

## **1. Introduction**

We are a friendly society that's based on valuing each other and where differing views are not only welcome but encouraged. Our culture welcomes diversity and we treat all colleagues equally, regardless of their sex, race, ethnic origin, religion, age, sexual orientation, or disability. We want our colleagues to be able to thrive and be themselves at work, regardless of their background, identity, or circumstance. Our mission to be the UK's leading mutual includes being an employer of choice, and one that represents our local community. We want to make sure that Scottish Friendly is a great place to work for all our colleagues.

## **2. Mutual Diversity Alliance Commitments**

The Association of Financial Mutuals (AFM) is the trade body supporting mutual insurers, friendly societies and not for profit healthcare providers in the UK. AFM is a signatory to the Mutual Diversity Alliance (MDA) and is committed to reporting annually on the work it is undertaking.

Scottish Friendly is a signatory of the MDA, and we have committed to follow the practices set out below:

- Appointing a senior leader to lead our work on mutual diversity
- Treating all customers and employees with respect, dignity and courtesy
- Making reasonable adjustments to, and maintaining, an appropriate working environment, where employees from diverse backgrounds enjoy an equality of opportunity, and to demonstrate this through equality of pay, the capacity for agile working, fair recruitment and other HR policies
- Maintaining an effective culture via our Board, that promotes diversity and set the right example
- Working with other members of the Alliance to support problem solving, to sponsor training of our people on inclusivity and diversity, as well as on conscious inclusion, and to share good practice as necessary
- Reporting each year in September on how we have met the expectations of the alliance

### 3. How we are responding

What the MDA expects	Action taken and planned
Appointing a senior leader to lead our work on mutual diversity	The Human Resources Director is responsible for our Diversity, Equality and Inclusion strategy and is supported by the Executive and Board.
Treating all customers and employees with respect, dignity and courtesy	<p>Training was provided for our Customer Service colleagues in 2022 to ensure that all our customers, no matter their background or health concern, felt supported when dealing with us. The training covered off the following:</p> <ul style="list-style-type: none"> <li>• Supporting customers with mental health</li> <li>• Supporting customers with addictions</li> <li>• Supporting customers in vulnerable circumstances</li> <li>• Understanding and supporting customers with serious illness</li> <li>• Supporting customers with decision making limitations</li> </ul> <p>We can provide key documentation in braille or large print for our customers. We have an accessibility policy for our website to ensure we reach the widest audience as possible, regardless of technology or ability</p> <p>We have People Ambassadors for every department who meet on a monthly basis with HR, to discuss a wide range of topics and any concerns/worries they hear from their teams. Their role is also to drive initiatives with their teams e.g., colleague handbook, policies and upcoming wellbeing events.</p> <p>We launched our DE&amp;I policy in 2022 along with our updated Code of Conduct. This was launched to existing colleagues and our new joiners attest to it when they join</p>

	<p>Scottish Friendly. We carry out an annual refresher on both documents.</p> <p>In 2021, Scottish Friendly launched its new Values, which were created by our Values Ambassadors. They are:</p> <ul style="list-style-type: none"> <li>- We're in this together</li> <li>- We are about our customers</li> <li>- We keep moving forward</li> </ul> <p>Colleague Promises were launched in 2022, to define more clearly the Scottish Friendly employer brand, and simply explain what all colleagues working here should expect including how you are paid, your development and how you are treated.</p> <p>Our whistleblowing policy is emailed on a monthly basis with all colleagues via our Colleague Newsletter and we have a copies distributed throughout the office noticeboards.</p> <p>Our most recent engagement survey was launched in September 2022 and had an 80% completion rate. We launched this with Best Companies and achieved a BCI score of 617.7, which tells us we have good levels of engagement.</p>
<p>Making reasonable adjustments to, and maintaining, an appropriate working environment, where employees from diverse backgrounds enjoy an equality of opportunity, and to demonstrate this through equality of pay, the capacity of agile working, fair recruitment and other HR policies</p>	<p><b>Recruitment</b></p> <p>To attract candidates and encourage diversity, we advertise through different channels to expand our network and attract a wide audience</p> <p>We work closely with Developing Young Workforce and successfully recruited 3 Apprentices in 2022, with more planned for 2023</p> <p><b>Line Manager Training</b></p>

	<p>Training for all line managers commenced in October 2022 and will carry out a wide range of Line Manager skills. The theme of unconscious bias will play a part in all sessions</p> <p><b>Colleague Handbook and HR Policies</b> Our handbook and suite of HR policies was launched February 2022, and they will be reviewed on an annual basis. All new joiners receive a copy of the handbook and HR policies</p> <p><b>Menopause Training</b> Menopause training will be carried out for all colleagues and managers throughout December 2022 to ensure we provide ongoing support to impacted colleagues and customers</p> <p><b>Gender Pay Gap Reporting</b> We are not legally required to complete gender pay gap report due to colleague numbers and are planning to do this in 2023. In the meantime, we analyse the ratio of male to female on a monthly basis within our key metrics</p> <p>Our overall gender split is currently 47% male and 53% female. We have a 43% male and 57% female split in management roles, and we carry out an annual review of diversity and compensation across the firm through Willis Towers Watson to benchmark pay and ensure all aspects of diversity are assessed annually against pay and benchmarks</p> <p><b>HR System</b> 2023 will see the launch of our new HR system which will allow us to strengthen our reporting tools for demographics</p>
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	<p><b>Flexible Working</b></p> <p>We offer flexible working, including part time, and hybrid working</p>
<p>Maintaining an effective culture via our Board, that promotes diversity and set the right example</p>	<p>We have 6 Non Executive Directors - 3 male and 3 female. On an annual basis, our Board does a deep dive of the people function as well as an update from our HRD at each Board meeting via standard Board reporting and in person attendance.</p> <p>Our remuneration committee oversees our remuneration policy and salaries are reviewed and benchmarked on an annual basis to ensure we remain competitive and fair for our colleagues</p> <p>The Board have fully supported our initiatives for our Diversity strategy including our DE&amp;I policy (which they review annually), family friendly policies and cost of living payment to support all colleagues outside of work</p> <p>We are also a Glasgow Living Wage employer and have been since 2022</p>
<p>Working with other members of the Alliance to support problem solving, to sponsor training of our people on inclusivity and diversity, as well as on conscious inclusion, and to share good practice as necessary</p>	<p>Scottish Friendly attend the AFM MDA sessions and work collaboratively with other attendees to share useful information</p>
<p>Reporting each year in September on how we have met the expectations of the alliance</p>	<p>This is the first year of the report and we are committed to submitting it each year in September for MDA</p>