



VEGNER GROUP

Gender, Ethnicity & CEO Pay Gap/Ratio Report

2023/24



Introduction

The Vegner Group remains passionate in maintaining our diverse and inclusive culture. We believe that everyone deserves respect and equal treatment regardless of gender, race, ethnicity, age, disability, sexual orientation, gender identity, cultural background, religious beliefs, or anything else that makes us who we are. Quite simply put, our vision is Equality for All.

We want every employee to feel they have fair compensation and opportunity, and we invest in analysis and transparency to demonstrate that commitment. This is our seventh Gender Pay Gap report and we continue to voluntarily report on our Ethnicity Pay Gap and CEO Pay Ratio figure. Thus, consolidating all strategic pay related matters under a single annual report.

We have set a long-term goal to achieve a 50:50 gender balance by 2025 (within a 5% tolerance). We have also set a 50:50 ethnicity balance by 2035 (within a 5% tolerance). It was identified that to achieve this in both ethnicity and gender, we must see an enhanced number of female and BAME colleagues undertaking senior leadership positions within the Group. This conclusion was drawn since the pay gaps are solely within the upper pay quartile of the Group. This report outlines our report for 2022/2023 with the snapshot of data being taken 30th April 2023.





Gender pay gap

The Gender Pay Gap shows the difference in the average pay between women and men. It is not a comparison for equal pay for equal work.

This year the Vegner Group report a disappointing slight increase in our Gender Pay Gap. Our mean gender pay gap now stands at 15.2%. This represents an increase of 3.8% when compared to last year. Vegner are also reporting a small 2% increase to 8.7% on the median pay gap.

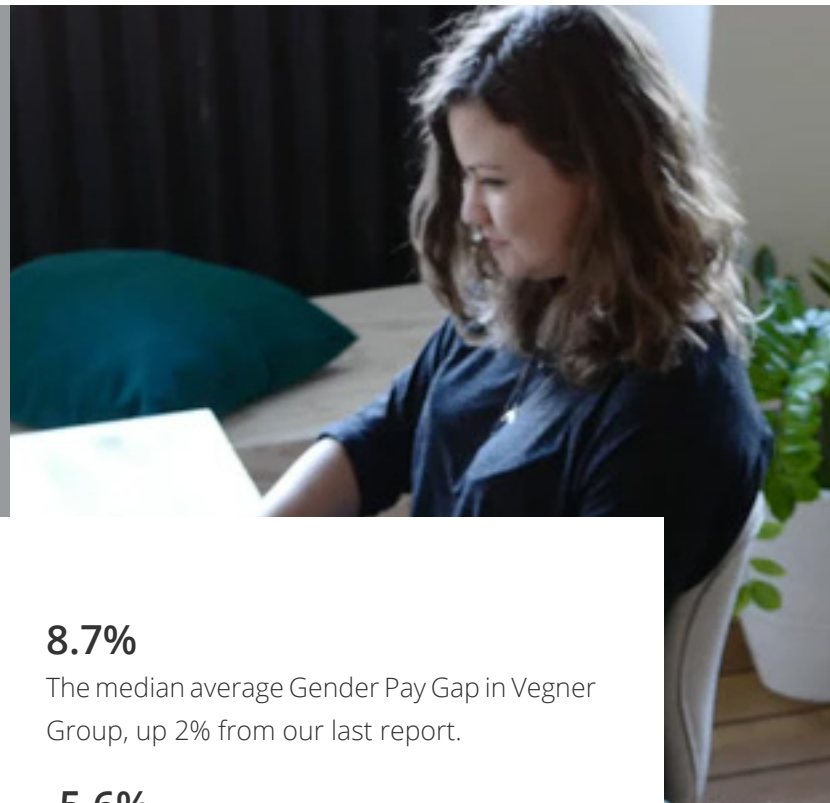
Whilst an increase was not anticipated it has ceased the downward course Vegner were set on with our long-term strategy. It is however, easily explained in that the Group has experienced some employee turnover within our Upper Quartile of Pay levels, however, this was within the Female gender. Previous reports have shown that our gap is fully attributed to this pay quartile and we acknowledge there is still work to do but as reported in previous years our challenges remain solely in quartile one of our pay structure. This fact remains the only cause of our gender pay gap.

