

Gender, ethnicity and disability pay gap

REPORT 2024



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Our journey to close the gap

2017-2030

We evaluate and track our gender pay action plan (GPAP), ethnicity pay action plan (EPAP), and disability pay action plan (DPAP) to measure impact. We will be brave in reporting what didn't work and we will be relentless in our pursuit of reducing the gap. Our pay gap actions will be aligned to our Equity, Diversity and Inclusion policy to elevate our culture from inclusion to one of belonging.

2017-2020

2021-2024

2025-2030

Flagship and RFT reported their gender pay gap for the first time and spent time to understand the reasons for the gap.

We reported on Gasway's pay gap for the first time. We continued to create actions to address and reduce our gender pay gap across the Group, and reviewed our recruitment processes and *Equality* Diversity and Inclusion* (ED&I) policy to support a culture of inclusivity.

*We have since updated the name of our ED&I policy to *Equity, Diversity and Inclusion*, to reflect our commitment to ensuring all employees receive the individualised support they need to succeed in their roles.

RFT transferred into the Group effective 1 April 2021 and became Flagship Services, a department of Flagship Group.

In 2022 we published our first ethnicity pay gap (EPG) report to be transparent on the work we are currently doing to develop the diversity of our workforce and benchmark where we are now for comparison in future years.

Blueflame transferred into Gasway effective 1 September 2022.

In 2024, we have added disability pay data to our gender and ethnicity pay gap report.

We have a sustained culture of belonging where our employees are comfortable to bring their whole selves to work. They are completely engaged and we have equal gender representation across the business. We have hit our target to increase our workforce ethnic minority representation to 15%, and increase the amount of disabled employees, in line with the communities we serve. We no longer have a gender, ethnicity or disability pay gap.



What are pay gaps and how are they calculated?



Gender pay gap

A gender pay gap is the average difference between the hourly earnings of men and women, regardless of the role they occupy, as of 5 April each year.

Ethnicity pay gap

An ethnicity pay gap is the average difference between the hourly earnings of 'white British' and 'ethnic minority' employees, regardless of the role they occupy, as of 5 April each year.

Disability pay gap

A disability pay gap is the average difference between the hourly earnings of disabled employees and employees without disabilities, regardless of the role they occupy, as of 5 April each year. **2024 is the first year we're reporting on our disability pay gap.**

A pay gap isn't the same as being paid differently for the same work.

Gender Bonus Gap

This is the difference between the number of men and women within the relevant business area who receive a bonus, as well as the difference in value of these bonuses.

Mean

This is the average hourly pay gap between men and women, or white British and ethnic minority, or employees with and without disabilities.

Median

Gender Pay: The median is calculated by analysing salary data between genders in the relevant business areas, and comparing the middling salary for a woman against the middling salary for a man.

Ethnicity Pay: The median is calculated by analysing salary data for all employees in the relevant business areas, and comparing the middling salary for an ethnic minority employee against the middling salary for a white British employee.

Disability Pay: The median is calculated by analysing salary data for all employees in the relevant business areas and comparing the middling salary for a disabled employee against the middling salary for an employee without a disability.

Methodology for ethnicity pay gap reporting

In the absence of any formal guidance for ethnicity pay gap reporting, we have chosen to compare the pay of our white British employees with that of our ethnic minority employees collectively. We recognise the importance of reporting on each ethnic group individually; however, to provide anonymity, we have chosen to publish our figures in this way. Our ethnicity pay gap analysis does not include any bonus pay gap insight.

Undisclosed

This is used to refer to any employee who has chosen not to disclose their ethnicity.

White British

Within this report 'white British' refers to all employees who have self-identified as 'white British' within equality monitoring.

Ethnic minority

Within this report 'ethnic minority' is used to describe all employees who have self-identified as any ethnic group apart from 'white British' within equality monitoring. This includes all other white ethnic groups.

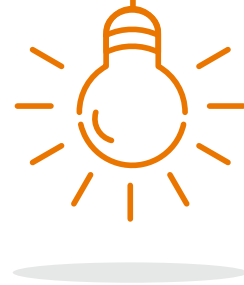
Methodology for disability pay gap reporting

In the absence of any formal guidance for disability pay gap reporting, we have chosen to compare the pay of our disabled employees with the pay of our employees without disabilities. In line with the definition

provided by the Equality Act 2010, we have included all employees who have disclosed they have a disability, neurodivergent condition and/or mental health condition within our reporting of disabled employees. Our initial disability pay gap analysis does not include any bonus pay gap insight.



Flagship Group gender pay gap



2024 has seen a decrease in both the mean and the median pay gap at Flagship Group. The mean decreased from 5.06% to 1.75%, and the median gap is -7.75% this year, compared to 8.76% in 2023. This means the median pay for women is now higher than men.

Flagship Group continues to employ more men than women with 57.74% of the workforce being men and 42.26% being women. The percentage of women who work for Flagship Group has decreased slightly by 1.34% and the percentage of men has increased by 1.34%.

This change in makeup of the workforce has impacted the number of women and men in the upper and upper middle quartiles. Although we employ more men than women, the number of men in the upper quartiles has decreased and the number of women has increased. The upper and upper middle quartiles have seen an overall increase of 6.99% in favour of women. Looking at our data in comparison to last year we have seen a positive trending movement of women in the upper quartiles.

We continue to see a lower percentage of women than men in the lower middle quartile. Men still account for most of the lower

middle quartile, due in part to the significant number of trade roles. Women now account for 24.47% in this quartile (33.58% in 2023) and men 75.53% (66.42% in 2023). There's more balance in the lower quartile, with 51.96% women and 48.04% men.

