

Gender Pay Gap Report 2022



April 2023



BROOKS MACDONALD

It is essential to the growth of our business that we attract talent with distinctive and diverse perspectives so that we nurture the creativity and ideas of our people.

Investing in our culture creates more than just a great place to work. An environment of openness, where difference is recognised as a source of strength and advantage, supports everyone to thrive and contribute their most creative ideas and solutions. Harnessing the capability of all our people in this way is key to delivering Brooks Macdonald's vision to become a top five wealth manager.

It is from this perspective that we are pleased to publish our 2022 Gender Pay Gap Report. The results presented reflect the remuneration paid to Brooks Macdonald's UK-based employees only, within the reporting period up to 5 April 2022.



‘An environment of openness, where difference is recognised as a source of strength and advantage.’

Statement from our Chief People Officer

“Our gender pay gap report shows marginal improvement in some metrics and our deeper analysis provides certainty that men and women are paid equally for performing equivalent work. However, the difference between average (median) remuneration for men and women remains unacceptably wide. This results from the under-representation of women in higher-paid, client-facing roles, and addressing this issue remains a significant challenge.

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.”

Simon Broomfield
Chief People Officer



What does the pay gap measure?

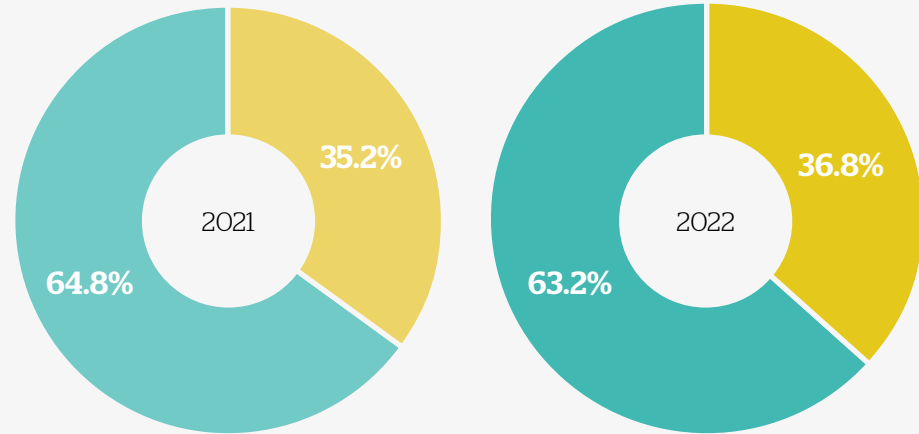
The hourly pay gap and bonus pay gap metrics measure the difference in the average earnings of men and women across all roles. It is not an equal pay comparison which would compare the earnings of men and women doing the same or similar value work. We know from the work we have done that we do not have an equal pay issue and that we do not pay men more than women for doing the same work. Our proportions of men and women receiving bonuses, both being around 78%, demonstrates the consistency of our approach.

Our pay gaps stem from a gender imbalance, resulting from an under-representation of women in higher-paid, client-facing roles. Efforts to close the gaps described in this report therefore focus on the direct and indirect ways in which we are trying to address our gender imbalance.

