

Gender Pay Gap Report 2021



April 2022

At Brooks Macdonald, our commitment to nurturing an inclusive culture that values diversity is embedded in our Guiding Principles. These principles are fundamental to being a great place to work for our employees, and exceeding the expectations of our clients.

It is within this context that we are pleased to publish our 2021 Gender Pay Gap Report.

The results presented in the main body of this report are reflective of the remuneration paid to all Brooks Macdonald Group's UK-based employees (across all UK legal entities), in the reporting period up to 5 April 2021. We believe reporting our full UK population is the most transparent and representative way to disclose our gender pay gap. However, UK gender pay gap legislation requires that we report the results from Brooks Macdonald Asset Management (BMAM), our only UK legal entity with more than 250 employees. To support this requirement BMAM-specific results are included in an appendix following this report.



‘We act with integrity, honesty and fairness and we value diversity’

Statement from our Chief People Officer

Paying our people fairly goes to the heart of the promise we make to our employees, and we ensure that men and women are paid equally where they perform equivalent roles with the same level of contribution. As with many firms in the financial services sector, our pay gap is shaped not by pay inequity but by the underrepresentation of women in more highly remunerated senior and client facing roles. Addressing this underrepresentation continues to be central to closing our gap.

Pay gaps are measured in several different ways and our pay gap profile has changed in a number of ways since 2020. We are pleased to confirm that the gaps in average (mean) hourly pay and the difference in the value of bonuses paid to men and women have both reduced substantially since last year, although we have also seen a modest increase in our median hourly pay gap.


The reason for our median and mean hourly pay gaps moving in different directions from 2020 to 2021 primarily reflects the changes in our workforce composition that have occurred during

this period. The mean hourly pay gap is strongly influenced by changes in the gender composition of higher earners, and the year on year reduction in this gap from 35.5% to 29.9% is driven by the successful recruitment of several female senior managers during 2020.

Conversely, the median hourly pay gap is more sensitive to changes across the full workforce. The implementation of our business strategy during 2020 changed both the number and composition of roles we operate. These changes had a larger impact on male median hourly pay compared to female median hourly pay, contributing to a widening of the gap by around three percentage points from the previous year.

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We measure both the proportion of men and women receiving bonuses and the gap in bonus values. We are pleased that all bonus pay gaps have evolved positively since 2020. Both mean and median bonus gaps have narrowed substantially, reflecting the faster growth of the value of bonuses paid to women compared to men. Our results also show that a higher proportion of women received bonuses in 2020 and 2021 than men.

Despite encouraging progress, we acknowledge that our gender pay gap continues to remain too wide. Contained in this report are the actions we are taking to meaningfully and sustainably reduce our gap and support our broader diversity goals.

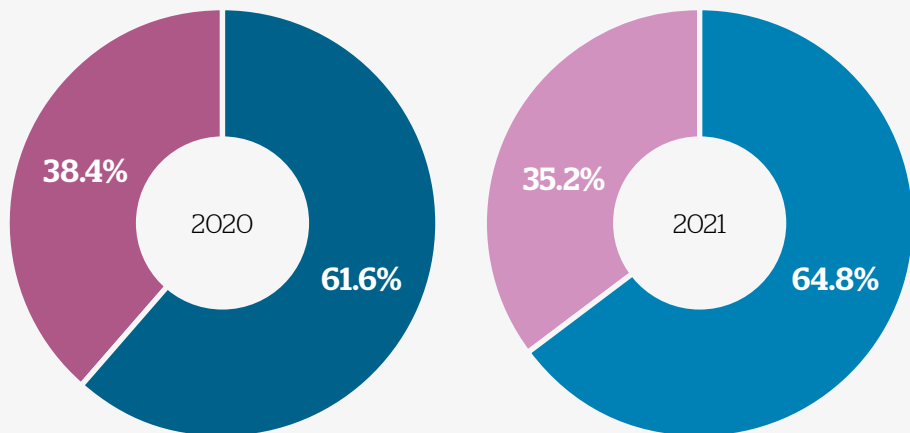
We continue to support the legislation requiring businesses to publish their gender pay data, believing it reinforces the need for addressing gender diversity issues and provides us with a framework to measure and reflect on our progress.