2024 saw an increase to both the minimum wage and the real living wage, which Flagship Group is committed to. This resulted in an increase in salary for those in the lower quartiles.

Flagship does not offer a formalised bonus or commission scheme. We do reward outstanding performance via both one off payments and also via Flagship Rewards. This is a platform that allows managers to award gift vouchers to employees who have demonstrated our core values. The mean award issued for men is £80.86 and for women is £82.86, and the median award is £50. The mean bonus gap is -2.48% and the median bonus pay gap is 0%.

Overall, in 2024 we have seen an increase in women in our upper quartiles compared to 2023.



46%
women
in the upper
quartiles

54%
men
in the upper
quartiles

62%
men
in the lower
quartiles

38%
women
in the lower
quartiles

Flagship's gender
pay gap of
-7.75%
is below the 2024
national average of
14.3%



Flagship Group in 2024

Gender pay gap

Our workforce profile

Employees are excluded for reporting purposes if they are not receiving full pay within the relevant pay period.

475

Number of women

649

Number of men

1.75%

▼ 3.31%
(since 2023)

Mean (average)
gender pay gap

-7.75%

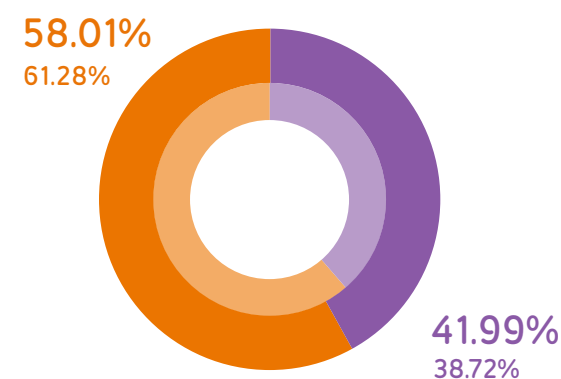
▼ 16.51%
(since 2023)

