



RATHBONES

REPORT FOR 2023 ACTIVITY

GENDER PAY GAP



WELCOME

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A STATEMENT FROM OUR CEO



Paul Stockton
Group Chief Executive Officer

We are a people business and at Rathbones specifically we nurture long-lasting client relationships and have valued low colleague turnover. Though we're proud of our culture of longevity, we know it poses challenges in shifting the dial on our gender pay gap. We know acting towards greater diversity, equality and inclusion (DEI) is the right thing to do and we recognise the commercial imperative for the sustainability of Rathbones. Wealth is diversifying in the UK and we believe in the power of finance and our industry to support growth economically and socially for our colleagues, clients and communities.

In April 2023 Rathbones Group Plc announced the combination with Investec Wealth & Investment (UK) with the deal completing in September 2023 to create the UK's leading discretionary wealth manager. Over the next couple of years we will be very focused on integrating the two businesses which will present opportunities as well as challenges as we continue to deliver against our diversity, equality and inclusion strategy. We continue to be committed to take actions to create a more inclusive culture for everyone.

Paul Stockton
4 April 2024

Our reporting suite

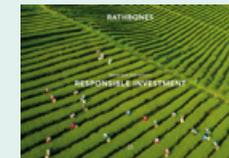
This report forms part of our wider reporting suite where you can find more about our full activities



Annual report and Accounts 2023



Responsible business update 2023



Responsible investment report 2023



TCFD report 2023

FURTHER INFORMATION

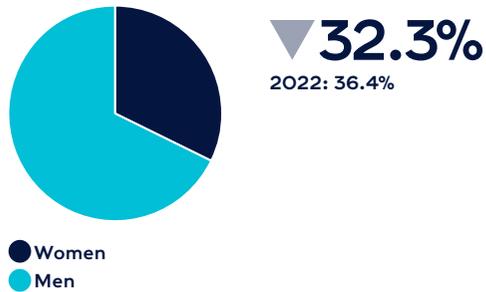
Throughout this report you'll see these icons to indicate where you can find out more