As acknowledged in previous reports, our structural issue in this area is that there is a higher proportion of men in senior technical and managerial roles. Equally this group of males has remained stable and consistent year on year. We have a very stable senior executive leadership team. In quartiles 2,3 and 4 the gender pay gap continues to be at negative figures. This means females in these categories are earning at a higher rate than that of their male counterparts. In the lowest quartile this is largely related to our starting salary being linked to the Living Wage foundation hourly rate. This has seen a high proportion of females that enter roles of this level, receiving a fairer starting salary. This policy also led to significant pay increases for staff already employed and operating at this level.

We continue to recognise the gender imbalance that exists and continue to act to address this through our long-term strategy to ultimately improve performance. We have already acknowledged that it will take time until a balance is found, but we are committed to addressing the imbalance.

In the last year the Group has widened the pool of staff that are eligible for a discretionary bonus. This has led to a significant reduction in the Median bonus gap as there is a higher proportion of females in pay quartile 2 to 4. Vegner are reporting a -5.6% median bonus gap.

What is our gender pay gap?



15.2%

The mean average Gender Pay Gap in Vegner Group, up 3.8% from our last report.

15.2%

The mean average Gender Bonus Gap in Vegner Group, up 0.3% from our last report.

8.7%

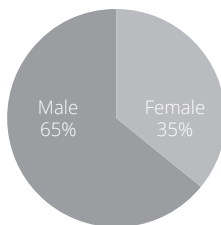
The median average Gender Pay Gap in Vegner Group, up 2% from our last report.

-5.6%

The median average Gender Pay Gap in Vegner Group, down 10.3% from our last report.

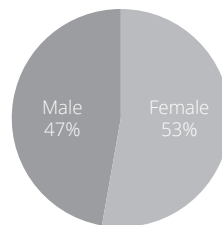
Gender Pay Gaps by Pay Quartile

Top Quartile



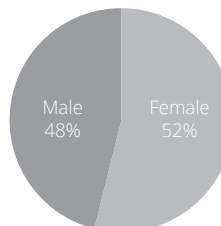
13% Pay Gap

Second Quartile



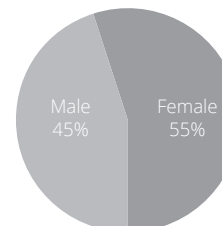
2% Pay Gap

Third Quartile



-0.57% Pay Gap

Fourth Quartile



-7% Pay Gap

Proportion of colleagues awarded a bonus:



23%



17%

96% of our people state that they are treated fairly regardless of their gender or sexual orientation.



Our ethnicity pay gap

We are committed to ensuring transparency to be an inclusive workplace, so we are again voluntarily publishing our Ethnicity Pay Gap.

The Ethnicity Pay Gap is a measure of the difference in the average pay and bonuses of staff that identify as white and those that identify as Black, Asian & minority ethnic group (BAME).

Following the identified gaps in data held for ethnicity, significant work in the last year has gone into closing the gaps held. This has led to just 4% of our entire workforce being categorised as 'unknown'. This means we can now report with more complete accuracy.

Taking a proactive lead in publishing figures in this area, the Vegner Group are reporting a Mean Gap of 17.1% and a Median Gap of 13.2%.

Both metrics report show no change when comparing year on year. It is hard to compare the gap we are reporting with the wider UK, due to the overall lack of reporting nationwide. However, this gap does highlight that the Vegner Group have to continue to work hard in this area to fully understand the gap and how a long-term strategy can be applied.

What is extremely encouraging is when compared with the population of white and BAME ethnicity groups, the Vegner Group employs a far higher proportion of BAME staff. In England about 6.2% of the population are from a BAME and 86% identify as white. Across all quartiles the percentage of BAME staff is far greater than this.

Based on our data, the Vegner Group have 66% who identify as white and 29% as BAME. Whilst this shows we have a diverse workforce one cannot ignore the significantly high proportion of BAME workers within our lowest paid quartile.

As such attention is drawn to the proportion of BAME staff that occupy our lowest pay quartile; 46% of BAME staff operate in roles in this area that typically attract a lesser salary.



What is our ethnicity pay gap?

It is important to note that as for Gender Pay Gap reporting, these figures show the gap between the average pay and bonus received by non-ethnic minority and ethnic minority colleagues, and do not reflect differences between colleagues performing the same role.

Ethnicity Pay Gaps by Pay Quartiles

17.1%

The mean average Ethnicity Pay Gap in Vegner Group, down 0.6% from our last report.