I confirm that the information we have published both here and on the UK government website is accurate and calculated in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

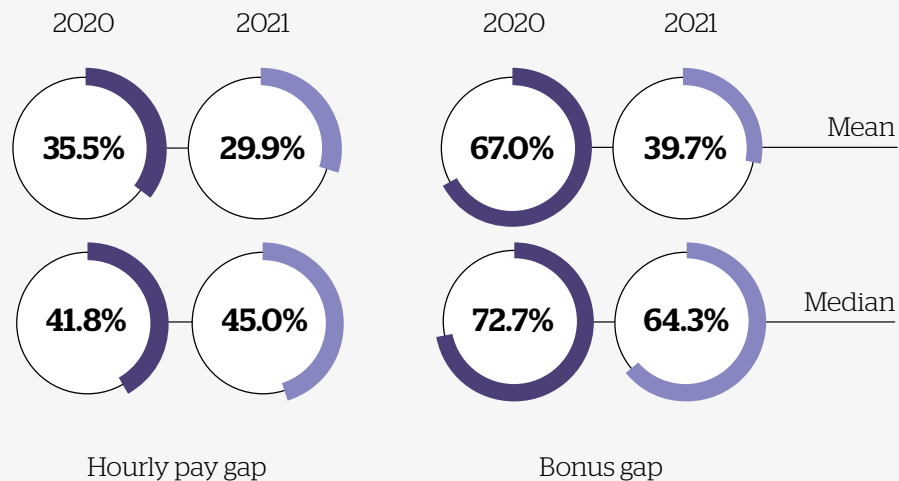
Tom Emery
Chief People Officer

Workforce split

Men
Women



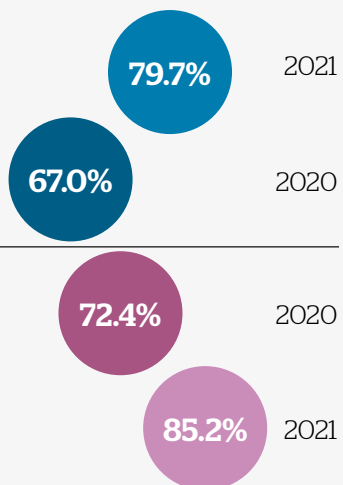
Gender pay gap



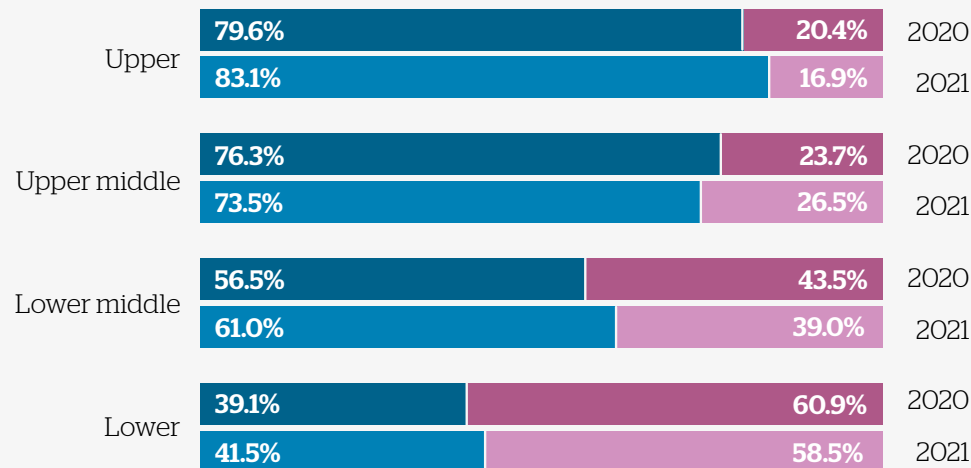
Group

All UK employees within Brooks Macdonald Group, including BMAM

Percentage of employees receiving a bonus



Quartiles



Our drive to build an inclusive culture that values diversity remains a central pillar of our people strategy.