Read more

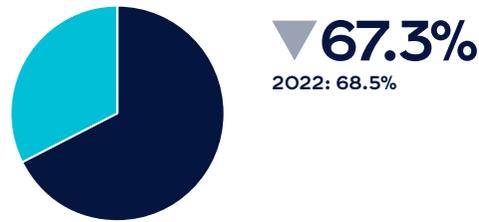
Visit website

RATHBONES 2023 DATA AND PROGRESS OVERVIEW

MEAN HOURLY GENDER PAY GAP



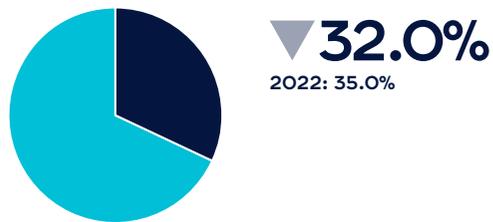
MEAN BONUS GENDER PAY GAP



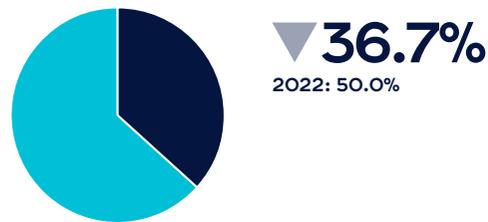
PROPORTION OF WOMEN RECEIVING A BONUS



MEDIAN HOURLY GENDER PAY GAP



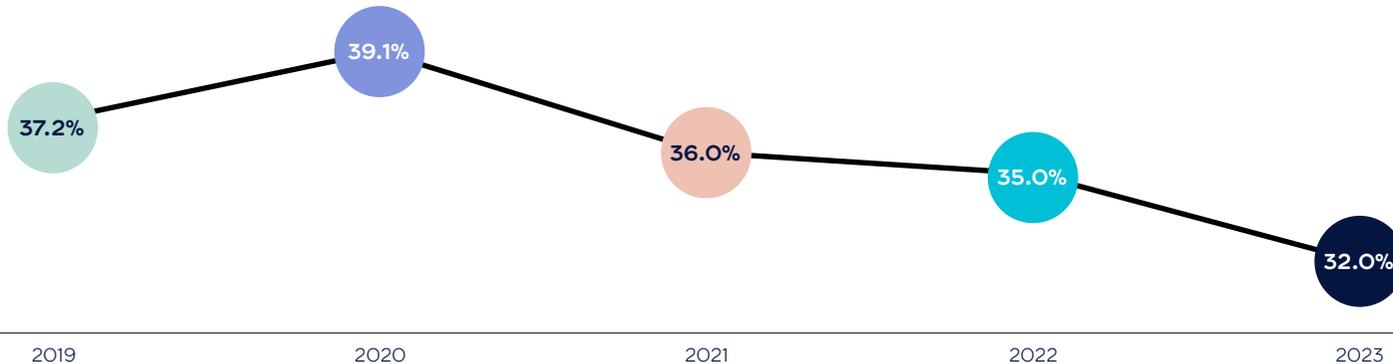
MEDIAN BONUS GENDER PAY GAP



PROPORTION OF MEN RECEIVING A BONUS



FIVE-YEAR PROGRESS FOR MEDIAN HOURLY PAY GAP



NARRATIVE ON PERFORMANCE

The gender pay gap is calculated using the median and the mean average hourly pay for men and women at 5 April 2023. The difference between the two figures is our gender pay gap. Our 2023 data shows that our mean gender pay gap has reduced to 32.3%. The recent year's trends (36.36% 2022, 37.1% 2021) reflect the impact of our ongoing efforts to create a more balanced Rathbones and we're focusing on our progress; we know it's slower than we would like and we are committed to staying on the right track to continue making progress to close the gap.

Our gender pay gap exists because of inherent issues we're working hard to address. We have a higher proportion of men than women in senior roles and more women than men in mid-junior roles. There are historic and complex causes: the wealth management sector has traditionally been male dominated and the underrepresentation of women in senior roles is systemic in our industry more broadly. We continue to be signatories of the Women in Finance Charter; when we signed up to that in September 2018, we had 15.6% female representation, as of September 2023 we have 33%.

1: Data shown here excludes Saunderson House

RATHBONES 2023 DATA AND PROGRESS OVERVIEW CONTINUED

NARRATIVE ON PERFORMANCE

The quartile data looks at the proportion of men and women in each 25% of the hourly pay analysis when ranked from highest to lowest. This data highlights the demographic make up of our organisation. As the percentage of women in the upper and upper middle quartile bands increase, our gender pay gap will decrease.

Internal progression is a key factor in our employee development and how we support women at work. Over the reporting period, 169 employees received a promotion or secondment into a more senior role, demonstrating the increased skills and experience that they bring. Of these, 52% of internal moves were women, an increase of 24% over the previous year.

Our direct recruitment has also helped to shape our quartile demographics with 31% of our upper quartile hires being women, an increase of 7% over the previous period.

PROPORTION OF WOMEN AND MEN IN EACH QUARTILE PAY BAND

Upper quartile

23	24.2%	75.8%
22	24.0%	76.0%

Upper middle quartile

23	40.8%	59.2%
22	36.7%	63.3%

Lower middle quartile

23	59.0%	41.0%
22	59.6%	40.4%

Lower quartile

23	61.3%	38.7%
22	62.2%	37.8%

2023 REPORTING YEAR PROMOTIONS AND SECONDMENTS BY GENDER, BY FUNCTION

Support functions	53.0%	47.0%
Front office support	78.0%	22.0%
Front office	40.0%	60.0%

● Women
● Men

ACTIONS FOR GENDER BALANCE



Our commitment to achieve greater female representation in leadership roles

We are signatories of the Women in Finance Charter. When we signed up to that in September 2018, we had 15.6% female representation in senior management roles. As of September 2023, we have 33%, exceeding our initial target of 25% by September 2023. Our commitment and target for the Women in Finance Charter has been extended to reach 35% by September 2027.

At the end of 2023, five of our nine board directors are female, meeting our commitment of 40% female board representation for FTSE 250 companies. We have three female non-executive directors, achieving our commitment to meet Lord Davies's target of 25% female board representation. Across the company, we are approaching a 50:50 gender balance.

To support the Rathbones gender targets we also have the Gender Balance Network, an employee resource group, who aim to raise awareness of gender imbalance, tackle the barriers to female progression, retention and development within our business and promote the financial sector as a positive place for women to have fulfilling careers.



Investing in our people

Wellness is critical; non-work pressures matter; hybrid working is here to stay. People need new skills and variety across longer careers and expect businesses to live their values more than ever. Our people are strong advocates of our business and they will always be at the heart of Rathbones future growth.

That means investing in learning and development and establishing the technology and physical work environments that create positive ways of working and enhance wellbeing. It means investing in career development to help colleagues deliver exceptional client service and doing this over the long term, as careers are getting longer and seeing colleagues go through many of life's changes.

To pull in two examples of family forming support we provide to colleagues; we have enhanced parental leave policies and have recently launched a new wellbeing partner, Fertifa Reproductive Health Benefits for Employers | Fertifa who help employers offer support, clinical advice, financing and benefits for fertility, family forming, sexual and hormonal health, menopause, women's health and men's reproductive health to make sure our employees are supported in the best way possible.



