

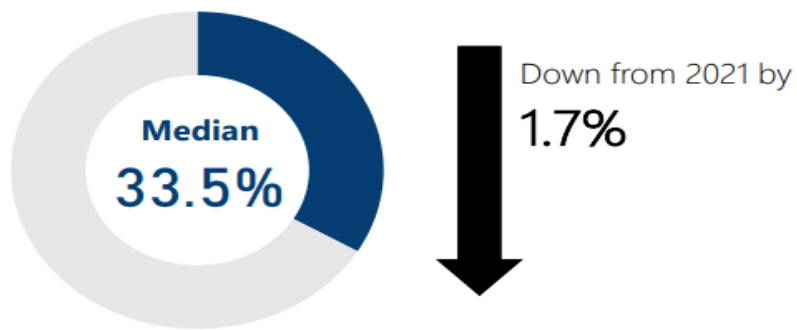
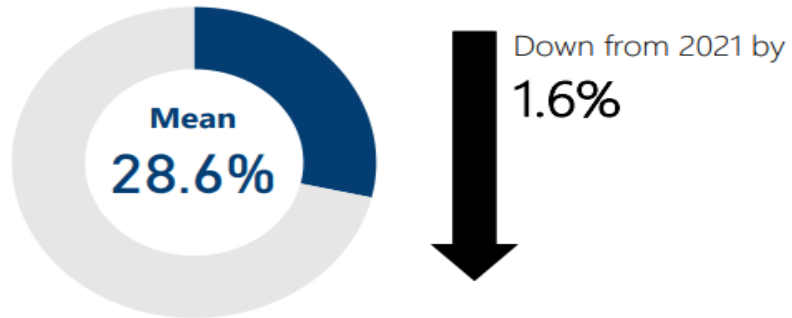


CAA Pay Gap Report

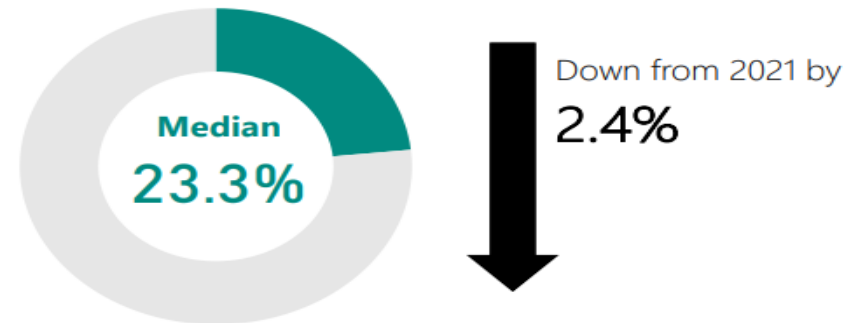
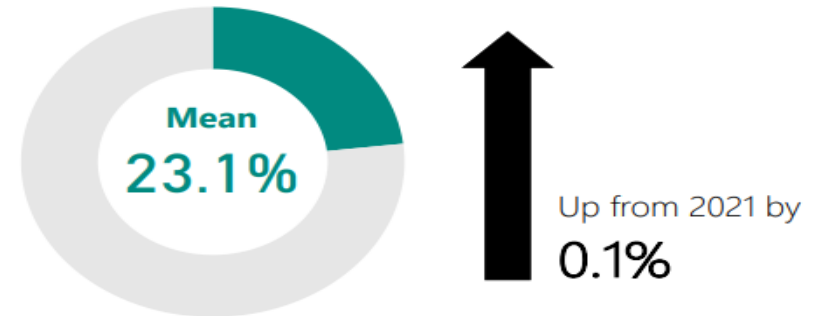
November 2022

Pay Gaps at a Glance as at 31 March 2022

Gender Pay Gap



Ethnicity Pay Gap



Introducing our 2022 Pay Gap Report

Pay gap reporting highlights the value and importance of our continued drive to promote diversity and inclusion. By tracking these changes, we are able to monitor progress and identify areas where we can continue to improve.

Our challenge remains constant – in order to continue to reduce our pay gaps we need to continue to grow representation across all roles, but in particular in our senior roles.

Last year saw the release of our new three-year Diversity and Inclusion Strategy and action plan including the introduction of aspirational goals for increasing representation of females and ethnic minorities at senior levels. Although it is early days, the data showing the distribution of colleagues across our different pay quarters, points towards progress in this area. --Alison Naylor, Interim People Director

A foreword from Paul Smith, our Executive Diversity & Inclusion Sponsor and our Group Director, Consumers and Markets

This is our sixth gender pay gap report. This year our Mean and Median continued to improve (by 1.6% and 1.7%, respectively), but we remain committed to addressing the pay gap further and are focused on making sure the actions we have in place to do this are as effective as possible. This includes work to ensure more female representation in senior roles across the organisation. You can read more on our ongoing commitment at the end of this report.

