

Gender Pay Report 2025

How is the Gender Pay Gap Measured?

The Gender Pay Gap measures the difference in average pay between all women and all men across an organisation, regardless of the roles they do. It reflects the overall distribution of men and women at different levels within the workforce, rather than comparing pay for people doing the same job.

What's the difference between the Gender Pay Gap and Equal Pay?

It is important to understand that Gender Pay is not the same as Equal Pay. Equal Pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value.



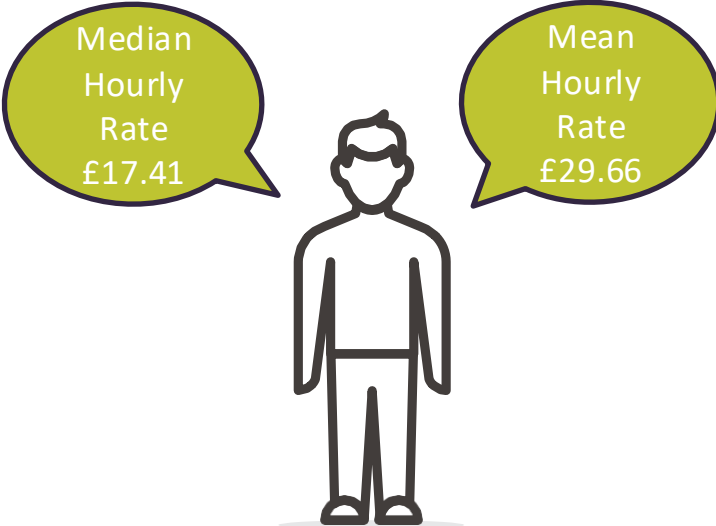
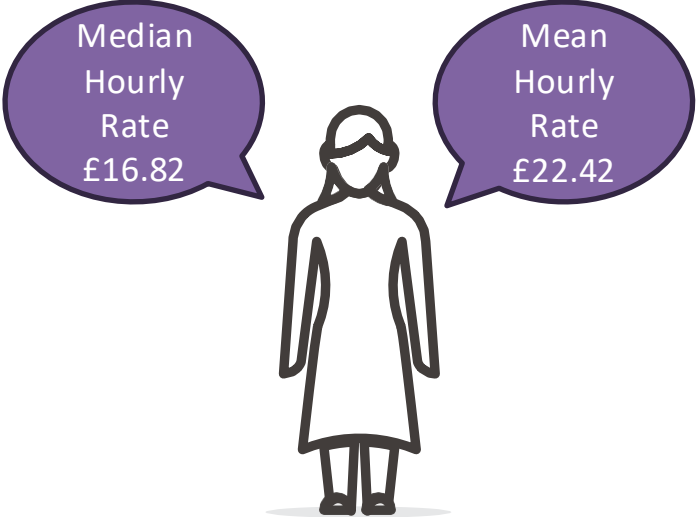
Reporting

At Scottish Friendly our ambition to become the UK’s leading financial mutual insurer is built on our friendly culture we work so hard to protect and our determination to always lead through the passion and diversity of our people. We recognise the importance of ensuring equitable pay for all colleagues and in line with our commitment to transparency and accountability, this report shares our gender pay gap results.

In Scottish Friendly, as at 5 April 2025, all roles across the firm are benchmarked using the same external provider, with consistent pay principles applied to ensure pay is aligned to the responsibilities and requirements of each role. When reviewing the distribution of colleagues across pay quartiles, women and men are paid equally in the Lower Quartile. In the Lower Middle Quartile, there is a slight difference in average hourly rates, with male employees earning marginally more than female employees. In the Upper Middle Quartile, the difference is reversed, with female employees earning slightly more on average than male employees. In the Upper Quartile, a small difference is again observed, with male employees earning more on average than female employees. These variations reflect the differing roles included within each quartile rather than unequal pay for equal work.

Our Board of Non-Executive Directors is split equally 43-57 male to female. The current composition of our Board includes two Executive Director positions, both of which are held by men. While this reflects the structure of our executive leadership at present, we remain committed to improving gender representation at senior levels across the organisation. Our wider talent and succession-planning activity continues to focus on developing a strong, diverse pipeline for future leadership roles, ensuring that opportunities for progression are accessible and supported for all colleagues. This forms an important part of our wider approach to fostering balanced representation and long-term sustainability in our leadership population.

We’re proud of these results and are determined to continue to deliver a workplace where fair pay is a not just an aspiration but a reality for all.



Quartile	Date	Difference % in Female to Median	Difference % in Male to Median	% of Male per quartile	% of Female per quartile
Lower quartile	05-Apr-25	0	0	55	45
Lower middle quartile	05-Apr-25	+0.2	-0.04	41	59
Upper middle quartile	05-Apr-25	-0.27	+0.02	43	57
Upper quartile	05-Apr-25	+0.55	-1.18	59	41

What's next?

We are not just focused on the numbers; we are committed to building an inclusive culture where everyone can thrive and feel a sense of belonging. Career advancement within our business is based on merit, and the same opportunities for progression are open to all colleagues regardless of gender, age, disability, religious belief, ethnicity, sexuality or socio-economic background.

We have always fostered an environment that has no place for gender disparity. To support this, we continue to be transparent about our pay principles, ensuring colleagues clearly understand how pay is determined across the organisation. We have also provided colleagues with visibility of the pay ranges used within our business, and colleagues now have access to their own role-specific benchmarking data through our self-service HR system. Together, these measures reinforce our ongoing commitment to fairness, consistency and openness in how we reward our people.

Looking ahead, we remain committed to continuing manager development, supporting internal progression and ensuring that performance assessment and benchmarking processes are applied consistently. Our focus is on eliminating bias, strengthening our talent pipeline and ensuring that roles are priced appropriately and fairly across the organisation.

