

Pay gap report 2020

Introduction

At Guinness, we are committed to creating an inclusive work environment and culture where our employees can achieve their full potential - and in so doing, help us realise our vision to improve the lives of our customers.

Our workforce is diverse and we provide equal opportunities for all our employees. Our ability to do this relies on our openness and our commitment to hold ourselves to account.

We welcome gender pay gap reporting and what it sets out to achieve. We see the completeness and accuracy of data as an enabler for change across UK businesses. This is why from this year, we are also publishing our Ethnicity Pay Gap as part of our Anti-Racism Action Plan.

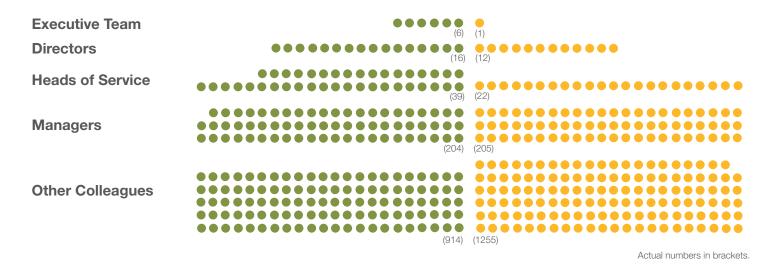
This report is about our pay gaps. Our website also provides detailed information on Diversity & Inclusion such as our Strategy and our Monitoring Reports. These contain graphs showing gender and ethnicity information that can be read in conjunction with this pay gap report.

What is the gender pay gap?

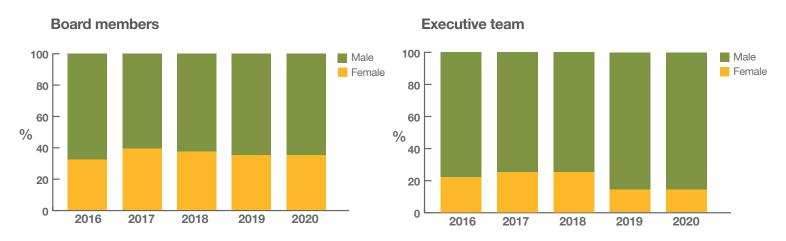
The gender pay gap is a measure of the difference between the average pay of men and women across an organisation, and all UK companies with 250 or more employees are required to publish specific gender pay information.

The gender pay gap is not the same as equal pay. Equal Pay relates to paying people of all genders equally for doing the same or equivalent work. An employer maintaining equal pay can still have a gender pay gap, as the gender pay gap can be influenced by the make-up of the workforce, such as having a higher proportion of men or women in certain roles, including where those roles are higher paid.

Gender distribution by grade



Gender representation at senior levels in our organisation



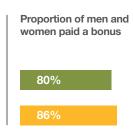
Headline gender pay gap figures for The Guinness Partnership Limited

How are we doing?

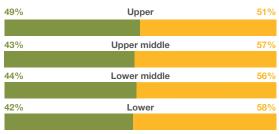
The graphics below show our overall mean and median gender pay gap and bonus pay gap based on hourly rates of pay as at 5 April 2020 and bonuses paid in the 12 months up to that date. A positive value indicates the gap is in favour of men.

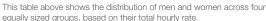
Gender pay gap and bonus pay gap





Pay quartiles by gender







What do we think about our gender pay gap?

Our gender pay gap compares well to national benchmarks, although some figures have increased year on year and other figures are improving year on year. For comparison, the 2020 UK-wide figures from the Office for National Statistics show the mean and median gender pay gap for the whole economy of 14.6% and 15.5% respectively.

What we already do to ensure fairness and equality

Guinness has processes in place to ensure our approach to paying and rewarding our people is consistent and fair, and to ensure our employees are treated equally. We:

- Have a clear and transparent job family and pay framework covering all roles and employees
- Have a robust approach to job evaluation we evaluate all new roles, and changes to existing roles, to ensure market alignment and proper internal relativity
- · Carry out pay and benefits audits and benchmarking
- Offer our employees a wide range of flexible working options, including flexible working hours, part-time working, job sharing, and home working
- Have a comprehensive suite of policies to help support and retain employees with caring responsibilities
- Offer comprehensive training for our managers including recruitment and selection, diversity and inclusion, and unconscious bias awareness as well as general management training
- Perform a rigorous review of bonus and performance pay allocations

What will we do more of?

Our pay gap is significantly a function of the types of roles men and women more frequently work in - occupational gender bias - and the salaries these roles attract within the job market.

We recognise that we need to fully understand any barriers in order for us to take action to reduce our pay gap further. This is why we will continue to closely monitor and analyse several important areas:

- The recruitment, development and promotion of our people
- The numbers of men and women in roles and pay bands, their performance review ratings and bonus frequency
- The overall take-up of flexible working arrangements
- The reasons people leave and the roles they go on to

We also have a number of initiatives that encourage people to consider developing skills or pursuing careers that they may not have previously felt they could, particularly those in which occupational gender bias is most commonly found.