Median (middle)
gender pay gap

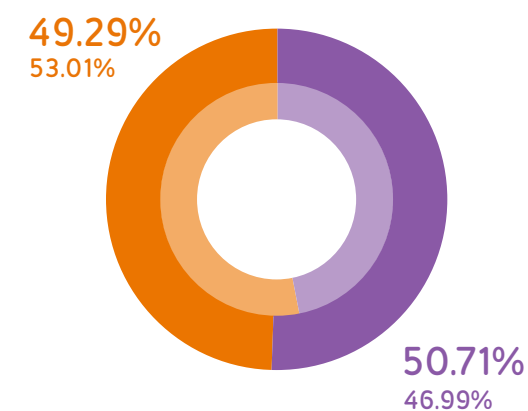
Our pay quartiles

2024 ■ Men ■ Women
2023 ■ Men ■ Women

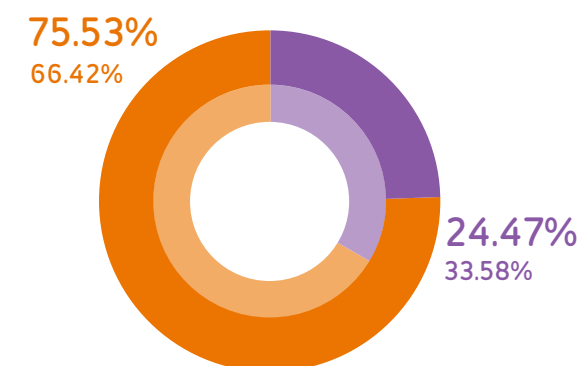
Upper



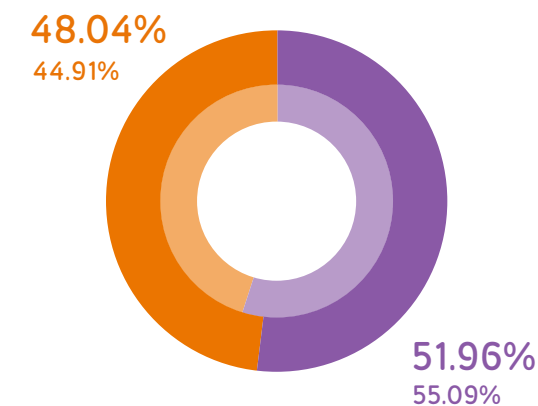
Upper middle



Lower Middle



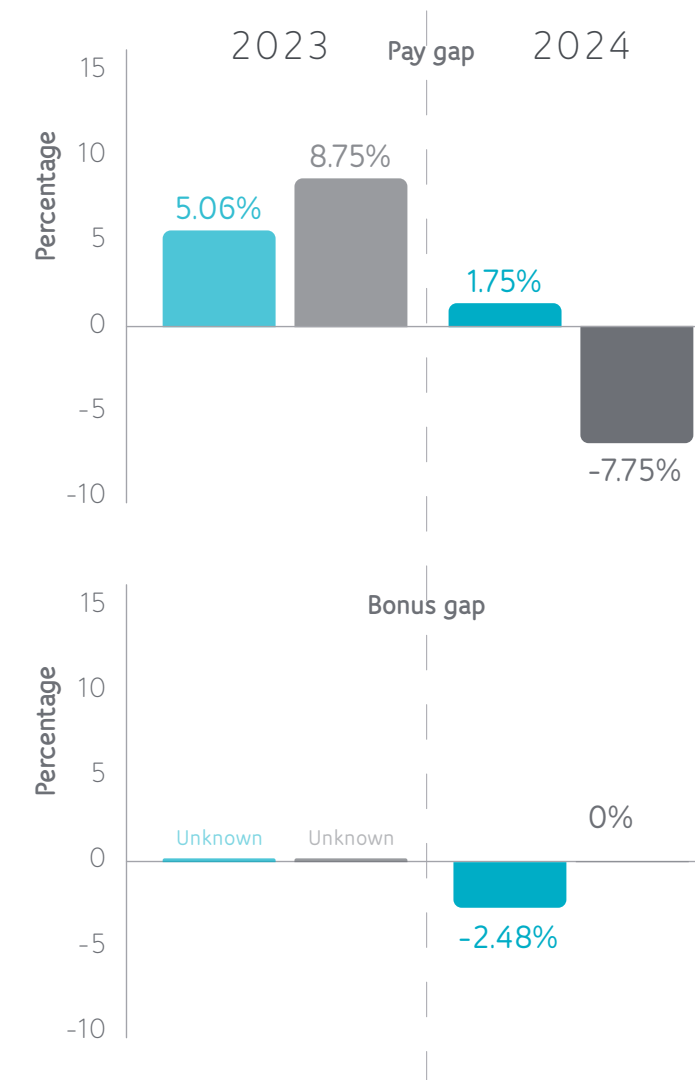
Lower



Gender pay & bonus gap

Hourly difference in pay between men and women regardless of role or seniority.

■ Mean ■ Median



*Our pay quartiles do not indicate a pay equity issue; they demonstrate how many employees from each group fall within each of the four pay quartiles.

Gasway gender pay gap

There's been a decrease in both the mean and the median pay gap at Gasway in 2024. The mean has slightly decreased to 24.72% (25.09% in 2023), and the median has decreased to 34.42% (35.34% in 2023). It may only be a marginal difference, but it's still a move in the right direction.

Gasway continues to employ more men in their overall workforce than women, which is made up of 86% men and 14% women (273 men and 45 women).

The mean hourly rate of pay for women has increased by 5.93% (from £13.15 to £13.93), and for men by 5.4% (from £17.55 per £18.50).

As we know, the pay gap at Gasway isn't due to paying men and women differently for identical work, but rather because women are under-represented in more senior, higher-paying positions. This isn't an issue that can be resolved quickly, but we're committed to addressing it by working to represent women at all pay levels. The proportion of men in the upper quartiles is substantial, comprising 49% of the workforce, while women represent only 1%. This figure remains unchanged from last year. It is worth noting that the societal shift required to improve this figure significantly still moves at a very slow pace.

Bonus payments

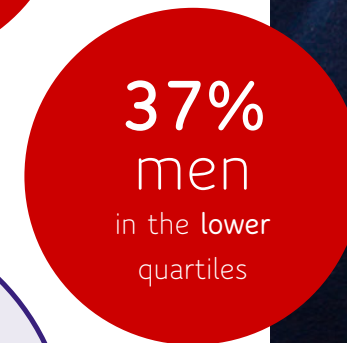
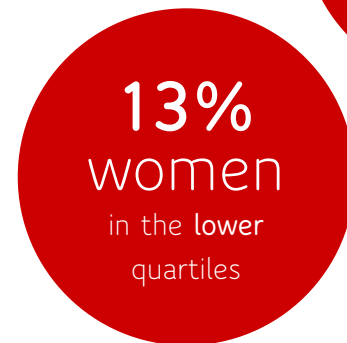
The mean bonus pay gap has decreased again to -20.72% in comparison to last year's 92.40% and the median bonus pay gap has significantly reduced from 71.15% to 0%. Compared to 2023, we've paid more bonuses to women.

This year, we have reported on our reward and recognition incentive - it's a platform that allows managers to award gift vouchers to employees who have demonstrated our core values. This is the first year we have used this bonus system, meaning there has been a significant increase in the number of people being awarded a bonus.

The mean award issued for men is £63.46 and for women £76.61. The median award is £50.

In addition, Gasway commission payments are awarded to employees for selling cover plans to private customers. This scheme is open to all employees within the Customer Service team at Gasway and it's optional for an employee to choose to upsell.

This year 64.44% of women were paid a bonus and 33.33% of men.



Gasway in 2024

Gender pay gap

Our workforce profile

Employees are excluded for reporting purposes if they are not receiving full pay within the relevant pay period.

45

Number of women

273

Number of men

24.72% ▼0.37%
(since 2023)

Mean (average)
gender pay gap

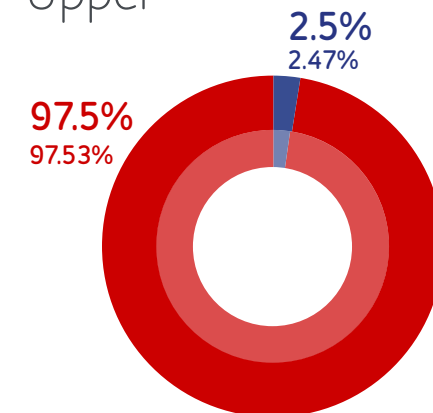
-34.42% ▼0.92%
(since 2023)