We are making progress in achieving this aim and improving our gender balance.

In 2021, we expanded our relationships with specialist diversity and inclusion (D&I) organisations such as City Hive, Talking Talent and LGBT Great by engaging an expert consultancy, Challenge, to evaluate our approach to D&I and provide recommendations to help us improve.

Several recommendations from Challenge's evaluation are already complete or are in progress, including:

- > A full review of all existing policies and procedures to ensure inclusivity and the promotion of diversity, including flexible working, menopause, gender transitioning and dignity at work.
- > The roll out of mandatory inclusive culture training to all employees from the start of 2022. All employees are attending sessions designed to provide an understanding of the importance of diversity in promoting an inclusive culture. Additionally, through our new 'Your Team at its Best' programme, all people managers will receive in-depth

learning on leading inclusive teams and building a team culture that promotes and values diversity.

- > We have also broadened our focus from the attraction and fast-tracking of mid- and senior level talented employees to senior management and leadership positions, to attracting diverse talent at the entry and junior levels of our business via our Inclusive Futures programme. This programme is comprised of three core pillars:
 - > Summer internships in partnership with Girls Are INvestors (GAIN) and 10,000 Black Interns
 - > Our trainee scheme in partnership with Investment20/20
 - > Our investment management graduate training programme

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An enhanced focus on early careers creates a long-term, sustainable diversity foundation that will broaden the backgrounds, qualifications and thinking of our people.



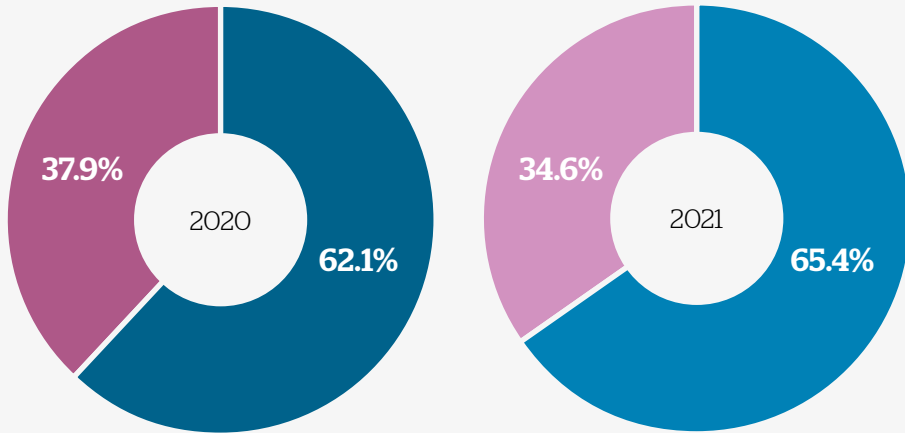
- > These programmes have been developed with the aim of attracting talented individuals at the beginning of their careers, many of who may not have considered working in the investment management industry. The priority for these programmes is to remove bias and identify and develop individuals whose skills, aptitude, ways of working and values are aligned to our Guiding Principles. An enhanced focus on early careers creates a long-term, sustainable diversity foundation that will broaden the backgrounds, qualifications and thinking of our people.
- > These new approaches complement our pre-existing practices of operating gender-balanced shortlists and gender-balanced interview panels for vacancies at all levels.

- > In September 2018 we signed the Women in Finance Charter and set ourselves ambitious gender diversity targets to be achieved by 2021. Despite a significant investment in our diversity programmes since 2018 and significant progress being made in senior female representation since then, we ultimately fell short of our target. Notwithstanding this, we have re-signed the charter this year with the aim of increasing female senior manager representation to 30% by September 2024.
- > We also continue to lead market practice in the area of executive pay and diversity through linking the incentive outcomes of our most senior leaders to the delivery of the Group's gender diversity targets.
- > These actions represent our commitment to improving our gender balance and representation of women and other under-represented groups in senior management positions. We continue to monitor our progress and identify, develop and implement initiatives to improve our diversity and gender balance across the Group over the coming year to reduce our gender pay gap.

