



2017 Gender Pay Gap Report

Gender pay gap reporting is an incredibly important step forward for Chase de Vere as an organisation. Not only will it enable us to identify the root cause of any gap, it also provides us with an opportunity to understand how we can address it.

Being one of the largest IFA's in the UK we want to create a culture that attracts and retains talented people, and one where everyone has an equal opportunity to thrive, regardless of their background, race, ethnicity or gender.

We are committed to supporting equality through fair pay. We are confident that men and women are paid equally for the same job, however the greater proportion of men relative to women in our upper quartile pay bands creates a gender pay gap.

A handwritten signature in black ink, appearing to read 'Stephen Kavanagh'.

Stephen Kavanagh
Chief Executive

What is the Gender Pay Gap?

The gender pay gap is an equality measure that shows the difference in average earnings between men and women¹.

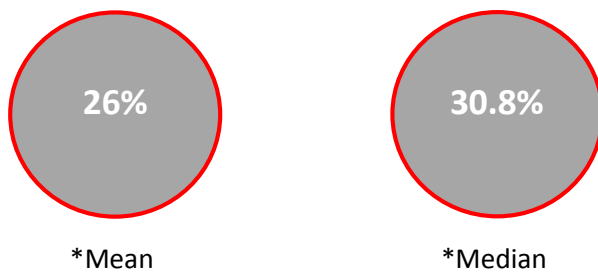
It measures the difference between the average pay of all men and women in a company. Often, the gender pay gap is confused with unequal pay, though this is a different measurement. Unequal pay is where one gender is paid less than the other for the same work.

The Equality Act 2010 Regulations aims to tackle the gender pay gap that exists in organisations and provide transparency around gender pay gap differences. The regulations require employers with more than 250 employees to report to the government and make publicly available their gender pay gap metrics.

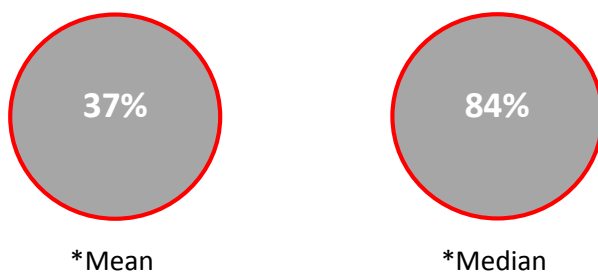
¹ UK Gender Pay Gap – <https://www.gov.uk/government/news/uk-gender-pay-gap>

Headline Gender Pay Gap Figures

Gender Pay Gap



Gender Bonus Gap



**The figures provided are based on rates of pay as at 5 April 2017 and bonuses paid in the year to March 2017.*

The gender pay gap is defined as the difference the mean or median hourly rate of pay that male and female colleagues receive.

The **mean pay gap** is the average hourly earnings of men and women. The **median pay gap** is the difference between the mid points in the ranges of hourly earnings of men and women (takes all the salaries in the sample, ranks them in order from lowest to highest, and picks the middle-most salary).

According to a benchmarking report produced by PWC in February 2017², Financial Services has the largest gender pay gap across all the UK industry sectors with the indicative average gap being 34%.

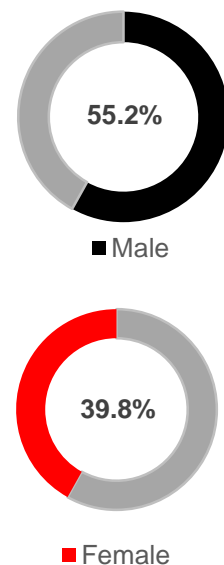
At 26% we can see that the mean gender pay gap at Chase de Vere falls below the predictions of PWC for financial services in terms of hourly pay. Although this is positive in relation to the industry benchmark, we recognise that more needs to be achieved to improve the gender pay gap.

In terms of our bonus pay gap, this is driven by the number of men who received a bonus compared to women – 149 men compared to 78 women. Our bonus gap is driven largely by the fact that we have significantly more male than female Financial Advisers, who are all eligible to receive a bonus payment. This has had a significant adverse impact on our median bonus pay gap in particular.

Proportion of male and female colleagues receiving a bonus payment

Colleagues eligible to receive a bonus payment are generally concentrated in the upper middle and upper quartile bands, and there is no formal bonus structure in place for the vast majority of colleagues in the lower middle and lower quartile bands.

Although this adversely affects both genders, it impacts a higher proportion of female colleagues that are in lower middle and lower quartile bands. Overall, the proportion of colleagues who receive a bonus across the organisation regardless of gender is 48%, and the majority of these colleagues are Financial Advisers.

