

# Our gender pay report 2023.

## Our commitment.

“We are committed to creating an environment where diverse identities and perspectives are embraced, and where every individual is valued and supported to realise their unique potential. In practice this means showing the courage to reflect honestly upon how we do things, to acknowledge the barriers to equity that exist, and to do the necessary hard work individually and collectively to eradicate gender inequality from our business.

Positive progress has been made on Diversity, Equity and Inclusion (DEI) since our last report. In-depth reviews of our recruitment and promotions processes have resulted in new measures to ensure that access to rewarding careers in our business is fair and accessible – at every level of our structure. These changes are particularly important in relation to the gender pay gap, a significant driver of which is the under-representation of women among our senior levels.

This report shows a welcome narrowing of our gender pay gap, but not at a pace that we can be satisfied with. Data on our ethnicity pay gap has been included in this report for the first time, and work has already commenced on improving the data we hold on employees that will enable us to offer more detailed ethnicity and disability pay gap data and analyses in future reports.

The latest reduction in our gender pay gap and the work we have carried out on DEI during the last 12 months gives cause for cautious optimism about the potential for more rapid narrowing of our gender pay gap in future. However, I am under no illusion as to the scale or urgency of the task that remains and will continue to do everything I can to help accelerate the eradication of this and other pay gaps in the firm. For now, I am pleased to share the findings of this year's report, as well as an overview of our plans to further reduce our gender pay gap which are detailed at the end of this publication.”



**JUSTIN SPENCER**  
Managing Director

A handwritten signature in blue ink, appearing to read 'Justin Spencer', with a horizontal line underneath.

I, Justin Spencer, Managing Director, confirm that the information in this report is accurate.

## What is the gender pay report?


It is important to distinguish between gender pay and equal pay. Equal pay is legally required and makes sure that both genders receive the same pay for doing the same (or equivalent) job. Gender pay, however, is the difference and comparison of the average hourly pay of men and the average hourly pay of women irrespective of the job they do, expressed as a percentage.

### 1. Our gender pay gap.

**25.5%**

OUR MEDIAN<sup>†</sup> GENDER PAY GAP


2022: 26.2%

 0.7% reduction

**23.2%**

OUR MEAN\* GENDER PAY GAP


2022: 26.4%

 3.2% reduction

**14.3%**

THE UK MEDIAN<sup>†</sup> GENDER PAY GAP

2022: 14.9%

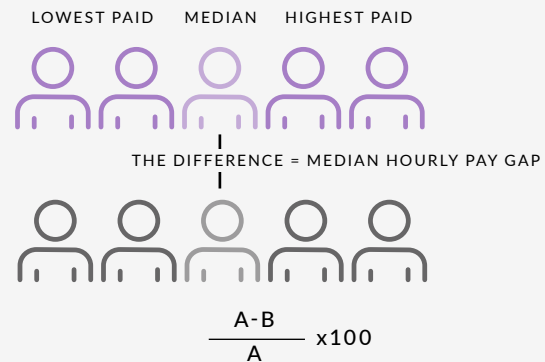
 0.6% reduction

#### SPOTLIGHT ON REPRESENTATION

In the 12 months leading up to this report:

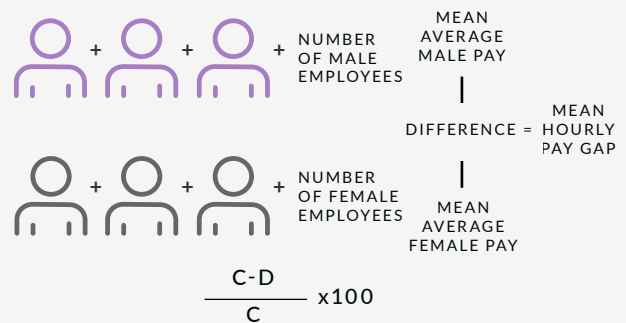
- 30% of our promotions were women
- 28% of our new hires were women
- Representation of women across the firm increased from 26% to 27.5%
- Representation of women within leadership roles (levels 9+) increased from 6.4% to 11.6%.

**† MEDIAN:** This is the most widely used statistic and is seen as the 'typical' pay gap, as it is not affected by outliers at the top or bottom of the pay distribution. Separate lines are formed for men and women - each in order of pay from highest to lowest. The median figure compares the pay of the woman and the man at the mid-point of each line.



A = MEDIAN HOURLY RATE OF PAY OF MALE EMPLOYEES  
B = MEDIAN HOURLY RATE OF PAY OF FEMALE EMPLOYEES

**\* MEAN:** In addition to the median figure, we're also required to publish our mean pay gap, which is the average of the whole sample. It can be affected by extreme values at either end of the pay distribution, and so can be an important measure of how women are at a disadvantage in the workplace.