Median (middle)
gender pay gap

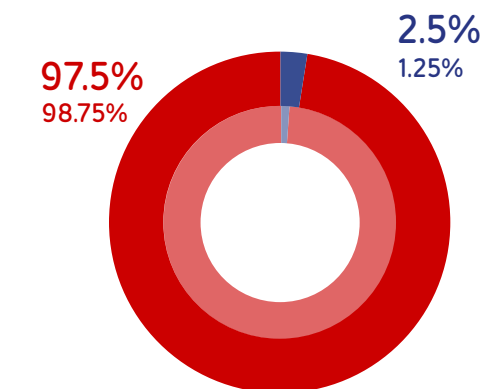
Our pay quartiles

2024 ■ Men ■ Women
2023 ■ Men ■ Women

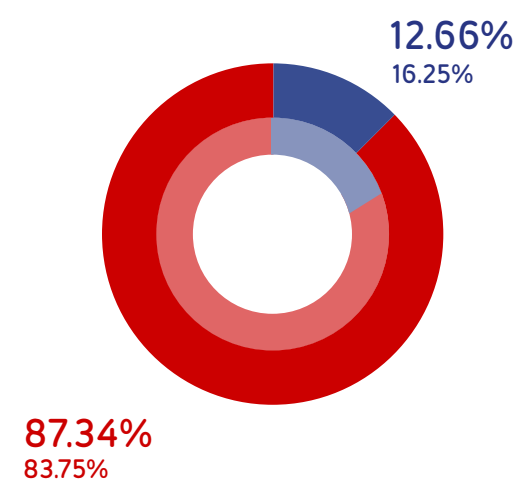
Upper



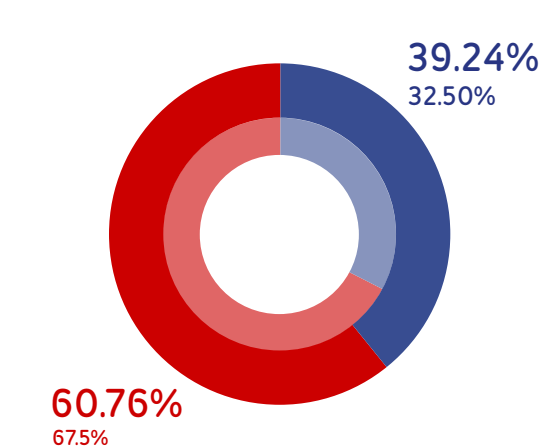
Upper middle



Lower Middle



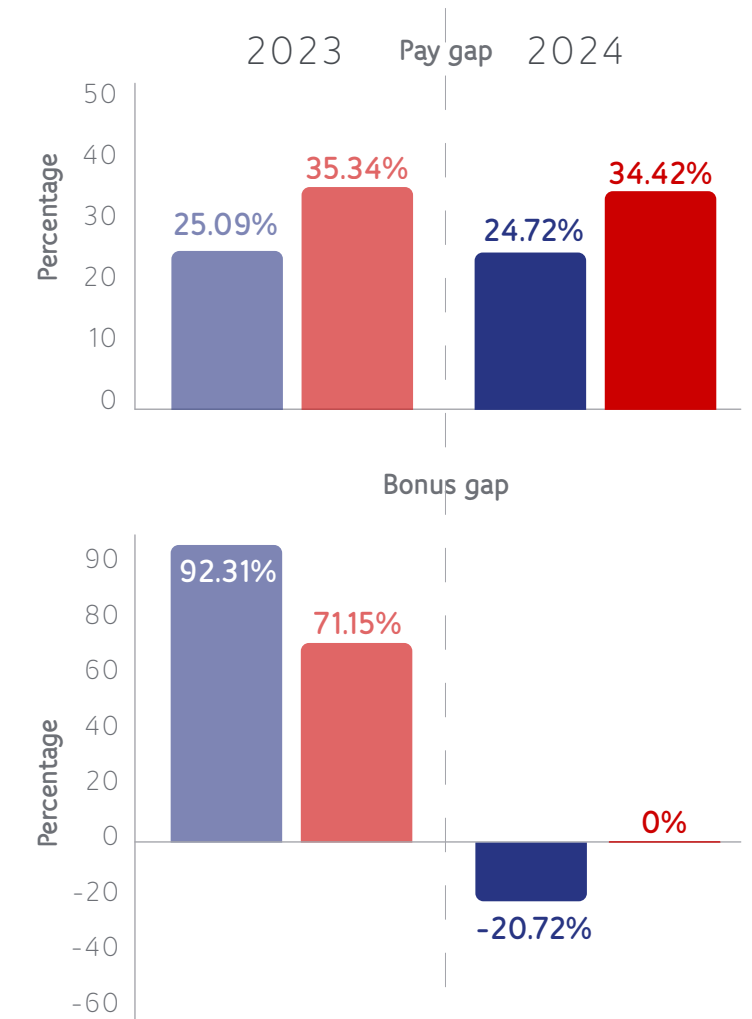
Lower



Gender pay & bonus gap

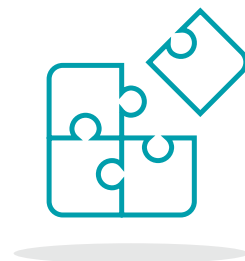
Hourly difference in pay between men and women regardless of role or seniority.

■ Mean ■ Median



*Our pay quartiles do not indicate a pay equity issue; they demonstrate how many men and women fall within each of the four pay quartiles.

Ethnicity pay gap



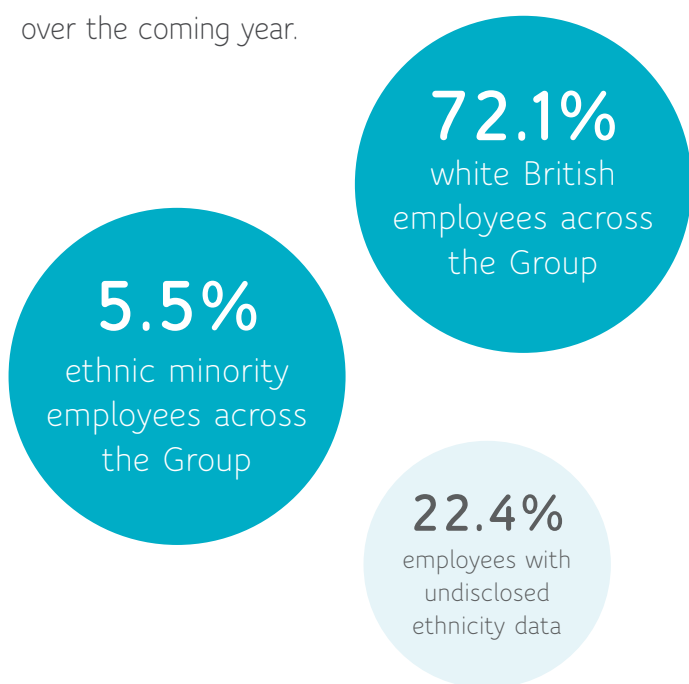
In 2024, the ethnicity pay gap at Flagship Group (including Flagship Services and Gasway) has seen an increase in both the mean and median values. The mean pay gap increased to 8%, from 1% last year. The median saw a similar change, increasing from 0% last year to 7% this year.

