
■ Male ■ Female

Third Quartile



■ Male ■ Female

Fourth Quartile



■ Male ■ Female

The proportion of eligible male and female employees who received a bonus was **equal at 84%**

How have these numbers changed?

While the 2019 gender and pay bonus gaps for SCUK are still larger than we would like, we have seen an improvement in both the mean and median gender pay gap as well as the median bonus pay gap.

Most notably, there is a reduction of 4.87 percentage points in the mean gender pay gap. This improvement can be attributed to an increase in women in our second highest pay grade.

The improvement in female representation is evidenced in the supporting pay quartile analysis, which shows that the proportion of women in SCUK's top pay quartile has increased by 4 percentage points. This correlates with the progress that is being made to improve gender diversity in our business.

The proportion of male and female employees at SCUK receiving a bonus has improved and is even at 84%. All colleagues at SCUK are eligible to join the bonus scheme, however, bonus is only paid once colleagues have been in the business for longer than 6 months, assuming performance objectives have been met.

It should be noted that exclusion to bonus is only on the basis of an objective based, measurable performance, where underperformance is not rewarded.

SCUK's bonus schemes are gender neutral but the shape of our workforce drives our mean bonus gap of 55% and a median bonus pay gap of 39%. The mean bonus gap has increased by 2.46 percentage points on 2018 and is a causal effect of the business performing well against its new business target resulting in higher sales bonus payments. Whilst the demographic make-up of the business sits at 53% women and 47% men, our sales team is predominantly male resulting in the increase.

Our gender pay and bonus gaps reflect our organisational structure. We proportionately have more women than men in our operational roles, and proportionately more men in our senior roles. This is evidenced in the supporting pay quartile analysis. Almost the entire gender pay gap is attributable to this organisational profile.

How are we improving gender diversity?

Eliminating Unconscious Bias in Job Advertisements

Many job descriptions inadvertently contain gender bias surfacing in the style and language they are written in. Gendered wording (i.e. masculine and feminine-themed words) can have an effect on job appeal and ultimately narrow the candidate pool.

At SCUK, we are reviewing our job descriptions and are taking steps to ensure they are gender neutral to help combat gender inequality. Mitigating any bias at the recruitment stage should ensure our jobs appeal to both men and women.

Management Development Programme

Here at SCUK, we have an accredited 18-month Level 5 Management Development programme that aims to develop our management team.

Over the past 2 years, we have seen a 32% rise in females taking part in the programme supporting our goal of increasing the number of women in senior management roles.

Senior Management Shadowing

We recognised a need in the business to offer access to our Senior Management Team and as a result introduced a new programme called "Be Somebody." The programme encourages colleagues to spend some time experiencing a day in the life of a Head of Department or Director.

Be Somebody has proved to be extremely successful, with 21% of staff participating as of Q3 2019, of whom 52% were women.

We are continuing to run this programme quarterly to better support high-potential women in achieving their career aspirations at SCUK. Access to our Senior Management Team supports career development, broadens networks and helps raise the profiles of women in our business.



Diane Roberts Financial Director, SCUK

I confirm that the figures in our disclosure are accurate and have been calculated in accordance with gender pay gap reporting requirements as outlined in the legislation and accompanying guidelines.