

7iM Gender Pay Gap Report

2023



Succeeding together

7iM

Foreword

Reflections from Kate Hughes, Chief People Officer

Gender pay gap reporting in the UK is now in its sixth year. This report covers the 2022–23 reporting cycle, using a snapshot date of April 2022.

During 2022, 7IM felt the effects of the “great resignation”, the global phenomenon of record numbers of people choosing to leave their jobs, largely attributed to the work and life changes caused by Covid-19. To attract and retain talent, companies started competing against each other, offering significant salary increases – far above benchmarking data. 7IM responded with a reactive approach of retaining talent and the proactive approach of awarding an additional, out of cycle, salary increase to all colleagues (with the exception of the Executive Committee) to address the impact of increased costs of living experienced during 2022.

At 7IM we have remained focused in supporting women as much as possible throughout this time. Our Gender Equality Network (GEN) introduced initiatives such as making job posts more inclusive to attract more female candidates; ensuring the flexible working approach was adopted across all the teams; promoting transparency about flexible working arrangements across departments; creating and promoting family friendly policies delivering workshops on Imposter Syndrome to help women increase confidence in the workplace and develop into senior roles; and encouraging more women to participate in our Coaching and Mentoring programme. We also received recognition for the involvement of our CEO, Dean Proctor, who won Ally of the Year at the Women in Finance Awards 2022.

This report highlights the difference in earnings between all male and female staff within the organisation; as an LLP our business comprises of self-employed partners as well as employees.

For this report to legally abide by the Gov.uk requirements, it will showcase the data for ‘relevant’ employees (i.e. staff with contracts of employment) alongside the data captured for all staff (7IM partners and ‘relevant’ employees). For the purpose of this report, it is important to demonstrate a holistic view of the business which incorporates our partners in our figures, as female partners alone contribute to 6% of total 7IM workforce.

At 7IM, we’re dedicated to fostering fairness, inclusion, and flexibility, and we take our commitment to understanding and closing our pay gaps seriously.

We don’t just report our gender pay gap data; we go behind the figures to gain a deeper understanding of how our culture and actions contribute to these gaps. Our commitment to transparency and accountability means that we take responsibility for addressing any issues and that we continue working towards closing any gaps.

We’re proud of the progress we have made, but we know there’s still work to be done. We remain steadfast in our commitment to fostering a culture of equity, inclusion, and flexibility within 7IM, and we’re excited to continue our journey towards closing our pay gaps.

Declaration: I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



A handwritten signature in blue ink that reads "K Hughes".

Kate Hughes, Chief People Officer, 7IM

7IM's gender pay gap data

The factors affecting our 2022 gender pay gaps...

At 7IM, we take our commitment to fair and competitive pay seriously. That's why we run an annual remuneration review, with input from external benchmarking providers, recruitment agencies, Executive Committee members, the People & Culture team, and the People Committee (consisting of the CFO, CPO, and CEO). This thorough process ensures that we allocate pay and rewards consistently and fairly, certifying that we are doing right by our colleagues. The gender pay gap looks at the distribution of men and women across all job levels of the organisation, and how this translates into the average salary and bonus payments made as a result.

However, with investments, technology, and service at the forefront of our business, different skillsets naturally command varying salaries. This can lead to significant differences in pay, especially in an organisation with a 65% male and 35% female split. Relatively small changes in the distribution of women across different pay quartiles, especially in senior roles, can significantly impact our gender pay gap. The past year saw increased attrition rates and disruptions due to colleague turnover, which are reflected in this year's Gender Pay Gap statistics.

In the last year, we have continued to progress our client offering and, naturally, with growth within the business comes the requirement for experienced professionals to lead our strategy. As a result, we have introduced further senior professional and managerial roles in our middle/upper-middle quartile, which is reflected in our 'all staff' results and also 'relevant' staff data as we strive to capture talent from the market to grow with our business. We have continued to reduce the Gender Pay Gap year on year in relation to hourly pay. In 2022 the bonus pay gap increased due to the timing of resignations which made some female colleague ineligible to receive a bonus.

This was compounded by a number of male colleagues who joined the business in H2 of 2021 and were therefore eligible to receive a bonus payment in 2022.

Our gender balance is consistently male dominated across both lower and upper quartiles, with men accounting for 57% of lower quartile roles and 73% of upper quartile roles. The demographic of partnership reflects this trend, with 49 of 71 partners being male. This is another area that we remain conscious of, and in our 2022 partnership intake, 29% of new partners were female. Typically, women account for a higher proportion of junior to mid-level roles, and whilst this demographic split reduces slightly in higher paying roles, we are actively and passionately taking steps to support the progression of women into a greater proportion of these.