Flagship Group continues to employ more white British employees than ethnic minority employees, with 72.1% of the workforce being white British, 5.5% an ethnic minority and 22.4% from an undisclosed ethnic group. The percentage of ethnic minority employees has increased in 2024 by 2.6% and the number of white British employees has also increased by 6.7%. We have also seen a decrease of 2.42% of employees from an undisclosed ethnic group.

This year there's been a small decrease in the amount of ethnic minority employees within the 'Upper' and 'Upper Middle' pay quartiles, and a small increase in the amount of ethnic minority employees within the 'Lower Middle' and 'Lower Quartiles'. We believe these changes are a result of ethnic minority employees within the 'Upper' and 'Upper Middle' quartiles leaving the business, and being replaced by white British employees. Conversely, we have seen an increase in the amount of ethnic minority employees within entry level roles, increasing

the amount of ethnic minority employees within the 'Lower' and 'Lower Middle' quartiles. Both of these changes have also led to the increase in both the mean and median pay gap this year.

It's important to note that the high instance of undisclosed ethnic group data within Gasway continues to impact how accurately we can analyse our workforce demographics in relation to the communities we serve. However, Gasway recognises the need for continued efforts to reduce the amount of undisclosed ethnic group data and is working towards getting higher disclosure rates throughout the organisation by completing awareness campaigns about the importance of data disclosure over the coming year.



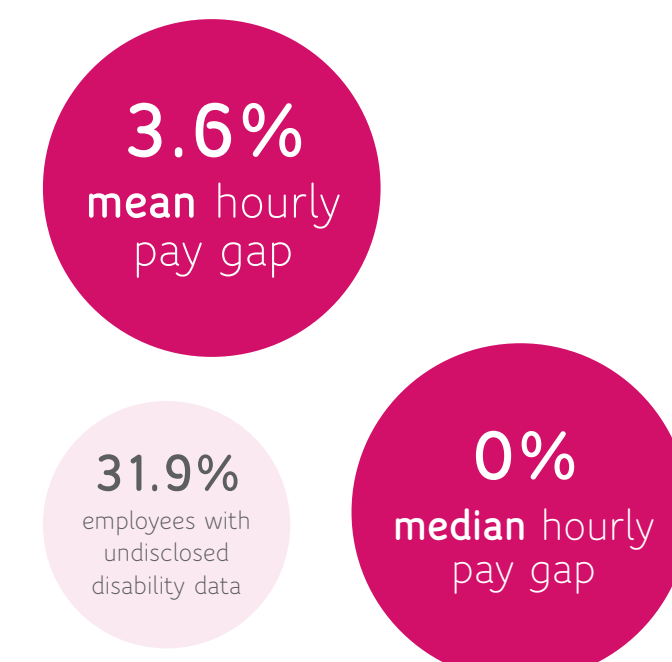
Disability pay gap



In 2024, our disability pay gap at Flagship Group (including Flagship Services and Gasway) is 3.6% for the mean, and 0% for the median. As this is the first year we've analysed and reported on this gap, we now have a benchmark to compare to in future years.

Across the pay quartiles, our highest instance of disabled employees is in the lower quartile at 13.61%, which also has the lowest amount of undisclosed disability data at 21.11%. Most employees within the lower quartile who have disclosed they have a disability are working within office-based roles, which provide greater accessibility to flexible working arrangements and reasonable adjustments. In contrast, the 'lower middle' quartile has the highest incidence of employees without disabilities, with a substantially increased amount of employees with undisclosed disability data at 35%. A similar rate of undisclosed disability data can also be seen in both the 'Upper' and 'Upper Middle' quartiles, which currently sit at 34.53% and 36.94% respectively. Across all quartiles, we can see a greater incidence of unknown disability from men in comparison to women, with employees from Gasway having the lowest disclosure rate.

It's important to note that across all pay quartiles the high instance of undisclosed disability status, particularly in the 'lower middle' quartile upwards, impacts upon how accurately we can analyse our workforce demographics in relation to the communities we serve, to understand proportionality. As an organisation, we recognise the importance of reducing our rate of undisclosed disability data and commit to conducting campaigns over the next year highlighting the importance of disclosing disability status within our HR system, as well as how staff can access reasonable adjustments within the workplace.



Ethnicity pay gap

Flagship Group - inclusive of Gasway

Our workforce profile

Employees are excluded for reporting purposes if they are not receiving full pay within the relevant pay period.