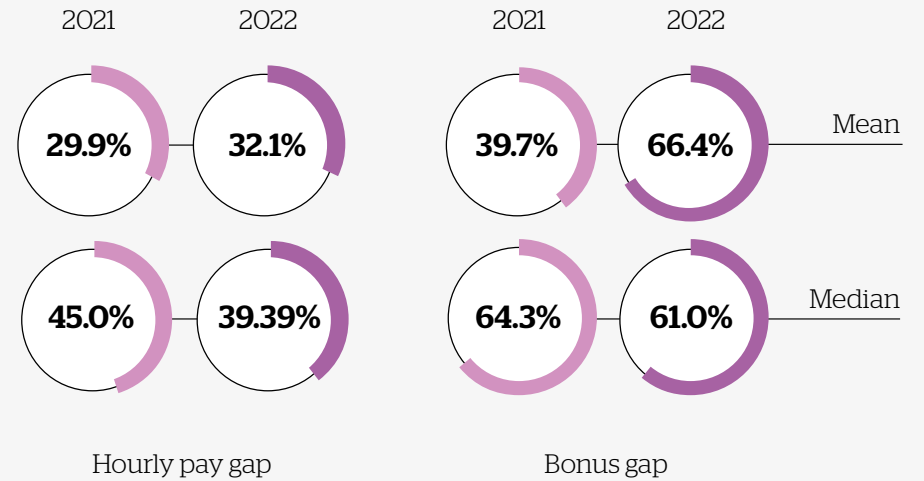


Workforce split

(based on Full Pay Relevant Employees)



Gender pay gap



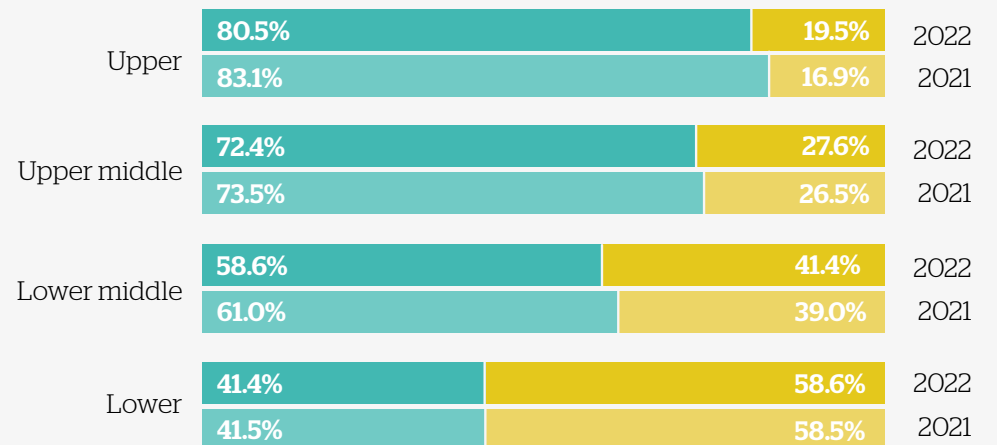
Group

All UK employees within Brooks Macdonald Group, including BMAM

Percentage of employees receiving a bonus



Gender split of income quartiles



Our Gender Pay Gap Evolution 2017 to 2022

Our 2022 results mark the sixth consecutive year in which we have published our pay gaps. Since reporting began, our pay gaps have changed as the profile of our business and our leadership have changed. Overall, it is encouraging to report that we have reduced the pay gaps across all four reportable gap measures¹.

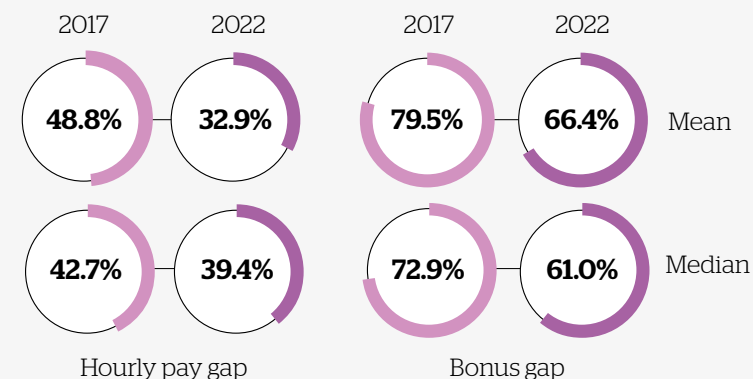
We have achieved ten to fifteen percentage point reductions in our bonus-based measures, but the gaps still remain too large. Being a relatively small business, our more recent progress has been impacted by the departure of our female former CEO which influenced the widening of both our mean bonus and mean hourly pay gaps from the previous year.