Our Gender Equality Network initiatives focus directly on addressing the challenges we see from this data. And upon researching the reasons within the company, we repeatedly see the common theme is confidence, or lack of it, which has shaped the work in the past year. The group has built and delivered workshops tailored to subjects such as confidence building and promoting your personal brand, which were planned with women in mind but also appealed to all colleagues, reaching exceptional attendance levels. They have also worked with small groups of high potential women to coach them directly in areas like presenting, and given them individual challenges to increase their visibility. Role models have played an important role, and senior leaders sharing their 'personal CV' and how they've addressed challenges they have faced has received outstanding feedback. In terms of attracting women to the business, our focus has been on promoting our gender equality and Diversity and Inclusion (D&I) initiatives, as well as showcasing the talented women we already have in the firm.



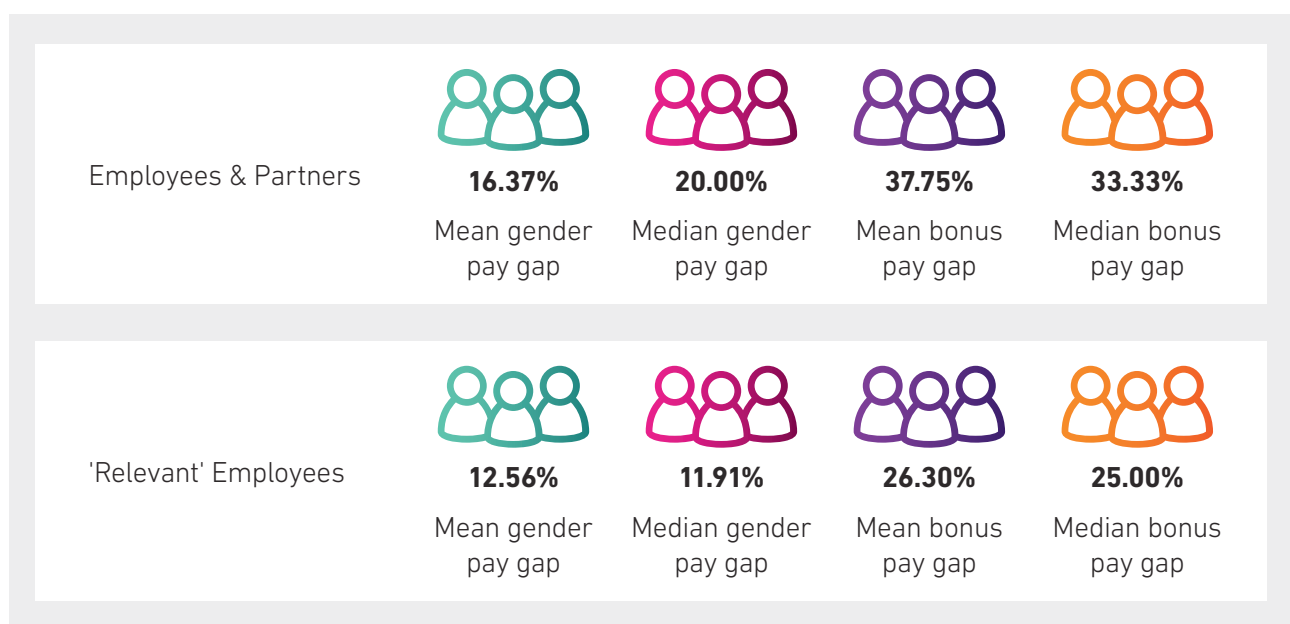
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7IM's gender pay gap data

Continued

Our 2022 data at a glance...