In the last year we have taken part in and led on various initiatives to redress both the gender and ethnicity pay gaps. These include our Women into Maintenance and Men into Care programmes to increase representation in both Guinness Care and Guinness Property.

Our People Strategy and our Diversity & Inclusion Strategy both reflect our commitment to an inclusive culture and increasing diversity in all areas of our business. These form part of our overall five year Guinness 2023 Strategy. Our vision is for Guinness to deliver great service, provide great homes, be a great place to work and be a great business.

What does this information mean for Guinness?

We know that minimising the gender pay gap is an important aspect of ensuring our employees feel equally valued and are able to realise their potential within a supportive and diverse organisation. We will continue to challenge how we do things and pursue plans and initiatives that enable everyone to succeed and progress at Guinness. This is vital to ensuring the future success of our organisation and our people.

Catriona Simons

Signed,

Group Chief Executive

2018 - 2023
Our People Strategy

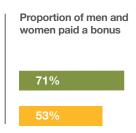


Headline gender pay gap figures for City Response Limited, trading as Guinness Property

City Response Limited, trading as Guinness Property, is responsible for the repair and maintenance of 70% of the Guinness's properties. Women are under-represented in our repairs business as they are across the repairs and construction sectors. We are taking specific action to address this in Guinness Property.

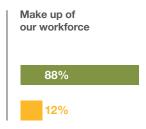
Gender pay gap and bonus pay gap





Pay quartiles by gender





This table above shows the distribution of men and women across four equally sized groups, based on their total hourly rate.

I confirm this information is correct. Signed,



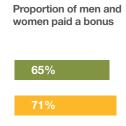
lan Joynson, Executive Director, City Response Limited

Headline gender pay gap figures for Guinness Care and Support Limited, trading as Guinness Care

Guinness Care and Support Limited, trading as Guinness Care provides care and support services to customers across the UK, including those living in Guinness's sheltered and extra care accommodation.

Gender pay gap and bonus pay gap





Pay quartiles by gender



Make up of our workforce
16%

This table above shows the distribution of men and women across four equally sized groups, based on their total hourly rate.

I confirm this information is correct. Signed,





Paul Watson, Managing Director, Guinness Care and Support Limited

Ethnicity pay gap

This year as part of Guinness's Anti-Racism Action Plan we are publishing our Ethnicity Pay Gap. As there is currently no legislation governing the Ethnicity Pay Gap calculation, like other employers who publish ethnicity pay gap reports, we have used the Gender Pay Gap methodology.

One challenge with measuring the Ethnicity Pay Gap is disclosure of employees' ethnicities, which has historically been lower than disclosure of some other protected characteristics. Guinness had data for 81% of those employed at April 2020. Our recent focus on this area means we now have 92% of current employees' ethnicities recorded.

The consolidation of all ethnic minorities for reporting purposes provides a single, easy to understand ethnicity pay gap figure, but is an oversimplification, which does not adequately reflect pay gaps for specific ethnic minority groups. We have calculated the pay gap for all ethnic groups, within our employee population where sample sizes are sufficient for these calculations to be meaningful and so we are also publishing this information.

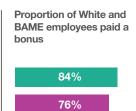
For the purposes of reporting, from time to time we use the acronym BAME to refer to Black, Asian and Minority Ethnic people. BAME also includes White colleagues who identify as being from minority backgrounds. When we use the term White, this includes colleagues who are White and do not identify as being from a minority background.

A positive value indicates there is a gap in favour of White employees and a negative value indicates a gap in favour of ethnic minority employees.

Ethnicity pay and bonus pay gaps

The Guinness Partnership (TGPL)

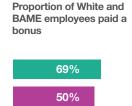






Guinness Property (GP)





Guinness Care (GC)





Group overall





Ethnicity pay and bonus pay gaps by ethnicities with most prevalent representation in our workforce

Black





Asian





Mixed and multiple ethnicity





Overall pay quartiles for White and Black, Asian and Minority Ethnic employees



This table above shows the distribution of ethnicities across four equally sized groups, based on their total hourly rate.

Guinness ethnicity pay quartiles (White and Black, Asian and Minority Ethnic employees)

Quartile	TGPL		GP		GC		Overall	
	White	BAME	White	BAME	White	BAME	White	BAME
% Upper Quartile	80	11	85	4	82	4	82	8
% Upper Middle	80	12	83	4	82	6	81	10
% Lower Middle	71	19	90	3	60	6	74	14
% Lower Quartile	69	16	86	5	56	3	70	12
% All employees	75	14	86	4	70	5	77	11

The quartile splits do not add up to 100% due to non-disclosure.