Supporting women in the workplace

The menopause has continued to be very topical with a particular focus on what employers are doing to support colleagues who are experiencing menopausal symptoms. We recognise that the number of women aged between 45 to 55 employed in the UK is significant and growing, and at Rathbones we are not unlike other organisations who are taking action, to raise awareness and address the barriers that impact women in terms of wellbeing, career progression and gender balance in senior roles.

Last year we reported on the launch of our 'Take a Moment to Pause' colleague led menopause awareness group. This group have grown significantly in terms of the number of colleagues who have joined, the momentum and engagement and the awareness that they have managed to raise across Rathbones about the impact of the menopause. In the past year we have hosted a number of high profile speakers talking about all aspects of the menopause including: Louise Minchin, Dr Helen Kini and Kate Muir. We have joined Henpicked and are working towards being independently accredited as a Menopause Friendly Employer.



#International Women's Day 2023 – #EmbraceEquality

Rathbones marked IWD 2023 with two events:

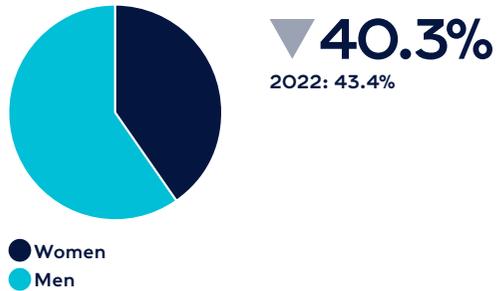
The first event being 'Women & Money: the path to financial wellbeing' an interactive session led by Emma Watson, Head of Financial Planning and Advisory to reflect on how far women have come in achieving financial equality and to explore what more needs to be done to empower women to take control of their finances and make their money work better for them.

The second event was with Saunderson House's Women in Wealth team, who hosted an in-person event in London, featuring a panel discussion with a number of colleagues who discussed their experience and challenges, the evolving workplace and how they see the gender imbalance changing.

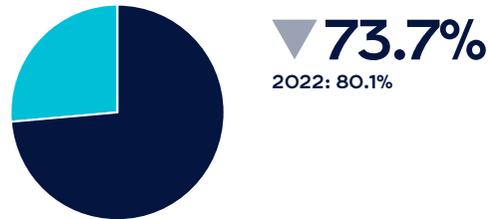
Investec Wealth & Investment (UK) (IW&I) partnered with Investec Group to mark IWD with a flagship event focused on the theme 'Embracing Equity', this was an opportunity to explore how gender balance and equity benefited Investec as a business. This was followed by a panel discussion with real life examples of equity in action, and how individuals can make things better. IW&I also hosted an Allies programme, highlighted various employee benefits including family forming and family leave policies, neurodiversity in women and how women can take control of their pension.