79

Number of ethnic minority employees

1040

Number of white British employees

323

Number of employees with undisclosed ethnicity data

8%

▲ 7%
(since 2023)

Mean (average) ethnicity pay gap

7%

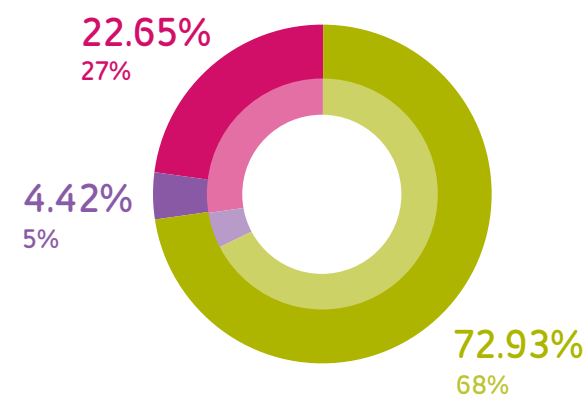
▲ 7%
(since 2023)

Median (middle) ethnicity pay gap

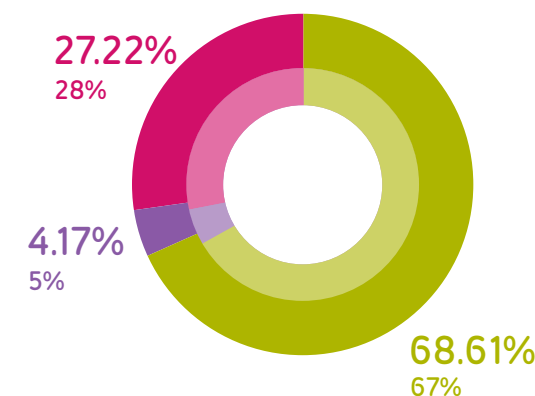
Our pay quartiles*

2024 ■ White British ■ Ethnic minority ■ Undisclosed ethnicity
2023 ■ White British ■ Ethnic minority ■ Undisclosed ethnicity

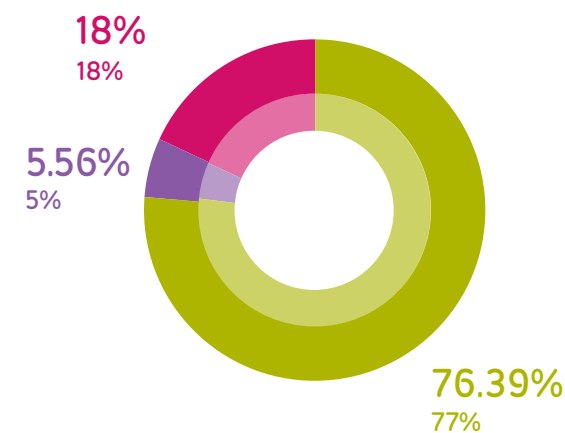
Upper



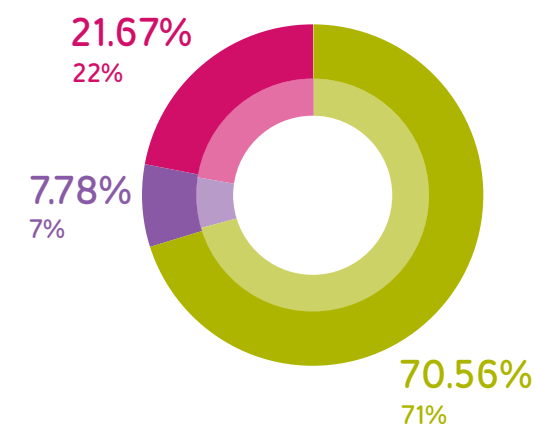
Upper middle



Lower Middle



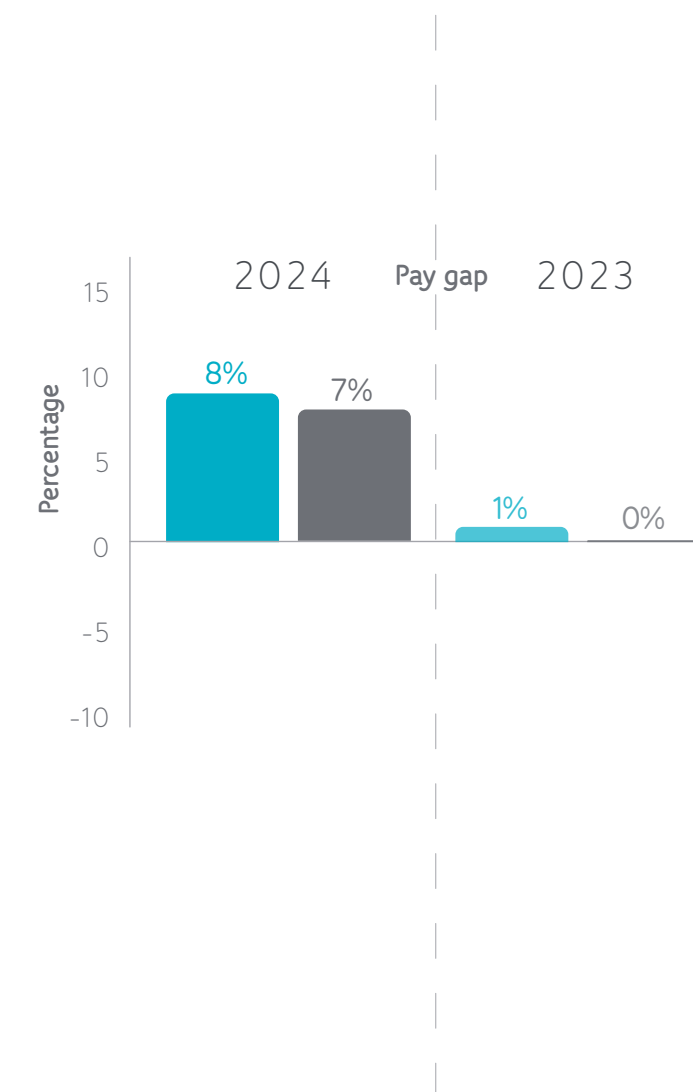
Lower



Pay gap results 2024

Hourly difference in pay between 'white British' and 'ethnic minority' employees, regardless of role or seniority.