C = MEAN HOURLY RATE OF PAY OF MALE EMPLOYEES  
D = MEAN HOURLY RATE OF PAY OF FEMALE EMPLOYEES

Source:

<https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2023#the-gender-pay-gap>

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## 2. Our gender bonus gap.

Compared with 2022, our mean bonus gap has increased by 28.2%, but our median bonus gap has reduced by over 25%. The reduction in the median bonus gap points to a more equitable overall bonus distribution this year, but the mean figure is more prone to fluctuation due to particularly high or low values at either end of the pay distribution.

Where employees sacrifice some or all of a bonus payment into their pension via salary sacrifice, this is excluded from bonus gap calculations. This can influence fluctuations in this year-on-year bonus gap calculation. The proportion of both men and women eligible to receive bonuses across the firm has increased slightly.

**25%**

OUR MEDIAN BONUS GAP

2022: 52.5%

 27.5% decrease

**33.1%**

OUR MEAN BONUS GAP

2022: 4.9%

 28.2% increase

**30.7%**

WOMEN ELIGIBLE FOR A BONUS

2022: 23.7%

 7% increase

**45.2%**

MEN ELIGIBLE FOR A BONUS

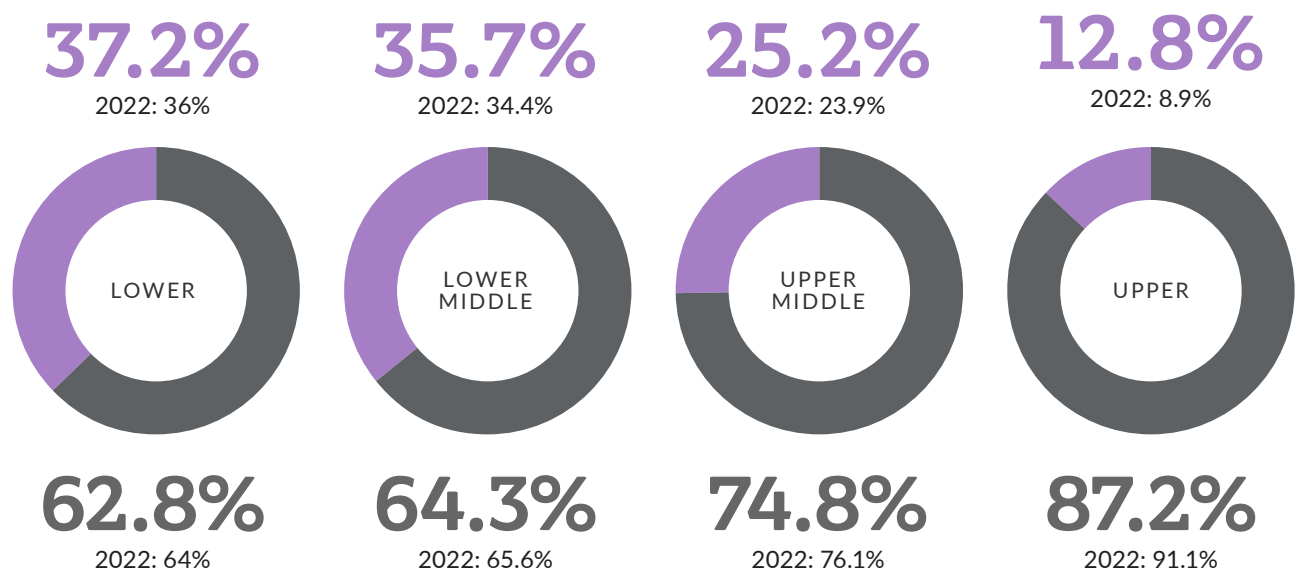
2022: 42.4%

 2.8% increase

### 3. Pay quartiles.

Pay quartiles give a simple overview of the ratio of men and women represented within different pay bands.

We have made year-on-year increases to the proportion of women represented within our upper pay quartiles in recent years (and within all four quartiles this year). This is crucial for continuing to reduce our gender pay gap.



#### KEY

This looks at the ratio of men (grey) and women (purple) in each quartile if all our employees were ordered from highest to lowest paid and then split into four groups.

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#### 4. Our ethnicity pay gap.

This is the first year that we have attempted to analyse our ethnicity pay gap. Unlike the gender pay gap, ethnicity pay gap reporting is not a government requirement. But we have taken this step because the ethnicity pay gap is also a real and significant indicator of workplace inequity.

Our ethnicity pay gap data is based on analysing pay data between two broad comparison groups; White and Global Majority ethnic groups. In future our ethnicity pay gap reporting may be broken down into more ethnic groups, subject to future legislative requirements and meeting our commitment to increasing the ethnicity data we hold.

