

JUST GROUP PLC ETHNICITY PAY GAP REPORT APRIL 2022 TO APRIL 2023

We are committed to ensuring that Just is a great place to work with a culture built on diversity, equity, inclusion and belonging (DEIB). Although there is not yet a legal requirement to publish our ethnicity pay gap, we believe it is the right thing to do, alongside action to address any imbalances and under-representation of diverse groups at senior levels. This year we publish our ethnicity pay gap analysis for the third time. We are focused on increasing our diversity and strengthening our inclusive culture.

UNDERSTANDING THE PAY GAP ANALYSIS

At Just we use census categories to collect our ethnicity data and from 2020, we have had good response rates of c.78% following concerted campaigns to collect ethnicity data. For the purposes of this analysis, we have used the categorisation Black, Asian and minority ethnic (BAME) for ethnically diverse colleagues at Just.

It is important to understand the distinction between the pay gap and equal pay. Whilst the pay gap is the difference in the average pay of White and Black, Asian and minority ethnic groups across the organisation, equal pay shows the difference in pay between these groups doing like-for-like or similar work. It is unlawful to discriminate directly or indirectly in all aspects of employment including recruitment, promotion, opportunities for training, pay and benefits.

In this report for the year April 2022-April 2023 we have included in the analysis for the first time our colleagues in Northern Ireland, in alignment with our gender pay gap reporting.

In this report the pay gap is based on hourly pay as at April 2023. The bonus gap is based on bonuses/any shares sold/dividend equivalents paid in the 12 months preceding April 2023.

What are the typical causes of the ethnicity pay gap in the UK?*

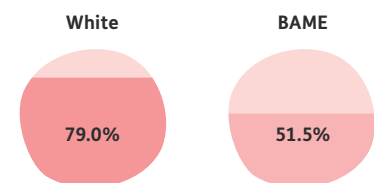
- A higher concentration of Black, Asian and minority ethnic people work in lower skilled and part-time jobs, which pay less than their skilled and full-time counterparts on average
- Barriers getting into and progressing at work – people from Black, Asian and minority ethnic groups are still less likely to progress up the career ladder into senior roles

*EHRC pay gaps: Equality and Human Rights Commission, 2017.

ETHNICITY PAY & BONUS GAP

Difference between White and BAME employees	Median	Change on 2022	Mean	Change on 2022
Ethnicity Hourly Pay Gap	-20.2%	-22.7%	0.5%	-8.5%
Ethnicity Bonus Gap ¹	1.5%	-14.9%	41.4%	10.7%

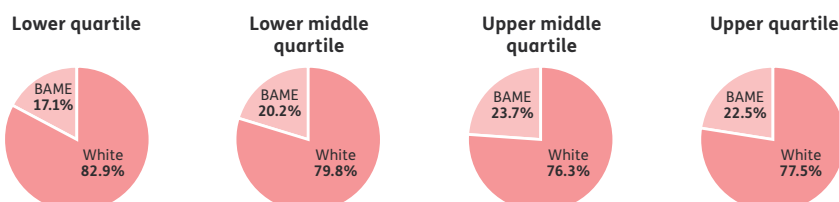
PROPORTION OF EMPLOYEES RECEIVING A BONUS²



¹ Includes only those eligible to receive a bonus based on their start date

² Includes all employees who disclosed their ethnicity, whether eligible or not based on their start date