Our commitment to greater transparency remains steadfast and for the second consecutive year we have published an ethnicity pay gap report. While our Mean Ethnicity Pay Gap has increased slightly (by 0.1%), our Median Ethnicity Pay Gap improved (by 2.4%). These figures show that there is still much more we must do to ensure minority ethnic colleagues are represented at all levels across the CAA, particularly in senior roles. The push to see this positive change throughout the organisation continues.

And while there is a lot of hard work underway to address both these areas we must – and will – do more.



Paul Smith

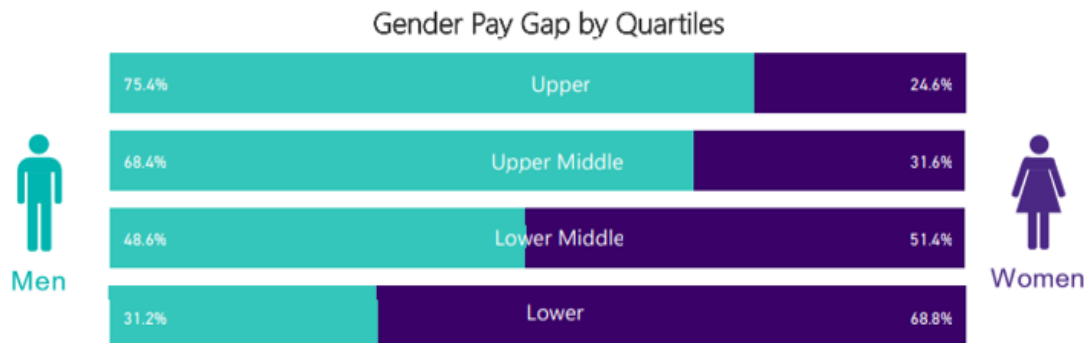
Mean and Median Gender Pay and Bonus Gaps

Our Mean Gender Pay Gap is 28.6% and our Median is 33.5%. From our first report in 2017, we continue to see year-on-year improvements, but we still have much work ahead of us and remain committed to reducing our pay gaps further still.

	March 2022	March 2021	March 2017
Mean	28.6%	30.2%	34%
Median	33.5%	35.2%	41.6%

Our Gender Pay Gap by Quarters

To address our pay gap, we need to continue to see an increase in female representation at senior levels of our organisation. From our last report, we have seen an increase in female representation in our upper quarter (+1.9%). An increase in male representation (+2.9%) at our lower quarter also supports reducing our pay gap.



Mean and Median Gender Bonus Gap

Bonuses are not a major feature of our reward packages. This year we paid a cash bonus of £750 to all eligible colleagues resulting in a Median Gender Bonus Gap of 0.0%. Fewer than five colleagues received an additional payment fitting the definition of bonus for Gender Pay reporting purposes. These were in recognition of achieving professional milestones and had a very minor impact on our Mean Bonus Gap. The main factor in our Mean Bonus Gap was the £750 paid to most colleagues. As can be seen from our Gender Pay Gap by Quarters, men are more likely than women to occupy our more senior (higher paid) roles. Consequently, £750 is a lower percentage of men's pay than women's pay, hence the Mean Gender Bonus Gap.

Percentage of Relevant Employees Receiving Bonus Pay

82.2% Men 88.5% Women

Bonus Pay Gap

-1.91% Mean 0.00% Median

Mean and Median Ethnicity Pay and Bonus Gaps

Our Mean Ethnicity Pay Gap is 23.1% and our Median is 23.3%. This shows that, from our first report in 2021, the Mean has increased by 0.1% and the Median has reduced by 2.4%. While any increase in our Pay Gaps is not what we want to see, we are confident that 0.1% is not statistically significant and is due to improved data in terms of quality, volume and spread. Given these Pay Gap figures, we still have a way to go to achieve numbers more reflective of what we want for our organisation. Embedding this work in a sustainable way and improving our data takes time, and we are committed to reducing our Pay Gaps further.