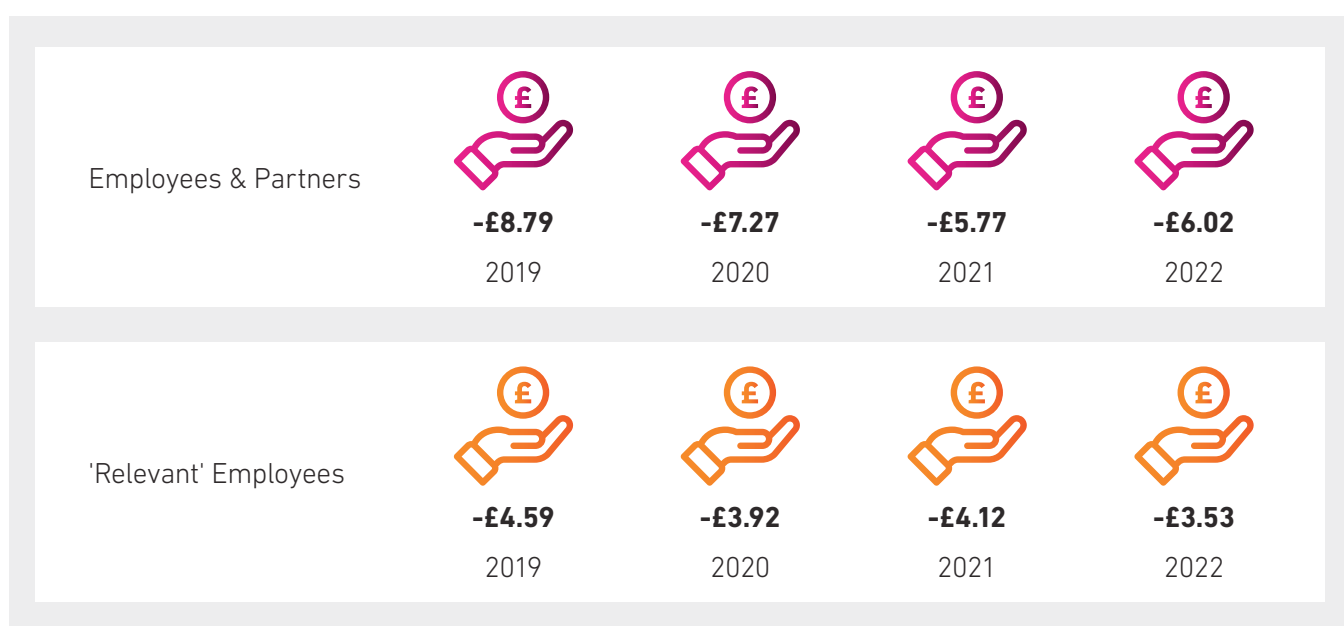


Difference between mean and median

We look at both the mean (average) and median (middle) for pay gap reporting. The mean difference is the difference in average hourly pay, adding all pay rates together and dividing by the total number of people.

The median difference is the difference in hourly pay between the middle paid (the person at the mid-point if you were to line all staff up from low to high pay) male staff member and middle paid female staff member.

The gender pay gap is expressed as a percentage of male earnings (e.g., women earn x% less than men).

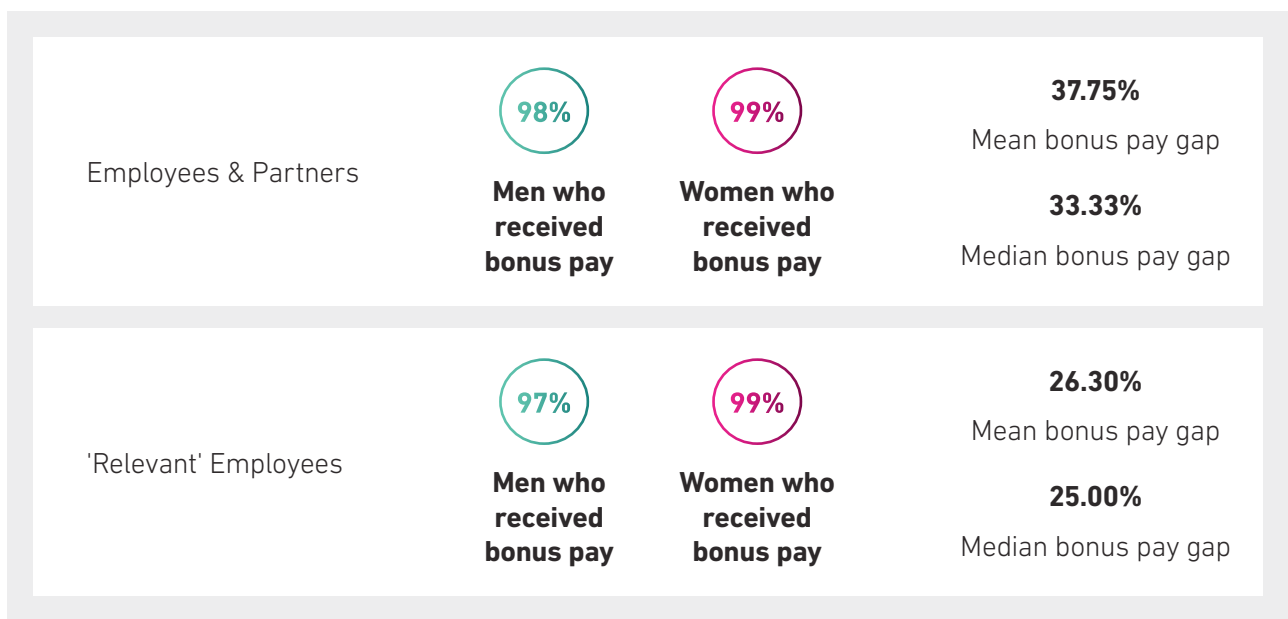


When comparing average hourly pay (mean), females across the business as a whole are paid **£6.02** less per hour than men; this hourly pay gap has reduced in the last three years.

















