

## 2020 Gender Pay Gap Report

As one of the largest IFA's in the UK we must continue to build a diverse and inclusive organisation, where everyone has an equal opportunity to thrive regardless of their background, race, ethnicity or gender. We are acutely aware of the challenges that our industry faces as a whole when looking to attract more females into more senior roles within organisations, and this is something that we must continue to tackle.

During the reporting period we are however pleased to be able to highlight the following successes:

- 50% of our Executive Team comprises of females.
- We appointed 3 females into key senior positions within the business as Head of Professional Development, Head of Paraplanning and Head of Risk and Compliance.
- We appointed 8 females into the Financial Adviser role which has resulted in females comprising 17.5% of our total Adviser population.
- 2 females were also appointed as Financial Advisers through our internal development programme.

This is excellent progress and further supports our commitment to improving female representation in senior and Adviser roles as well as helping to address the gender imbalance that exists within the industry.

We are vehemently committed to supporting equality through fair pay. We are confident that men and women are paid equally for doing equivalent jobs across Chase de Vere.

### What is the Gender Pay Gap?

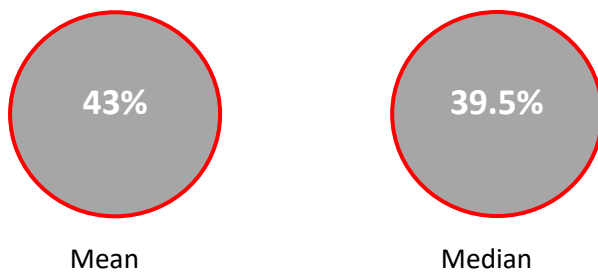
The gender pay gap measures the difference in the hourly pay of all men and women in an organisation, and it is expressed as a percentage of the male employees' hourly pay. The reporting is a UK specific requirement and although it compares all employees, it does not take into account differences in the role performed, individual expertise, experience, or other factors which legitimately impact the way in which different employees are paid.

The gender pay gap is not the same as equal pay; which is where one gender is paid less than the other for the same work. The **mean pay gap** is the average hourly earnings of men and women.

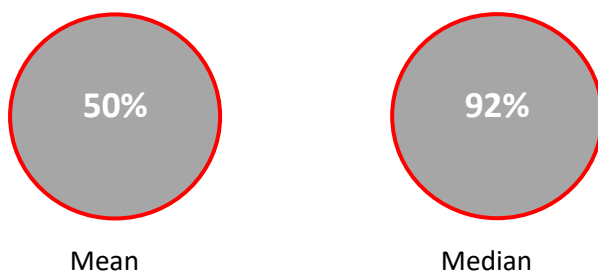
The **median pay gap** involves listing all the salaries in order, from lowest to highest, and picking the salary in the middle.

## 2020 Results

### \*Pay Gap



### \*Bonus Gap



*\*The figures provided are based on rates of pay as at 5 April 2020 and bonuses paid in the year to March 2020.*

Our reported pay gap is driven by a combination of the structure of our workforce and our strategic approach to expanding and growing the business.

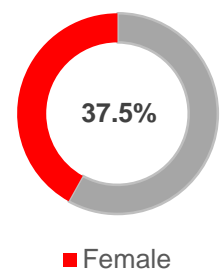
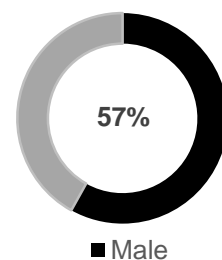
- We have fewer women in roles that have the highest earnings potential. **41.3%** of the overall workforce are females, however **10.2%** are employed in the upper quartile pay band where roles that have the highest earnings potential tend to sit.
- There is a gender imbalance in our lower quartile pay banding, where **58.5%** of colleagues in this quartile are female. Although this figure has narrowed by **3.5%** the under representation of male employees at this level is also where the pay rates are generally lower. Both factors impact our pay gap.
- Our strategic aim is to grow the business through acquisition. Our due diligence in this area has consistently resulted in discussions with established financial advisory companies that have a significantly higher number of males in more senior and associated higher paid roles compared to females. Our findings have shown that there is a gender imbalance across a number of small to medium sized IFA's across the industry.

In terms of our bonus gap, this continues to be impacted by the number of males that received a bonus compared to females. This is due to there being significantly more male than female Financial Advisers within the business and is a systemic issue across the industry.

### Proportion of employees awarded a bonus payment

Employees that are eligible to be awarded a bonus payment, as an intrinsic part of their role, are able to determine their bonus potential based purely on their personal performance.