INVESTEC WEALTH & INVESTMENT 2023 DATA AND PROGRESS OVERVIEW

MEAN HOURLY GENDER PAY GAP



MEAN BONUS GENDER PAY GAP



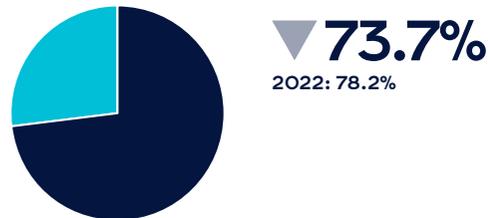
PROPORTION OF WOMEN RECEIVING A BONUS



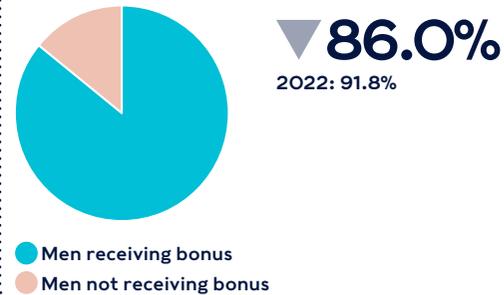
MEDIAN HOURLY GENDER PAY GAP



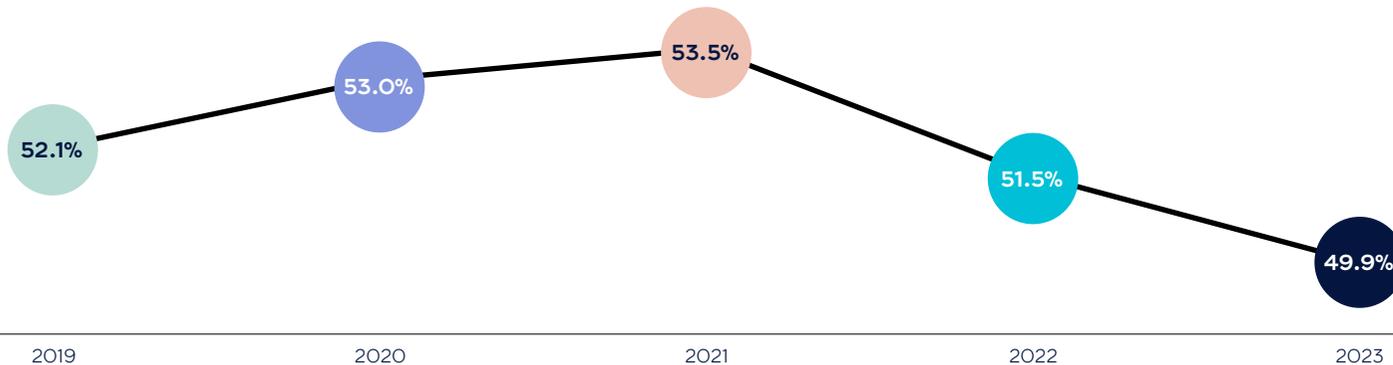
MEDIAN BONUS GENDER PAY GAP



PROPORTION OF MEN RECEIVING A BONUS



FIVE-YEAR PROGRESS FOR MEDIAN HOURLY PAY GAP



NARRATIVE ON PERFORMANCE

HOURLY PAY GAP

The median hourly pay gap has again reduced and is now at its lowest level since 2017. Increased representation of women in the upper and upper middle quartiles (shown below) will have helped to drive this.

BONUS PAY GAP

A large portion not receiving a bonus are individuals who joined after 1 January 2022 and therefore were not eligible for bonuses in June 2022 due to not being with the business long enough to be considered. Excluding new joiners and other non-eligible employees (e.g. non-exec directors and those on permanent health insurance) there are zero employees who did not receive a bonus.

Ordinarily, and in previous years, a full performance year of bonuses/incentives would be captured in these calculations; however, due to the business moving from a bi-annual bonus payment to an annual bonus payment for financial years from 1 April 2022, the data for this reporting period only contains a part year bonus payment. As a result, mean and median bonus gaps will have reduced.

INVESTEC WEALTH & INVESTMENT 2023 DATA AND PROGRESS OVERVIEW CONTINUED

NARRATIVE ON PERFORMANCE

HOURLY PAY GAP

Proportion of women in upper and upper middle quartiles has, similarly to 2021 and 2022, increased. Proportion of women in the lower middle quartile has also increased whilst the proportion in the lower quartile continues to reduce.

PROPORTION OF WOMEN AND MEN IN EACH QUARTILE PAY BAND

Upper quartile



Upper middle quartile



Lower middle quartile



Lower quartile



THE WIDER CONTEXT OF DIVERSITY, EQUALITY & INCLUSION

OUR BROADER COMMITMENT TO DE&I?

Rathbones implemented our three-year DE&I strategy in early 2022. We have continued to work towards our internal annual targets to progress the DE&I agenda. Last year we reported on having launched our colleague led inclusion networks encompassing gender balance, race and ethnicity, abilities and LGBTQ+, with the addition of the socio-economic background network in 2023. Our inclusion networks provide colleagues with a safe space of like-minded colleagues and collectively they can be a voice and a mechanism to drive positive change for greater DE&I across the group.

In September 2023, the inclusion networks collaborated to recognise National Inclusion Week, with each network taking a day across the week to recognise and raise awareness of their respective agendas. This included events, newsletters and storytelling.

Since the combination with IW&I we have combined our inclusion networks to cover a greater number of diverse groups which now includes: the Armed Forces Network, Abilities Count, Gender Balance, Generations Network, Multicultural Network, Pride, Take a Moment to Pause menopause group and the Social Mobility Network.

We are committed to increasing our overall diversity and socio economic equality of our early talent pipeline whilst growing our apprenticeship, internship and graduate pools.

COLLABORATING TO DRIVE CHANGE

Rathbones values our external partners, the DE&I thought leaders who we are working with to improve not only our own DE&I practices but also those across our industry. We are proud members of:



LOOKING FORWARD

Looking ahead, Rathbones continues to focus on our DE&I strategy, to deliver against each of the targets that were initially set with the following priorities:

1. Mirroring our Women in Finance Charter commitment - which we exceeded by the end of our reporting period, reaching 33% of women in senior management roles by September 2023. This target has now been increased to achieve 35% of women in senior management roles by September 2027.
2. Following the implementation of a new HR system, we have built a suite of DE&I dashboards, enabling us to report on the representation of the following demographics: age, caring responsibilities, disability, ethnicity, gender identity, religion or faith, sexual orientation, socio-economic background and armed forces/veterans status. During 2024, we will embed the use of this dashboard into our day to day activities to enable us to be more data led in the DE&I actions that we take.
3. The Rathbones internal DE&I targets for 2024 are centred on increasing representation of more diverse talent, particularly those from an ethnic minority or mixed heritage backgrounds, those with disabilities and more women. We recognise the need to evolve, to be more inclusive, enabling everyone to thrive and for all talent to feel the sense of belonging at Rathbones.

RATHBONES

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