PAY QUANTILES ACROSS UK EMPLOYEES IN JUST



BEING JUST

- Our latest ethnicity pay gap data for the year to April 2023 shows no significant mean hourly pay gap as at April 2023 (similar to our last report) and a median hourly pay gap of 20% in favour of colleagues from a Black, Asian and minority ethnic background. The negative median hourly pay gap (i.e. median pay for Black, Asian and minority ethnic employees is higher than White employees) arises because a significant proportion of colleagues from a Black, Asian and minority ethnic background are in more highly paid job roles.
- The median bonus gap for the year to April 2023 is balanced; however, there was a significant mean bonus gap of 41.4%, with White colleagues earning a higher bonus than colleagues from a Black, Asian and minority ethnic background. This was largely due to some underrepresentation of colleagues from a Black, Asian and minority ethnic background in our more senior positions where there is eligibility for RSU and LTIP awards.
- 100% of eligible employees which disclosed their ethnicity received a bonus between April 2022 and March 2023. The proportion of employees receiving a bonus between April 2022 and March 2023 (in most cases that is the annual bonus received in April 2022) is therefore the proportion of employees eligible to receive a bonus due to their start date.
- Our analysis shows there is no bias in our recruitment or promotion process.

WHAT ARE WE DOING ABOUT THE ETHNICITY PAY GAP?

Although we have no significant mean hourly pay gap, we know that underrepresentation of Black, Asian and minority ethnic colleagues at our very senior levels contributes to our mean bonus gap and we continue to work on addressing this. This challenge is mirrored across the insurance sector. The Association of British Insurers (ABI) reports¹ that Black, Asian and minority ethnic employees make up 10% of people at a total organisation level in the insurance and long-term savings industry and at Board level the proportion drops to 6%, although that has increased from 2% in 2021. (UK population as a whole is now 18% Black, Asian and minority ethnic in the 2021 census²).

Progress is being made. According to the Parker Review update 2023³, as of December 2022, the FTSE 100 had 96 companies with at least one ethnic minority director. In the FTSE 250, the number of companies with ethnic minority directors continues to grow, reaching at least 60% at the end of 2022 – with two years remaining to hit the 2024 target for each to have at least one ethnic minority director. This shows encouraging progress but there is clearly more work to do.

Our Board has pledged to build a culture at Just which has diversity, equity, inclusion and belonging (DEIB) at its core. We recognise and embrace the benefits of a diverse workforce across all aspects of diversity, including gender, race, sexual orientation, skills, knowledge, experience, education, age, personality and work style. We know that having a diverse, talented workforce with people from different backgrounds with different experiences will help us to succeed, innovate and better serve our customers now and into the future.

Our CEO, David Richardson, is our Executive sponsor for DEIB and has driven initiatives to build a truly inclusive culture at Just. In October 2020, we signed up to the Race at Work Charter. As part of this commitment, we set ourselves the target of 15% Black, Asian and minority ethnic representation in senior roles by the end of 2024, in line with what was 2011 UK census data. As at November 2023, we have 19% Black, Asian and minority ethnic representation at these levels. As part of our DEIB strategy and plans, we are taking a wide range of actions to raise the awareness of our DEIB agenda within Just, support the development of our diverse talent, align diversity goals with senior level accountabilities and attract and hire diverse talent at senior levels in Just. Examples of these actions are given below.

Raising awareness and inclusive leadership

- We continue to use opportunities to actively raise awareness of DEIB within Just through a variety of communications channels, including leadership and employee blogs and hosting sessions on diversity-related topics, such as Black History Month, disability and neurodiversity and social mobility.
- We have now completed the second year of our reciprocal mentoring programme, where participants from Black, Asian and minority ethnic backgrounds are partnered with Executive Committee members to share perspectives and increase understanding and awareness.

Supporting the growth and development of our Black, Asian and minority ethnic talent

- We have now completed the third year of our Executive sponsorship programme which supports our female and Black, Asian and minority ethnic talent. Participants are paired with a member of our Executive Committee over a nine month period and receive sponsorship and career advice to help them progress their career.
- We run Talent Reviews on an annual basis. These are focused on identifying diverse talent and help us through regular people meetings within the business to support and develop our Black, Asian and minority ethnic talent through development planning and identifying opportunities such as internal moves, strategic assignments and stretch projects, as well as promotion opportunities.