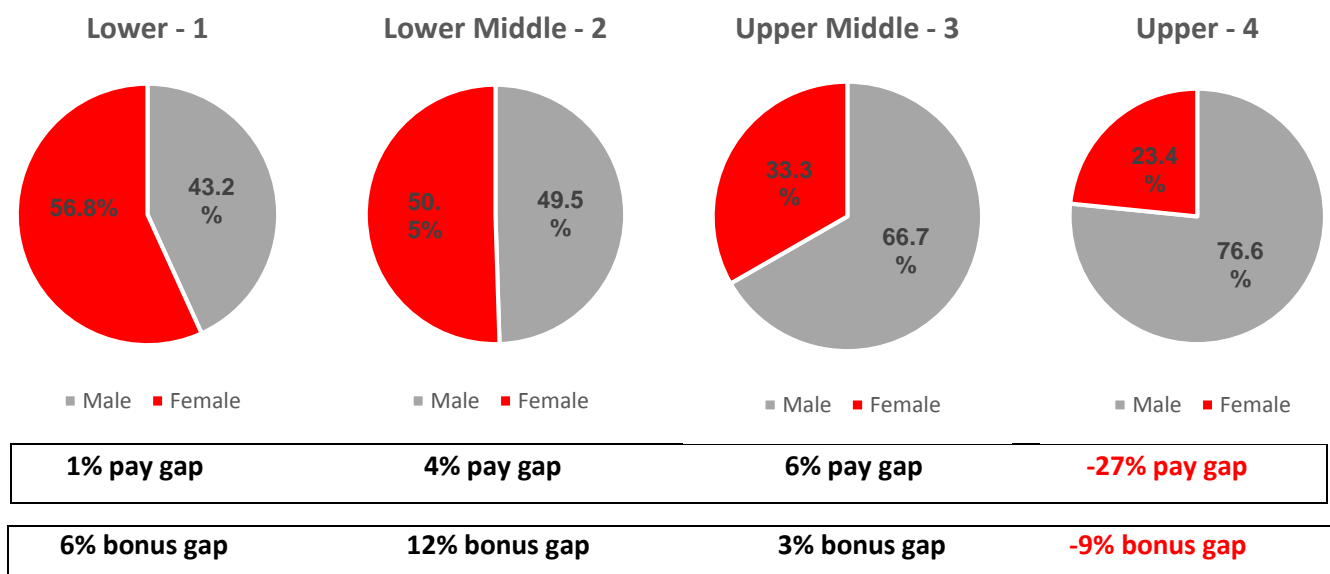


² PWC Women in Work – Closing the Gender Pay Gap – <https://www.pwc.co.uk/economic-services/WIWI-2017-report-final.pdf> – A benchmarking report published by PWC suggested that over 60% of financial services firms will report a mean and median pay gap of between 20-40% with the average reporting a pay gap of around 34%.

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). Each quartile comprises of 111 colleagues in total.

We understand that this gender profile is typical of many financial institutions across the UK. Female representation is positive in both our quartiles one and two, however representation shows an imbalance in our upper quartiles three and four. We are committed to exploring ways in which we can redress the imbalance of male and female colleagues in these quartiles.



When we look at the mean pay and bonus gaps broken down by each quartile pay band, this gives us greater insight as to the extent of our gaps relative to the bands. These results are extremely encouraging as not only are there negative pay gaps in the upper quartile band for both mean pay and mean bonus (which means that female colleagues are paid more than male colleagues as an average), the gaps in the remaining quartiles are significantly lower than the headline figures.

The equality in our pay and bonus structures are reflected in these quartile breakdowns, and further supports that we are an employer that promotes equality through fair pay, ensuring bonus payments are linked to individual performance and achieved by generating positive customer outcomes.

Why we have a gender pay gap?

While we are confident that men and women are paid equally for the same job at Chase de Vere, the main reason for our company wide gender pay gap is due to an imbalance of male and female colleagues, particularly in our upper quartile pay bands three and four.

There are also significantly fewer women than men who are employed as Financial Advisers, something that is consistent across the industry, a higher proportion of women relative to men in the

lower quartile pay bands one and two, and more women that work part time. These factors all play a contributory role.

To provide some context it is important to explain that the Financial Adviser role accounts for just under 50% of the overall number of colleagues who work at Chase de Vere. This role also provides colleagues with the greatest opportunity to sit in the upper quartile pay bands than any other role in the organisation. Given that there are significantly fewer women relative to men in this role, with women accounting for 17% of the overall Financial Adviser population, this has adversely affected both the gender pay and bonus gaps.

How are we addressing the pay gap?

As an organisation we have been focussed on always recruiting the best people, irrespective of their background, race, ethnicity or gender. We are also committed to equality through fair pay.

We recognise that tackling the gender pay gap will take time, however we understand that we need to take a proactive approach. Therefore, through the course of 2018 and beyond, we will consider the following initiatives to help us understand how we can reduce the gap:

- Recruitment – ensuring that we select the right person for the job through fair and transparent processes. Explore ways to attract more women to join the business in key positions such as Independent Financial Advisers, Senior Managers and in other roles that have typically been undertaken by men.
- Gender balanced shortlists – to encourage an equal share of men and women on our shortlists and have a better chance of getting the best person for the role. That could mean more women in some jobs or more men in others.
- Ensure that gender forms a central part of our inclusion strategy.
- Hold unconscious bias training for managers.
- Continue to take action to address any gaps and to make sure our policies and procedures are fair. This includes actively reviewing decisions around our annual performance, pay, and bonus payments for bias to ensure that all colleagues are recognised according to their contribution and performance, irrespective of gender.
- Family policies – developing policies to help remove the barriers that colleagues with family or caring commitments can face in advancing their careers.

We will also continue to report on gender pay in line with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and update on progress.