**27.4%\***  
OUR MEDIAN PAY GAP  
2022-2023

**26.9%\***  
OUR MEAN PAY GAP  
2022-2023

\*Our ethnicity pay gap figures are limited by a gap in our employee data (we had ethnicity data for only 62.1% employees in April 2023). However, we have since undertaken a demographic data-gathering exercise that will help us improve upon the reliability of this data in future reports..

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## Creating an equitable infrastructure.

The gender pay gap reflects inequalities and discrimination across the labour market that lead to lower incomes for women. Despite a steady lowering in the gender pay gap over the last decade, women continue to earn significantly less than men over their entire careers for complex, often interrelated reasons.

They include:

- Women carry out around 60% more unpaid work (e.g. domestic and caring) than men.
- Women are much more likely than men to be working in low-paid jobs and are far less likely to be in high-paid work.
- Women are more likely to encounter outright discrimination inside and outside the workplace.



**KIERAN VALENTINE**  
Head of Diversity, Equity and Inclusion

Our role as an equitable and inclusive employer is to vigilantly uphold practices that guard against the unfair influence of gender (and all other forms of) bias and discrimination.

### This is why our new DEI strategy is centred around four core commitments:

1	We take an honest, and vigilant approach to identifying and tackling root causes of inequity in our business.
2	We uphold equitable recruitment, development and promotion through fair, accessible, unbiased policies, systems, and process.
3	Our leaders are accountable for role-modelling inclusion, guarding against bias, and actively championing DEI.
4	We embrace discomfort when challenged, and seek out opportunities to challenge the status quo - empowering everyone to shape a diverse, equitable, inclusive and high-performance culture.

We know that our commitments are only as meaningful as our response each time they are challenged. By rising to those challenges over the next 12 months and beyond, we can make quicker ground in eradicating our gender and ethnicity pay gaps.

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## 5. Next steps.

We will take the following action to reduce the gender pay gap over the next 12 months:

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### Recruitment.

We will review and update our recruitment policy in pursuit of consistently fair, robust, and inclusive recruitment and selection practices. This is to ensure that career opportunities at every level of our business are clearly defined and equally accessible to all.

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### Networking.

We will ensure the availability of meaningful and appealing external and internal networking opportunities for women and other underrepresented groups – and particularly those in management and leadership roles.

This is because research shows that meaningful networking opportunities are an effective way to mitigate the potential for isolation among women in senior roles (where they are most underrepresented), and the negative consequences that can come from operating within an ‘out-group’.

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### Mentoring.

We will actively facilitate access to formal and informal mentoring opportunities. Mentoring has been found to be particularly important for empowering women in the workplace through growing and enhancing professional connections and visibility, boosting confidence, and contributing to a more inclusive workplace culture.

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### Flexibility.

Both a lack of flexible working opportunities, and a negative perception of flexible working / workers can uphold workplace gender inequalities. So, we will increase the support for and availability of flexible and part-time working opportunities across all role types and levels.

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### Performance.

We will increase the emphasis on inclusive behaviours and attributes within our performance appraisals process – with a particular emphasis on inclusive leadership for senior roles. Inclusive leadership qualities have recently been given more prominence within our leadership development programme, and we are continuing to reinforce inclusive behavioural expectations in job criteria, performance evaluation, and reward frameworks.

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### Education.

We will continue to provide a wide range of education to employees around subjects relating to gender inequality including inclusive leadership, gender bias, microaggressions, inclusive language and allyship.

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### Monitoring.

We will continue to monitor the pay of men and women doing equal work in order to identify any pay gaps that cannot satisfactorily be explained on grounds other than gender – and actively address any such instances to ensure that our approach to remuneration is rooted in equal pay for equal work.

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## 6. References.

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- 6.2 Duncan, P. (2022) 'UK gender pay gap: women paid 90p for £1 earned by men', The Guardian, 6 April. Available at: <https://www.theguardian.com/world/2022/apr/06/uk-gender-pay-gap-women-paid-90p-for-1-earned-by-men>
- 6.3 Equal Pay at Work (2022) *Equal Pay at Work Toolkit*. Available at: <https://www.equalpayatwork.org.uk/toolkit/>
- 6.4 Fawcett Society (2022) *Close the gender pay gap*. Available at: <https://www.fawcettsociety.org.uk/close-gender-pay-gap>
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- 6.7 Sazedj, S. and Tavares, J. (2022) 'Gender inequality: The one thing we can't ignore to close the gender gap at work', World Economic Forum, 29 July. Available at: <https://www.weforum.org/agenda/2022/07/gender-pay-gap-women-networks-work/>
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