■ Mean ■ Median



*Our pay quartiles do not indicate a pay equity issue; they demonstrate how many employees of each group fall within each of the four pay quartiles.

Disability pay gap

Flagship Group - inclusive of Gasway

Our workforce profile

Employees are excluded for reporting purposes if they are not receiving full pay within the relevant pay period

136

Number of disabled employees

846

Number of employees without disabilities

460

Number of employees with undisclosed disability data

3.6%

Mean (average) disability pay gap

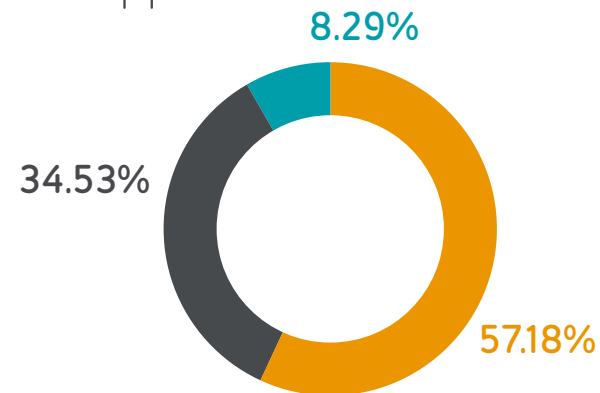
0%

Median (middle) disability pay gap

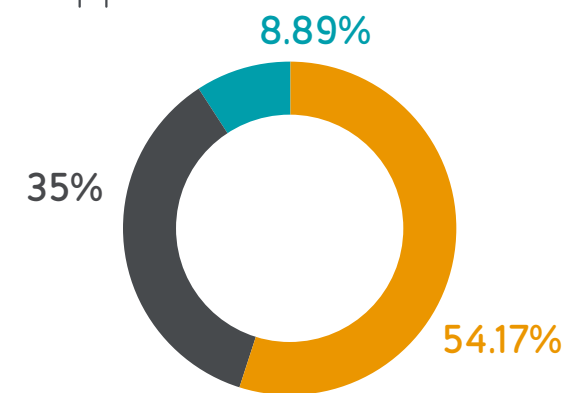
Our pay quartiles*

2024 ■ Disabled ■ Without disabilities ■ Undisclosed

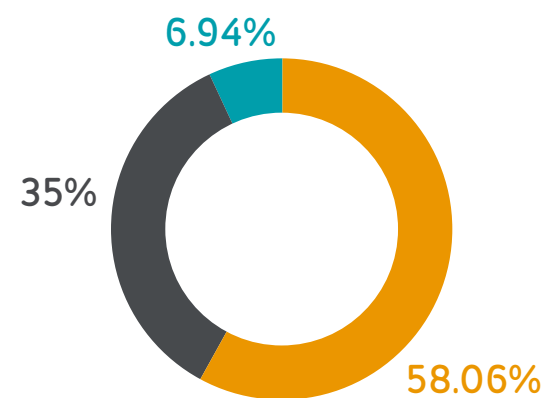
Upper



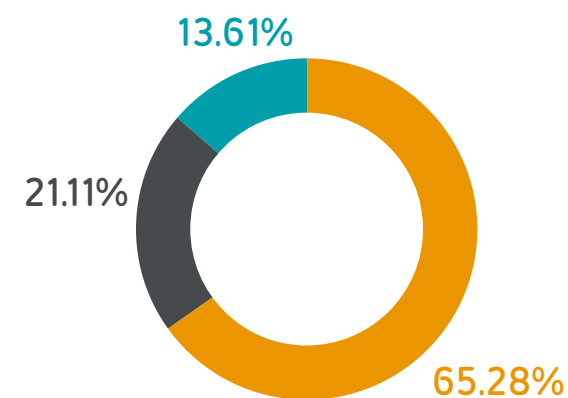
Upper middle



Lower Middle



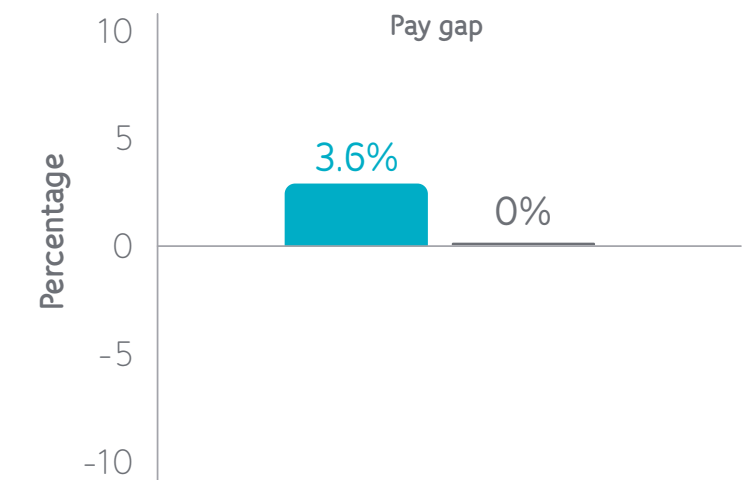
Lower



Pay gap results 2024

Hourly difference in pay between employees who are disabled and employees without disabilities, regardless of role or seniority

■ Mean ■ Median



*Our pay quartiles do not indicate a pay equity issue; they demonstrate how many men and women fall within each of the four pay quartiles.