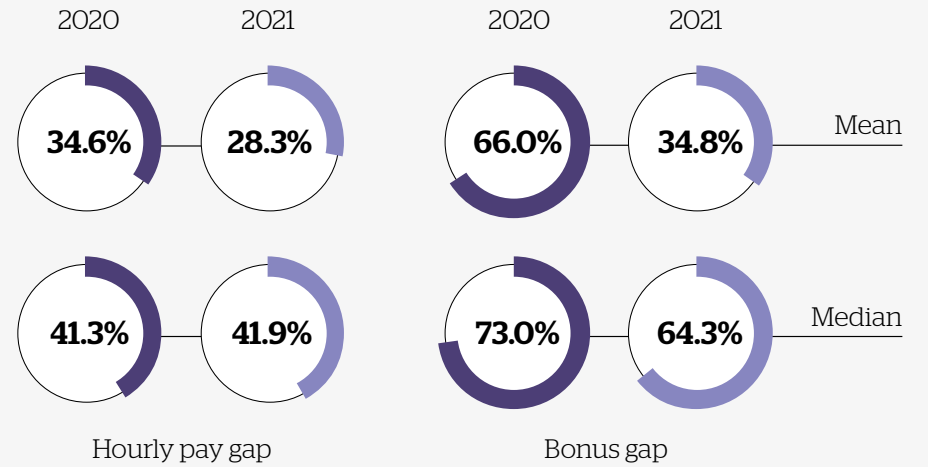


Workforce split

Men
Women



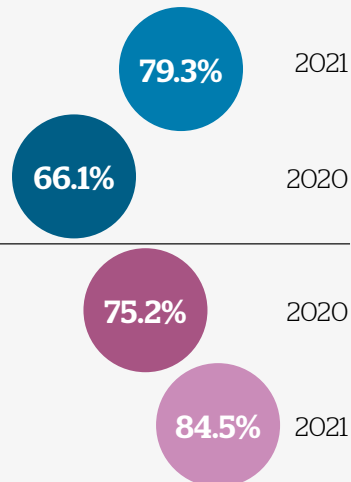
Gender pay gap



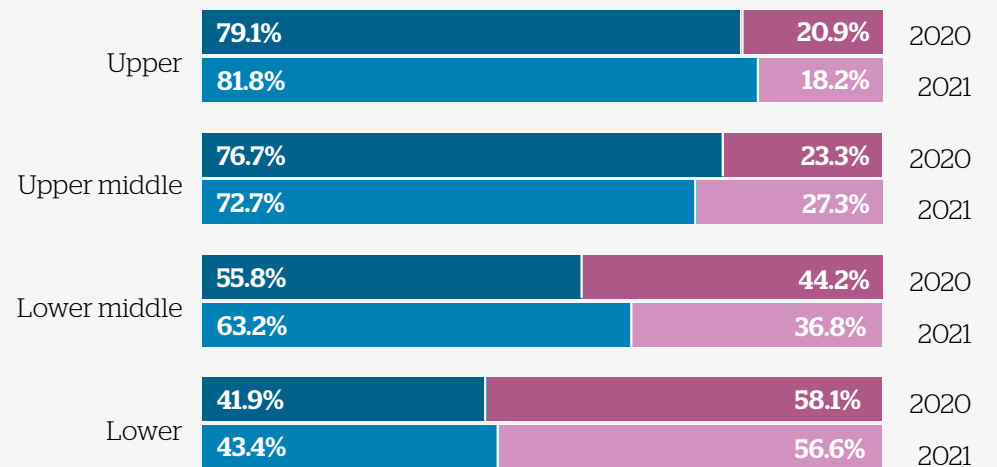
Appendix: Brooks Macdonald Asset Management (BMAM)

Gender pay gap reported results for mandatory entity
BMAM results published at GOV.UK Gender Pay Gap Service.

Percentage of employees receiving a bonus



Quartiles



For more information please visit
brooksmacdonald.com



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