



# MDU gender pay gap report 2022

Legislation introduced in 2017 requires UK organisations with more than 250 employees to report annually on their gender pay gap – or the difference between the average (mean or median) rate of pay received by men and women.

This involves carrying out six calculations that show the difference between the average earnings of men and women within the organisation, taken from actual payroll and human resources data.

#### About the MDU

The Medical Defence Union (MDU) is a not-for-profit organisation wholly dedicated to the interests of its members. We strive to be fair in all that we do - which can be seen not only in how we work with our members, but also in the way we attract and retain our staff and provide support through equal opportunities.

At the MDU we offer competitive rates of pay for each specialism. Across all levels of the organisation, we recruit and remunerate without bias regarding gender, ethnic or religious background, age, sexual orientation or disability.

The numbers listed in this report are accurate and represent data for the snapshot date of 5 April 2022.

**Dr Matthew Lee** Chief executive officer

#### **Equality in recruitment**

We are confident that our equal approach to recruitment means we attract high-potential candidates who are genuinely the right fit for their role.

#### Developing our talent

We provide opportunities and support for staff across all levels of the organisation, to help them develop the skills they need to achieve their professional ambitions - including leadership training and other in-house education initiatives.

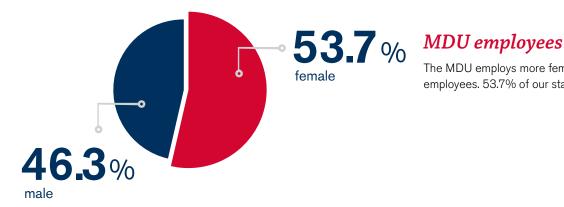
The quality of our training has been widely recognised. Our membership team has achieved the Customer Service Excellence Standard, as well as being awarded the Princess Royal Training Award for its staff development programme.



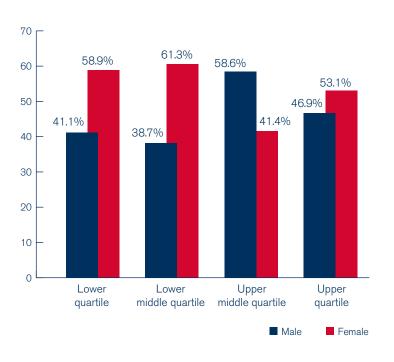








The MDU employs more female than male employees. 53.7% of our staff are female.



# Pay quartiles across the MDU

Pay quartiles are calculated by listing rates of pay across the organisation in order from lowest to highest, and dividing this information into four groups.

UK national data would suggest that the number of female employees decreases toward the upper, or higher paid, quartiles, as in many organisations women tend to be under-represented in more senior roles.

At the MDU, there is a higher proportion of females in all but the upper middle quartile.



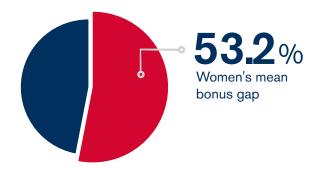


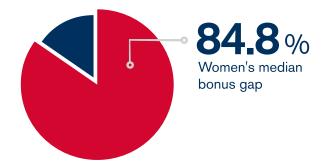
# Gender pay gap

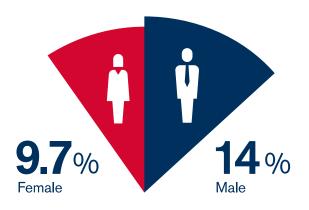
A higher proportion of female staff are employed in the lower pay quartiles.

In 2022, the median gender pay gap was 21.8% compared to 23.3% in 2021 and the mean pay gap was 11.2% compared to 10.9% in 2021. A number of factors can impact the data year on year, but like the previous year, the changes in 2022 continue to reflect workforce fluctuations such as retirements and staff changes. More males than females continue to choose not to accrue more pension savings and opt for cash options instead.

The mean pay gap is the difference between the average hourly rate of pay received by men and women, while the median pay gap is the difference between the midpoints in hourly earnings received by men and women.







## The MDU bonus pay gap

The MDU's bonus scheme is limited to specific circumstances and roles, with different targets and initiatives in place according to the employee's role.

For example, whereas bonus payments for some senior-level employees are driven by target-led incentive plans linked to business performance, employees in sales roles are more likely to be offered a fixed bonus payment.

Incorporating these different pay elements into the same calculation creates a somewhat distorted overall result, as seen in the numbers opposite. The bonus pay gap also reflects the higher number of male employees on the incentive plan, and the higher number of female employees on the fixed bonus plan.

## Bonus payments

The proportion of males and females who received a bonus payment.



## Next steps

The MDU's gender pay gap compares favourably with other organisations across the UK and we are committed to ensuring equality of pay regardless of gender.

We recognise that the pay gap can fluctuate from year to year as individual employees' career choices change and the structure of our workforce shifts. We continue to review and monitor our remuneration strategy, as well as how we assess and evaluate roles, to ensure consistency and the just and fair approach that we have always prided ourselves upon.

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