Actions we have taken in the last year



Reworked our traditional job descriptions into one-page statements called 'The Part I Play', which are more inclusive in how they are written, as well as being gender neutral in the language used. This new approach has been implemented in all areas of Group except for Gasway, who are exploring implementation for April 2025.

Provided all employees with the opportunity to take part in a 21-day anti-racism training challenge during Black History Month. This challenge will be made accessible all year round on our learning management system.

Introduced an internal 'gender equity' network, to continue identifying new ways to improve employee support.

Hired a Wellbeing Co-ordinator to identify new ways to improve employee mental ill health and disability support.

Renewed our commitment to be a disability confident employer and guarantee interviews for candidates with disabilities who meet the minimum essential criteria for a role.

Expanded our Equity, Diversity and Inclusion (ED&I) team, and hired an ED&I Co-ordinator to continue developing our inclusive culture further, for both staff and tenants.

Launched our menstrual health assessment and line manager guide to increase support and available adjustments to employees experiencing menstrual disorders or menopausal symptoms in the workplace

Reviewed our reasonable adjustment process and provided further guidance and information to our employees on how to access them. Reasonable adjustments can include support such as changes to the workplace, changes to someone's working arrangements or providing them with equipment tailored to their needs.

Launched an interactive inclusion calendar at the beginning of the year to allow employees to learn about and celebrate major religious and cultural holidays.

Rolled out a four-day Management Training Programme to all line managers across the Group, which includes inclusive leadership training.

Supported South Asian Heritage Month and Black History Month with a programme of interactive learning opportunities.



Actions we embedded in 2024

We ensured the imagery and language of our external communications is inclusive and reflective of the communities we serve.

We appointed a dedicated Recruitment Business Partner to lead on initiatives aimed at breaking gender stereotypes, such as having women operatives attend job fairs and developing partnerships with local schools in the Eastern Region.

We reviewed our Equity, Diversity and Inclusion policy to outline our anti-racist stance.

All policies, new systems and large-scale change projects across the business are now assessed using an Equality Impact Assessment to ensure we are not negatively impacting anyone from marginalised groups

We launched a 'Hate Crime and Anti-Racism Awareness' eLearning module for all employees in 2023 following a series of anti-racism workshops for senior leaders in 2022.

As part of our continued commitment to improving inclusion through education, we actively supported Black History Month with a programme of interactive learning opportunities.

We launched three new diversity networks to celebrate and educate our teams on disability, maternity, and the LGBTQIA+ community.

We trained a group of 21 menopause champions to educate and support our teams on the impact of menopause and menstrual disorders on employee wellbeing

We completed an awareness campaign around the importance of sharing personal data to improve our rates of ethnic group disclosure, to gain a more accurate understanding of how closely we represent the communities we serve, and will continue to do so.

We increased staff training on race and intersectionality* as part of our commitment to achieving the Domestic Abuse Housing Alliance (DAHA) accreditation.

* *intersectionality describes the ways in which inequalities related to protected characteristics and other forms of discrimination*



What's next?



We understand that achieving true equity in the workplace requires a multifaceted strategy. Our analysis shows that the main factor affecting our ethnicity pay gap and disability pay gap is our low disclosure rate. To address this, we've increased reporting and launched communication campaigns to encourage staff to disclose data, highlighting its role in creating a fair and inclusive environment. These campaigns will continue throughout 2025 to increase our data accuracy, alongside educational campaigns for key events and initiatives within the E,D&I calendar that develop employee confidence in discussing race, ethnicity and disability.

And our commitment to diversity goes beyond data. We continue to enhance our engagement across schools and colleges through apprenticeship programs to build a more diverse talent pipeline. We have also increased the size of our Inclusion and Wellbeing team by hiring an ED&I Co-ordinator and a Wellbeing Co-Ordinator, to continue developing our culture of inclusivity and positive employee experience further.

We continue to deliver our Management Training Programme to new and existing managers, Heads of Service and Directors.

In addition, we have relaunched our Leadership Development Programme to upskill and develop our managers further, providing them with the skills to lead both strategically and inclusively. In 2025, we will also be conducting a review of our ED&I strategy for the next three years.



A message from our director

Lisa Collen
Director of People & Culture



We recognise that diversity encompasses more than just gender, ethnicity, and disability. Last year, we made a significant move by combining our ethnicity and gender pay gap reports. This year, we've progressed further by continuing to report on our gender and ethnicity pay gaps, and for the first time, reported our disability pay gap. This unification highlights our dedication to transparency and accountability in our diversity efforts.

Our commitment to fostering diversity and inclusion at Flagship Group goes beyond statistics. We strive to create an environment where authenticity flourishes, allowing everyone to express their true selves at work. Central to this belief is the principle that fairness, dignity, and respect should be afforded to all. We demonstrate this through our proactive efforts to provide employees with diverse educational opportunities as part of our inclusion calendar. By continually celebrating our differences as strengths, we empower our employees to achieve great things and drive meaningful change in the communities we serve.

We acknowledge that significant change takes time, but we are steadfast in our efforts. Embracing diversity fuels creativity, encourages innovative thinking, and boosts employee engagement. Therefore, it is crucial that we continue to enhance the diversity of our organisation at all levels, ensuring we better represent our customers and communities.

Importantly, we are aligning our Equity, Diversity, and Inclusion (ED&I) goals with our pay gap action commitments. This strategic alignment gives us valuable insights into the challenges faced by marginalised employees throughout their careers. With this knowledge, we are better equipped to remove these barriers and create a workplace where everyone, regardless of their background, can thrive.

In essence, our journey towards a more diverse workforce is not just a commitment; it's a pledge to create a workplace where every individual is valued, respected, and given equal opportunities.



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