Aligning diversity objectives with senior level accountabilities

- Each Executive takes part in our reciprocal mentoring programme and is mentored by a more junior participant from a diverse (including ethnicity) background, meeting regularly over the course of nine months with the aim of increasing mutual understanding of different issues and building allyship.

Attracting, hiring and monitoring diverse talent

- Our recruitment team work proactively with hiring managers to identify balanced candidate longlists and shortlists. In order to ensure that our recruitment processes are fair, objective and consistent, we use structured interview guides and psychometrics, with support materials and briefings for hiring managers. We also check the language on all of our job adverts for bias. These types of tools have been shown to improve the quality of hiring decisions and reduce the impact of unconscious bias.
- As well as supporting the development of our internal Black, Asian and minority ethnic talent, we are also focused on ensuring that we have more ethnically diverse shortlists when hiring into key technical and leadership positions, including Board level roles.
- We will monitor closely across all of our employee lifecycle stages, reviewing for example time to promotion, access to development opportunities and exit data to ensure there is no adverse impact on different groups.

1. ABI data, 2023.
 2. [Census data 2021](#).
 3. [Improving the Ethnicity Diversity of UK Business: An update report from The Parker Review, 2023](#).

We report our figures for the businesses that make up Just Group plc – Just Retirement Management Services Ltd. Please note we are no longer required to report specifically on Partnership Services Ltd as their headcount is less than 250, but they are included in our total figures. The tables below present the historical Ethnicity Pay data for 2021/2022 for comparative purposes.

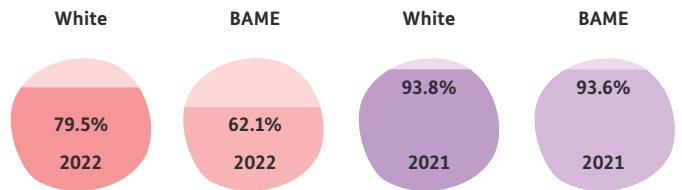
JUST GROUP (2021/2022) (EXCLUDES OUR NORTHERN IRELAND DATA)

ETHNICITY PAY & BONUS GAP

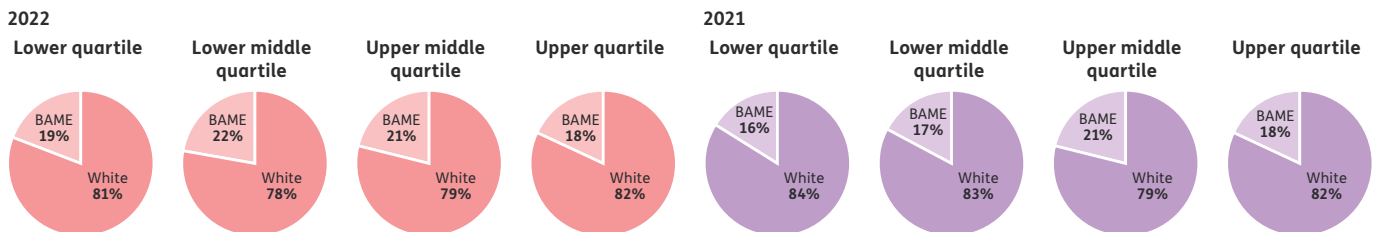
Difference between White and BAME employees	Median 2022	Median 2021	Mean 2022	Mean 2021
Ethnicity Hourly Pay Gap	2.5%	-9.8%	9.0%	6.7%
Ethnicity Bonus Gap ¹	16.4%	3.8%	30.7%	-2.4%

¹Includes only those eligible to receive a bonus based on their start date.
²Includes all employees who disclosed their ethnicity, whether eligible or not based on their start date

PROPORTION OF EMPLOYEES RECEIVING A BONUS² 2021/2022



PAY QUANTILES ACROSS UK EMPLOYEES



Declaration

We confirm that Just Group plc’s pay gap calculations are accurate and meet the requirements of the regulations.

David Richardson, Group CEO, Just Group plc