



Gender pay gap *report 2022*

New Day



A foreword from *our Chief Executive Officer*

The concept of 'moving forward' drives our business, and we're committed to improving our gender pay gap. In 2022, our gap was 35% – a small improvement from last year's report (2021: 37%). Our ambition is to close this gap.

There are two drivers for today's gap. Female representation in senior leader positions at NewDay is lower than in entry-level positions. We also continue to hire extensively for specialist digital, technology and data roles, where market salaries are higher than the norm and the available candidate pool skews towards men rather than women.

To tackle the first driver, we're taking clear action by working towards a goal to increase female representation in senior leadership from 29% to 40% within five years. To achieve this, we'll continue to focus actively on recruitment and creating opportunities through internal mobility to enable more women to progress at NewDay. We have processes in place that minimise any bias in our external and internal hiring.

NewDay is an inclusive place for our colleagues to work. For parents and carers, this includes enhanced family leave, wellbeing programmes and our flexible hybrid working policy. In our latest engagement survey, 93% of colleagues told us that they value the work/life balance that our hybrid working policy helps them to create. Our overall inclusion and diversity index is at 82%, with the wellbeing index at 82% too.

Our business growth strategy relies on technology talent, and the reduced diversity of talent in the candidate pool and the imbalanced talent pipeline are more challenging to resolve. As an example of our commitment, colleagues in our technology team have created a new partnership with Stemettes, a non-profit enterprise that opens up opportunities for girls and young women to consider science, technology, engineering and maths (STEM) careers. As CEO, I'm pleased to back this important initiative.

We're proud to be a place where people with different styles, experience and backgrounds thrive and make their mark. In our 2022 engagement survey, 88% told us that they see and experience this in action, every day. It's backed up by performance data: across NewDay, women colleagues are more engaged and more likely to stay. We assess gender-equivalent roles twice a year to ensure there's no gap.

I confirm that the published information is accurate.

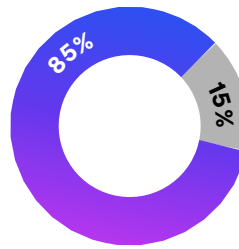
John Hourican
Chief Executive Officer

NewDay results 2022

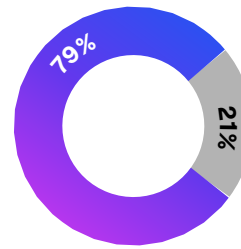
Pay difference between men and women

Our mean gender pay gap is 35%.