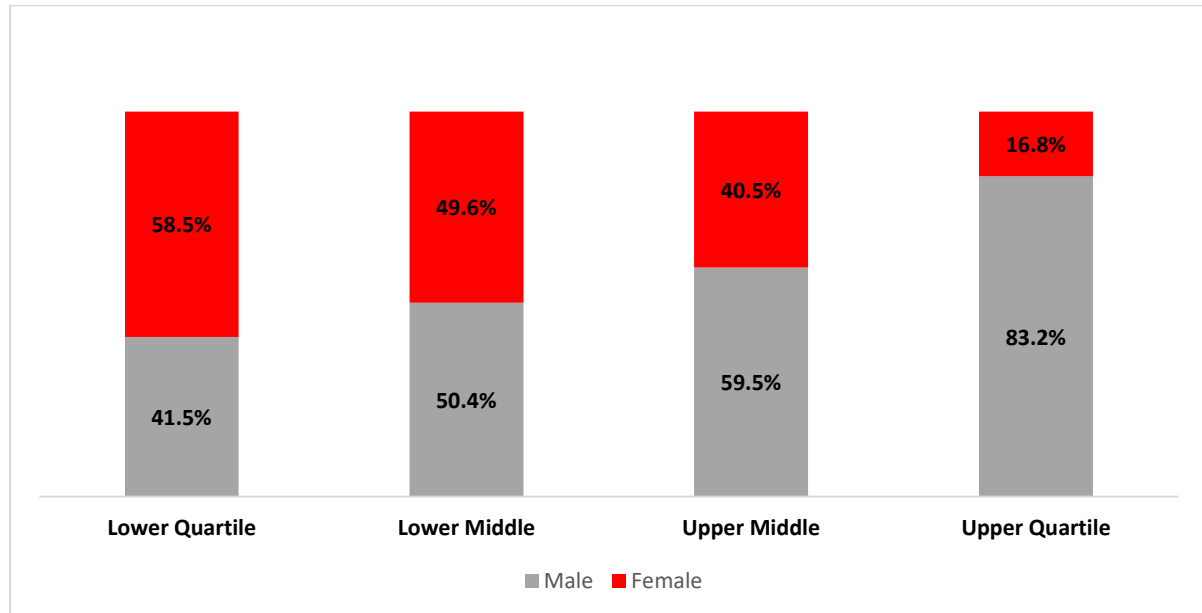
Our approach ensures that gender plays no part in an employees' ability to be awarded a bonus. All bonus payments are related to the role as opposed to the role holder.



## Gender Representation: Pay and Bonus Gap by Quartile

The charts below show the proportion of males and females in each pay quartile (when we order the hourly rate of pay from highest to lowest and group them into four equal quartiles), along with the pay and bonus gaps broken down by quartile.

Each quartile comprises of 131 colleagues in total, with the Lower Quartile comprising of 130.



<b>-1% pay gap</b>	<b>5% pay gap</b>	<b>15% pay gap</b>	<b>-14% pay gap</b>
<b>24% bonus gap</b>	<b>40% bonus gap</b>	<b>7% bonus gap</b>	<b>-13% bonus gap</b>

When we consider gender representation by quartile we have a greater proportion of men relative to women in our upper quartile bands, and the reverse in our lower quartile bands. This is a common gender pattern across the financial services sector.

To help us understand our pay gaps when looking at comparable employees who have similar levels of responsibility and earnings potential, as opposed to simply comparing all employees across the organisation, we have broken down our mean pay and bonus gaps across each quartile.

This helps provide a clearer picture and by doing so we can see that both the pay and bonus gaps are significantly lower than the headline figures when they are broken down by quartile. In particular, when looking at our upper quartile band we can clearly see that we have a negative pay and bonus gap of **-14%** and **-13%** respectively. This means that female colleagues are paid more than male colleagues as an average in this quartile in terms of both pay and bonus.

In addition, the gaps in the lower quartiles are also lower than the headline figures, however we appreciate that more needs to be done to address the overall gap.

## Why do we have a gender pay gap?

Our reported pay gap is driven by a combination of the structure of our workforce and our strategic approach to expanding and growing the business.

- Having fewer females employed as Financial Advisers in relation to males, coupled with a gender imbalance in our lower quartile pay banding are 2 key reasons for our pay gap.
- In addition, the greater proportion of men relative to women in our upper quartile pay bands continues to have an impact.
- As we look to grow the business through acquisitions, our due diligence process with prospective financial advisory firms continues to reveal a significantly greater male representation in more senior and associated higher paid roles, versus a greater proportion of female representation in roles with lower rates of pay.

These factors have directly impacted our overall pay and bonus gaps and it provides an insight into the gender imbalance that exists across a significant number of organisations within the financial advice sector.

## How are we looking to address the pay gap?

1. We are committed to exploring how we can increase the proportion of females in roles that have the highest earnings potential through our approach to recruitment, promotion and managing attrition.
  - Although recruitment can be challenging, given the lack of female Financial Advisers across the industry, we are delighted to have appointed 8 females into the Financial Adviser role. This means that females comprise 17.5% of our total number of Advisers.
  - In addition, we also appointed females into key senior positions within the business as Head of Professional Development, Head of Paraplanning and Head of Risk and Compliance.
  - These appointments support our commitment to addressing the gender imbalance and coupled with 50% of our Executive Team comprising of females, we have made good progress in the 2020 reporting period. We do however recognise that the pace of change in our particular sector has been slow and therefore it will take time to address the imbalance.
  - To support promotion, we have introduced an 'Adviser Development Programme' for internal talent who wish to become Financial Advisers. This initiative has enabled 2 female Paraplanners to become Financial Advisers during this reporting period. We are confident that the programme will continue to support the business by developing women at all levels and ensuring that our talented females are given opportunities to drive and accelerate their careers with Chase de Vere.

- With regards to attrition we must ensure that this is balanced between males and females, whilst looking to continue to better understand what causes women to leave.
2. We have previously set up a 'Women in Finance' initiative. The primary purpose of this is to look at how we:
- engage with our female advisers in order to understand how we can attract and encourage more women to join the business and to implement the appropriate initiatives to support this; and
  - understand how we can enrich the progress of the careers of the female advisers within the business and to promote and better facilitate movement into the adviser role from other functions across the business.

We will continue to engage with our female employees to ensure our on-going commitment to fairness, equality, diversity and inclusion.

3. In addition, we will continue to take action to address any gaps and to make sure our policies and procedures are fair and family friendly. This includes continuing to evaluate the effectiveness of our HR practices so that we do not disadvantage any colleagues in how we attract, select and develop our people.

*The information contained in this report is accurate and aligned with requirements of the Regulations. We will continue to report on the gender pay gap in line with the requirements as outlined in the legislation and accompanying guidance.*