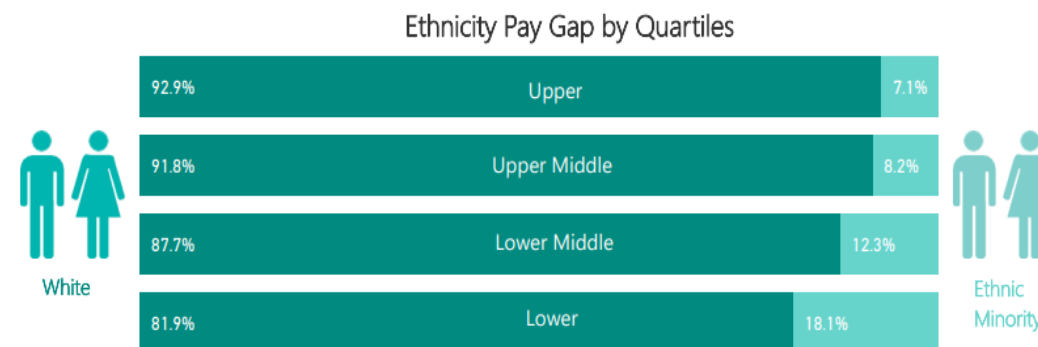
	March 2022	March 2021	March 2020
Mean	23.1%	23.0%	28.1%
Median	23.3%	25.7%	26.6%

Our Ethnicity Pay Gap by Quarters

To address our pay gap we need to see sustained increase in the representation of minority ethnic colleagues at senior levels of our organisation. From our last report, we have seen an increase in our upper quarter (+1.0%) and a decrease (-1.6%) in our upper middle quarter.

A similar pattern exists in the lower two quarters where representation has increased (+0.8%) in the lower middle quarter and decreased (-2.0%) in the lower quarter.

One of our focuses has been on improving the percentage of colleagues self-declaring their ethnicity as this helps us to have greater confidence in how representative our pay gap data is and to ensure that we put the right actions in place to address any gaps.



Mean and Median Ethnicity Bonus Gap

The cash bonus of £750 to all eligible colleagues and the additional payments to fewer than five colleagues resulted in a Median Bonus Gap of 0.0% and a Mean Bonus Gap of 2.2%.

89.3% of colleagues who self-identify as minority ethnic met the eligibility criteria for the cash bonus compared to 87.6% of colleagues who self-identify as white.

Our ongoing commitment to closing our pay gaps

This year has seen continued dedication from our D&I Board and colleague networks to make a tangible difference to the experience of our colleagues and progress against our targets. To build a truly inclusive culture requires focus, building on success and learning from others. We are proud of a number of initiatives that have helped us this year:

- In light of increased recruitment projections for the year, we appointed a Head of Talent Acquisition with the clear priority of ensuring our recruitment processes and approach delivered on our diversity agenda. Early wins include creating a group of brand ambassadors, and more accessible video recruitment and assessment techniques. This has seen an increase of 12 per cent in diversity metrics for applicants.
- We have continued our work to increase our declaration rates for ethnicity but also working with colleagues on declaration rates for disability, faith, sexual orientation and social mobility data – establishing clear data sets has proved a critical part of our approach to ethnicity targets
- We published our targets for representation in our senior roles and have continued to provide regular data to groups to inform changes to recruitment strategies
- We completed the roll out of our very well received Respect Campaign, aligned with training and deploying our Respect Ambassadors representing each group in the organisation.

We have a clear plan under our three-year Diversity & Inclusion strategy and continue to monitor progress at Executive Committee and Board level, including the targets sitting as a core deliverable of all Executive Committee objectives and remuneration.

Notes on Methodology

Our statutory gender pay gap reporting under the Regulations is based on an overall average across all roles and seniorities at the snapshot date 31 March 2022. For more information on methodology, please see: [Making your gender pay gap calculations - GOV.UK \(www.gov.uk\)](https://www.gov.uk/making-your-gender-pay-gap-calculations)

We used the same methodology when calculating our ethnicity pay gaps. At the snapshot date, our minority ethnic population accounted for 10.8% of our workforce based on 87.2% of colleagues self-identifying their ethnicity. By comparison, our March 2021 report was based on our minority ethnic population being 9.24% of our workforce (77.9% of our population had self-identified their ethnicity at that time).

We appreciate reporting on ethnicity and gender pay gaps is binary in nature. It groups colleagues as opposed to appreciating the varied experiences of colleagues from different backgrounds. It does not factor into its analysis intersectionality. However, by publishing this report we are reinforcing our commitment to greater transparency; it is a positive driver for change

		Third Report	Fourth Report	Fifth Report	Sixth Report
Publication deadline		30 March 2020	30 March 2021	30 March 2022	30 March 2023
Pay Gap	Snapshot date:	31 March 2019	31 March 2020	31 March 2021	31 March 2022
Bonus Gap	Bonuses paid in period:	1 April 2018 to 31 March 2019	1 April 2019 to 31 March 2020	1 April 2020 to 31 March 2021	1 April 2021 to 31 March 2022

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