	Mean	Median
Pay gap	35%	47%
Bonus gap	66%	61%



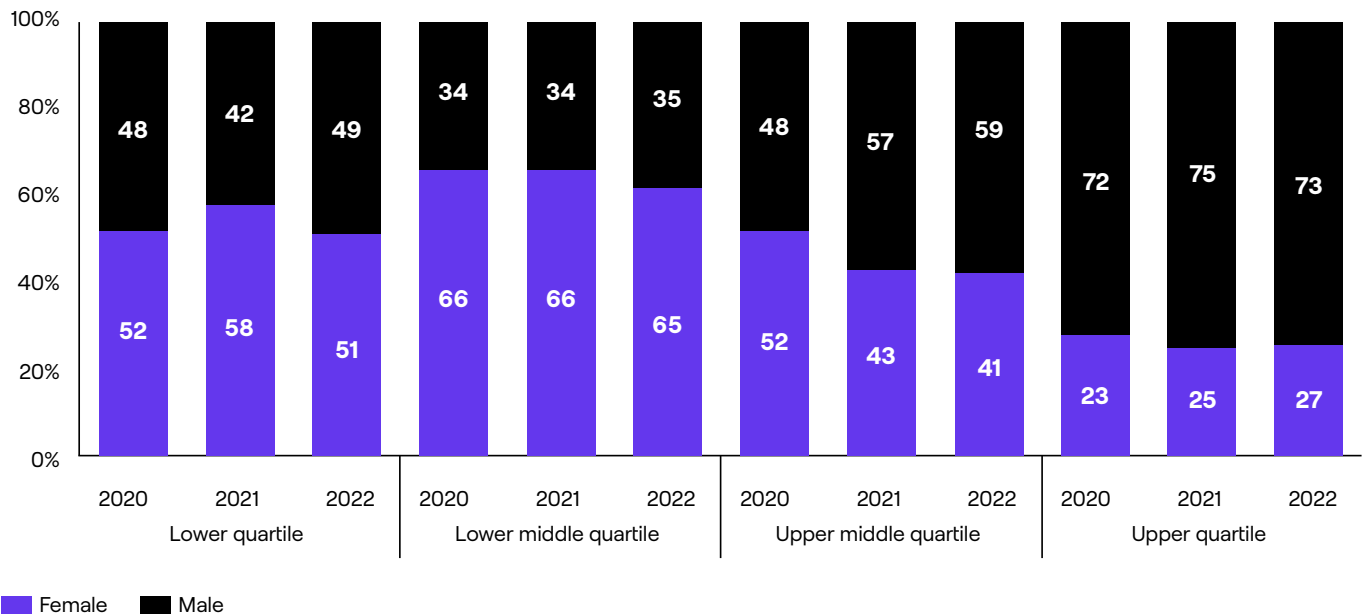
Bonus pay for female colleagues



Bonus pay for male colleagues

■ Bonus
■ No bonus

Gender split by pay quartile



Why does NewDay have *a gender pay gap?*

Our gender pay gap is predominantly due to a lower representation of women at the leadership level. But the nature of our business, with a range of entry-level roles, part-time working as well as technical-specialist roles and contact-centre roles, means we also have this dynamic to consider.

There's a higher proportion of women in the two lower quartiles. Many of these roles are in our contact centre, which are important roles to NewDay and to the local community, as they provide employment for colleagues who want to work flexibly around their families and service our customers.

Our conscious effort in recruiting and promoting women to senior positions is reflected not only in our reduced pay gap, but also in the increased proportion of women in the upper quartile, which changed from 25% in 2021 to 27% in 2022.

Gender bonus pay

The bonus pay gap is again explained by the low proportion of women in senior, higher-paid jobs at NewDay. This remains high at 61%.

However, more women than men received a bonus payment in 2022. The bonus scheme is gender-neutral, as the same rules and eligibility criteria are applied to everyone.



How do we *work out the gap?*

Companies with over 250 colleagues are legally required to publish a snapshot of their gender pay gap each year. The numbers we publish here are based on a snapshot of NewDay colleagues' pay on 5 April 2022. Our data points are calculated using the methodology set out in the gender pay gap reporting legislation.

The gender pay gap is the difference in the average hourly pay and bonus pay paid to men and women across our entire organisation – it

doesn't directly compare people or groups carrying out the same or similar roles.

The mean (or average) is the sum of all hourly rates or the sum of all bonus payments paid, divided by the number of relevant employees.

The median number is the middle figure when the hourly rates or the bonus payments paid to all colleagues are listed in order from highest to lowest.

Our *focus*

We're committed to our goal of increasing the representation of women among our 100 most senior NewDay employees to 40% by 2026. This will contribute to a reduction in our gender pay gap by achieving better gender representation at senior levels. Our programme includes:

- Continuing to promote our flexible, hybrid working model – NewWork. This gives all colleagues the flexibility to work half their time in the office and the rest at home
- Investing in engagement and D&I programmes for all colleagues to participate in. Our Inclusion Network continues to drive meaningful engagement and dialogue through a broad events programme
- Continuing to improve our recruitment processes, to encourage diverse shortlists for all roles. We use software to create balanced role profiles that are gender-neutral in tone and reduce bias
- Asking all colleagues to complete mandatory inclusion awareness training to reflect our values and encourage all of our colleagues to be themselves at work
- Offering a competitive family leave package that is attractive to women who are parents or planning to be parents



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