13.2%

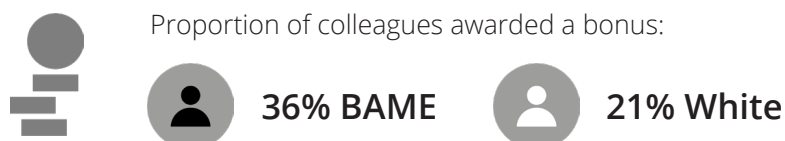
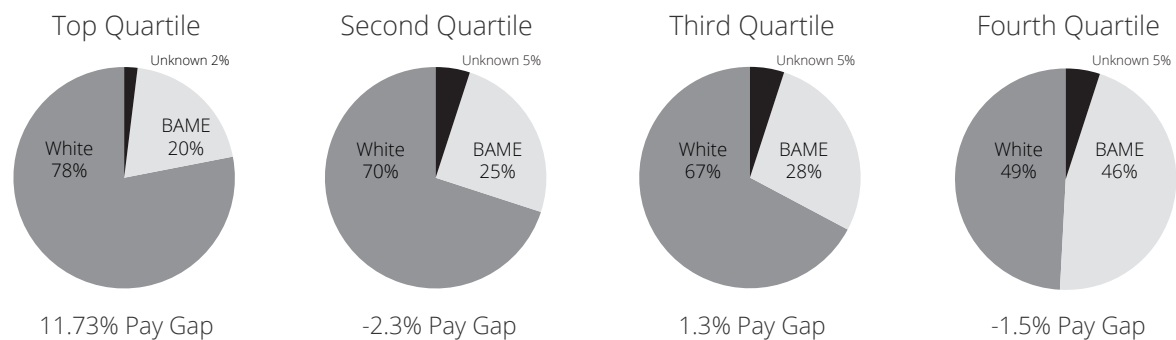
The median average Ethnicity Pay Gap in Vegner Group, up 1.2% from our last report.

17.9%

The mean average Ethnicity Bonus Gap in Vegner Group, down 3.4% from our last report.

10.4%

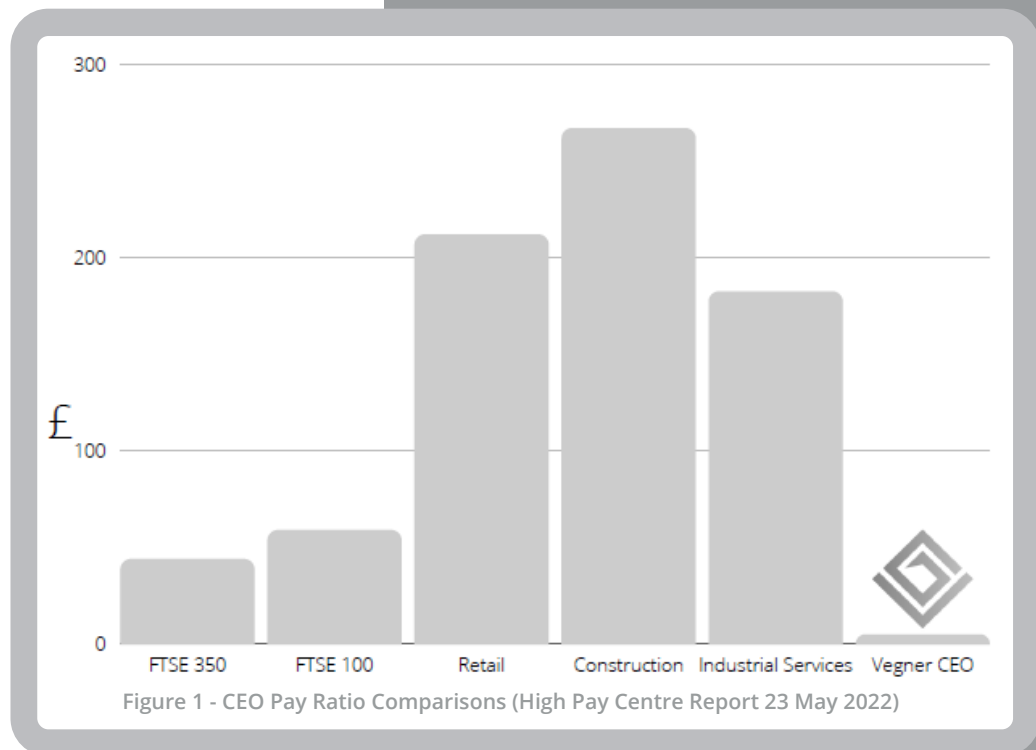
The median average Ethnicity Bonus Gap in Vegner Group, up 9.8% from our last report.