Closing these gaps will be dependent on achieving stronger female representation in senior client-facing roles, in particular investment management roles, where there is a higher market bonus opportunity for strong performers, relative to the bonus opportunities for other roles within the Company.

Presently, women make up only a small proportion of our investment managers, a ratio that is common across the wealth management industry, but we are seeking ways to change this. In 2018, we became a founding signatory to the Women in Finance Charter and last year we re-signed to the Charter with a new target of achieving 30% female senior manager representation by September 2024.

Our progress in hourly pay measures, which captures the value of all regular earnings paid to men and women in the month of April each year, has been more mixed. Our progress has been slower than we would have wanted. We have achieved a nearly sixteen percentage point reduction in our mean hourly pay gap, which is positive, but progress against our median hourly pay gap has been much more modest, with a reduction in just over three percentage points. The median hourly pay gap is a good measure of how even the distribution of women is across all pay quartiles. We are aware that in the short-term, our current focus

on building diversity in investment management roles through our early careers partnerships with [Girls Are Investors \(GAIN\)](#) and [10,000 Black Interns](#), will initially widen our pay gap and lead to higher representation of women in the lower pay quartiles. This talent pipeline is however key to achieving balanced representation and meaningfully reducing our gaps in future years.



¹ Measures are: mean hourly pay gap, median hourly pay gap, mean bonus gap and median bonus gap

How we are reducing our pay gap

We regularly review our benefits, policies, the organisations who we partner with and the ways in which we work to ensure we create an optimal environment and experience for diverse talents. In acknowledgment of the importance of family friendly policies to a gender-balanced workforce, in 2022 we again increased the value of benefits payable under maternity, adoption and shared parental leaves. Most employees are now eligible for six months full pay and we are also exploring opportunities around nursery partnerships to better support working parents with pre-school childcare needs.

Further reviews of our approach to diversity and inclusion were undertaken following recommendations made by Challenge - an independent diversity specialist consultant. In addition to our pre-existing practices of operating gender-balanced shortlists and interview panels within an overall no-gender-bias recruitment

approach, Challenge also recommended the implementation of diversity training, further development and communication of our dignity at work and diversity policies, and the re-orientation of key values and capability frameworks around diversity and inclusion principles. All Challenge's recommendations were actioned in 2022.

Expanding on our existing early careers partnerships with [Girls Are Investors \(GAIN\)](#) and [10,000 Black Interns](#), last year we initiated a new partnership with the [EY Foundation](#). Through their '[Sustainable Finance Futures](#)' programme, we provide paid work experience, tailored skills development and a business mentor to young adults about to leave school and embark on their careers. The aims of the programme align to our views on social mobility in seeking to remove the barriers to employment faced by young people from low-income background and unlocking their potential to succeed in a financial services career.

Continued



These actions represent our commitment to creating a diverse environment that provides a foundation for progressing our gender balance and representation of women and other under-represented groups in senior management positions.

We also demonstrated our commitment to domestic violence-focused charities through new partnerships with [Women's Aid](#) and [Employer's Initiative on Domestic Abuse \(EIDA\)](#) and raised the profile, understanding and dialogue around diverse needs through our 'Talking Menopause' and neurodiversity events series.

Our launch of [Female Folio](#) in 2022, conceived and led by female members from across the Group, has created a visible vehicle and network opportunity to build knowledge and understanding of investing amongst women, increasing the level of conversation around female investing and encouraging women to own their investment story.

We also continued to build on the relationships and work already in place with [City Hive](#), [LGBT Great](#), and [Talking Talent](#). Building and maintaining an authentic dialogue that applauds difference and speaks to all our people is key to allowing everyone to bring their whole selves to work and realise their potential at BM.

These actions represent our commitment to creating a diverse environment that provides a foundation for progressing our gender balance and representation of women and other under-represented groups in senior management positions. We will continue to monitor our progress to identify, develop and implement initiatives to meet our diversity and inclusion ambitions throughout the coming year and beyond.



For more information please visit
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