What do we think about our ethnicity pay gap?

We are encouraged by low pay gap figures in Guinness Property and overall but would like the ethnicity pay gap results for TGPL and Guinness Care to be closer to zero. For comparison, the latest figures from the Office for National Statistics show a median ethnicity pay gap of 2.3% for England and Wales.

What we are already doing to promote diversity and inclusion

To encourage equity with our ethnic minority colleagues we have, as part of UNIFY the housing sector BAME network developed and encouraged colleagues to take part in the Leadership Now programme. We also led on the development of the Future Leaders Programme with five other housing associations and Imperial Business School to start in the autumn of 2021 and taken part in other industry opportunities such as the Future of London's Emerging Talent Programme and the Housing Diversity Network Mentoring programme to name a few.

In recruitment we monitor and ensure all shortlists, in particular those for senior roles, are diverse and that selection methods are varied to allow all candidates the opportunity to display their competence in various ways. All managers are required to complete unconscious bias training every year and all hiring managers are required to undertake our internal recruitment and selection training, which also emphasises the importance of being aware of their own biases.

This, supported by regular reporting on our employee lifecycle data which includes applications, appointment and promotions, allows us to identify and further investigate where necessary any areas where there may be issues of concern.

Guinness has taken a proactive stance during 2020 in support of Black Lives Matter and our Anti-Racism Statement and Action Plan demonstrate our strong commitment to improving Diversity & Inclusion. Our Anti-Racism Statement and a summary of progress are shown on the next few pages.



Anti-Racism Statement

We are pleased to be publishing this statement of our commitment to anti-racism in the UK. As a major employer in the housing sector it is fundamental to us that every single person who is part of our organisation feels that they belong, and that our culture is truly inclusive for all.

Over the last three months we have held a number of conversations with colleagues about race and ethnicity. We are grateful to our Black, Asian and Minority Ethnic colleagues for their openness and honesty in sharing their experiences of discrimination, both growing up in UK society, or immigrating to the UK, as well as any experiences they have had in the workplace.

We are proud of the diversity of our workforce. This is the best possible evidence of our inclusive culture, and we're proud that in our 2020 employee survey, we saw no differences in engagement across our workforce demographics. However Black, Asian and Minority Ethnic colleagues are underrepresented in the more senior tiers of our workforce and part of the commitment we outline below is about addressing this. But it goes further, and it goes beyond the workplace. Research shows that in the UK, the outcomes for ethnic minorities are significantly worse than those of White British origin. This is true in education, employment, housing, the criminal justice system and in healthcare.* This is why our commitment must go beyond the workplace.

We hope, as a national organisation employing nearly 3,000 people, that the actions we take will have a wider impact in society.

This is our commitment. We will:

- Recognise the differences between our ethnic minorities by only using the term BAME where different population sizes are not statistically significant.
- Publish our ethnicity pay gap data annually from 2021.
- Set a target to increase the Black, Asian and Minority Ethnic composition of our Board and Leadership Team to 20% by 2025 - reflecting the communities we recruit in.
- Set a target of at least 20% Black, Asian and Minority Ethnic recruits for our apprenticeships and graduate schemes by 2025 – again reflecting the communities we recruit in.
- Review our internal practices, procedures and data to ensure we are consistent and fair at all stages of the employee lifecycle.
- Promote the representation of Black, Asian and Minority Ethnic colleagues on our learning and development programmes.
- Develop a race fluency toolkit to promote open and constructive dialogue and provide a safe space for colleagues to educate and equip themselves with the tools and information needed to increase understanding across our workforce.
- Encourage the appointment of Black, Asian and Minority Ethnic businesses in our supply chain to reflect the communities we serve.
- Ensure our supply chain subscribes to our values and actively evidences this in policies and practices.
 Where necessary will assist them in this.

We will regularly measure our progress against these commitments.

Guinness was founded in 1890 to improve people's lives and create possibilities for them. This purpose underpins our commitment and is reflected in our D&I Strategy, everyone, and our decision to create and publish a formal Anti-Racism Statement.



Neil Braithwaite
Chair of the Board



Catriona Simons
Group Chief Executive

Annalisa Langton
Head of Engagement
and Diversity

*In education, Black students are twice as likely to be permanently excluded from school as White students. In employment, 1/25 White households are unemployed as opposed to 2/5 Bangladeshi households. In housing, 30% of Bangladeshi and Pakistani people live in deprived neighbourhoods as opposed to 4% of White British people. With regards to policing, ethnic minority youths are three times as likely to be tasered as White youths, and in the criminal justice system Black and Asian prisoners on average serve longer sentences than White prisoners for the same offences. In health, Black women are five times as likely to die in childbirth or due to complications as White women. (Source - Race Disparity Audit, March 2018, published by the Cabinet Office).

September 2020

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