What is our CEO pay ratio?

5:1 Ratio

CEO Pay Ratio Definition (Optional Reporting) is a measure between the Chief Executive Officer and average worker's salaries within the Vegner Group. It highlights any pay disparities from the top of an organisation.



There is nothing inevitable about the scale of income inequality that the UK is witnessing today. Within the UK's largest companies, the gap between pay for the average worker and for the CEO has grown hugely over recent decades.

At the beginning of the 1980s typical pay for the CEOs of Britain's largest companies tended to be around 10-20 times the pay of the average worker, whereas the High Pay Centre's research found that in 2019 the median FTSE 100 CEO received around 119 times the pay of the median UK worker.

High Pay Centre Report 23 May 2022

The most recent published research by the High Pay Centre identified that the UK's largest firms (FTSE 350) CEOs were earning excessive salaries when compared to their average employee. Research identified that the pay ratio was 44:1.

Once again the Vegner Group voluntarily publish this figure. This year we report that the ratio has stayed static with a mean ratio of 5:1 and median ratio of 5:1.

This remains a figure Vegner are proud of and is best summed up by stating; for every £1 our employees get their CEO gets £5.

Commitment to close the gap

Our strategy prioritises the themes of respect, balance, leadership, advocacy, transparency, and accountability. Our senior leadership team sponsors our diversity strands of gender, LGBTQ+, ethnicity, disability, families, carers, social mobility, and mental wellbeing.

Long-Term Strategy on Gender

It has always been stated that there is no quick fix to the Gender Pay Gap, but the Vegner Group is taking a series of measures now and in the long-term to promote a diverse and inclusive workforce. Our focus needs to remain on helping women to progress within the organisation. Our aim remains to achieve a 50:50 gender balance by 2025 (within a 5% tolerance). To help achieve this aim, the following objectives remain:

1) Leadership

- Accelerating our talented female colleagues to senior positions.
- Existing female talent within the Vegner Group is identified and encouraged to undertake set development programmes and enrich their career and skills.
- Increasing the number of women in the most senior positions within the company.

2) Hiring

- Continue with our external recruitment commitments to attract female talent into our organisation.
- Where the Vegner Group needs to recruit externally for roles that have salaries in excess of £50,000, females should be targeted to provide a gender-biased pool by our partners Randstad.
- Our aim is to achieve a 70% target of female hires at this level in the next 4 years.

3) Supporting Families

- Continue to help our colleagues find work-life balance with our external recruitment commitments on attracting female talent into our organisation.
- Flexibility in our working patterns and locations.
- Embracing encouraging returnships, where women who choose to leave the Vegner Group for a career break are actively engaged in returning to work.

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2023

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Long-term strategy on ethnicity

In line with our previous experiences with the Gender Pay Gap, we realise that there is no quick fix. In addition, we know that the only area that needs to be addressed is increasing the appointments of BAME staff into senior/technical roles within quartile 1 of our pay structure.

Our aim is to achieve a 50:50 race balance by 2035 (within a 5% tolerance). To help achieve this aim, the following objectives remain:

1) Leadership

Accelerating our talented ethnic minority colleagues to the top table.

- Existing BAME talent within the Vegner Group is identified and encouraged to undertake set development programmes and enrich their career and skills
- Increasing the number of BAME employees in the most senior positions within the company

2) Hiring

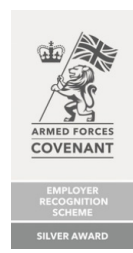
Continue with our external recruitment commitments on attracting BAME talent into our organisation.

- Where Vegner needs to recruit externally for roles that have salaries in excess of £50,000, that BAME should be targeted to provide an ethnic biased pool by our partners Randstad
- Our aim is to achieve a 70% target of BAME hires at this level in the next 10 years

3) Race at Work Charter

We will continue our work within the Race at Work Charter.

- One of the key charter commitments is to capture ethnicity data and publicise our progress
- Continue to voluntarily publish our Ethnicity Pay Gap report



Director Declaration

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap information) regulations 2017.

The calculation methodology and the figures within the report have been verified, and I can confirm that they are accurate.



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Vegner Group Ltd