7IM's gender pay gap data

Continued

Our variable pay (bonus) is higher at more senior levels. In 2021, a higher proportion of male colleagues in senior roles created a gender bonus gap. We were delighted to see a shift from a **40% mean bonus pay gap to -4%** for our 'relevant' employees in this period. This year, however, due to the impact of "The Great Resignation" on the financial market, the mean gender bonus gap for the 'relevant' employees increased again to **26%**.



This year, the average hourly pay for full-pay 'relevant' women was **12.56%** less than the average pay for men. This mean gap means that for every **£1** a man receives, a woman receives **87.5p**. Inclusive of partners, this figure reduces to **83.6p**.

Employees & Partners				'Relevant' Employees				
76%			24%	Upper Quartile	73%			27%
65%			35%	Upper Middle Quartile	69%			31%
67%			33%	Lower Middle Quartile	59%			41%
54%			46%	Lower Quartile	57%			43%

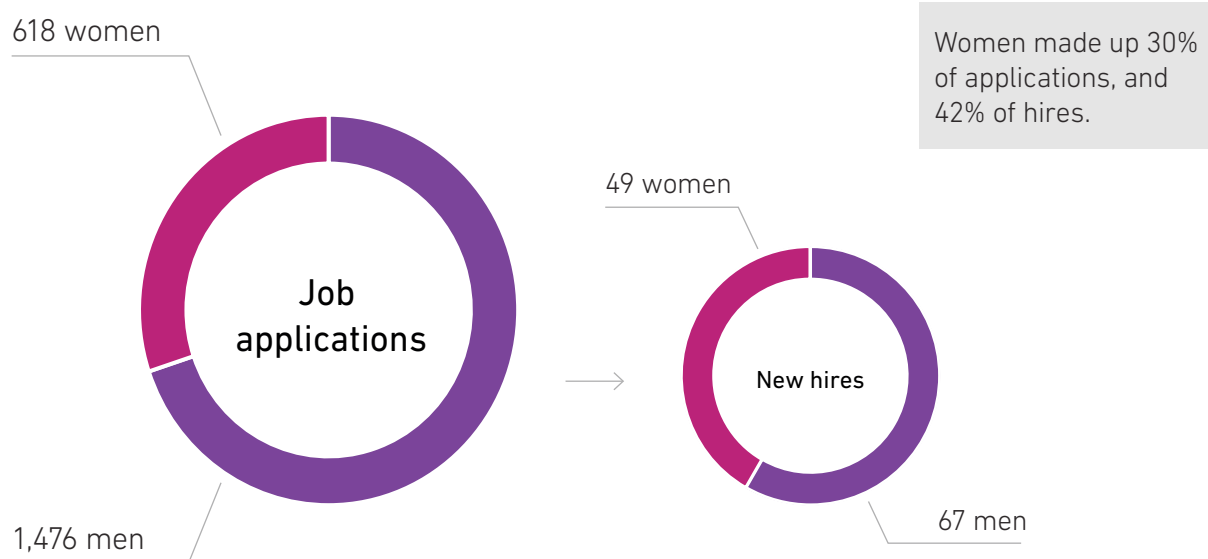
Our actions

We are determined to tackle our gender pay gap. Our activity falls into two main areas: recruitment & retention of female talent.

New hires			
Gender	2020	2021	2022
Female	25%	42%	42%
Male	75%	58%	58%

There was a **17 percentage point increase** in female hires from 2020 to 2022

Proportion of male vs. female applications and hires:



Based on the job applications against new hires data, women who apply for a role are more likely to get hired than their male counterparts. The challenge is receiving applications. According to studies, men generally overestimate their abilities and performance, while women underestimate both. A Hewlett Packard report found that men will apply for a job if they meet 60% of qualifications, whereas women will apply only if they meet 100% of them.

We are making job postings more inclusive:

According to several studies, the presence of masculine-gendered language discourages women from applying to male-dominated roles, as they can make women feel they don't belong in that work environment.

We've revised our job postings in order to:



Emphasise how we promote an inclusive culture, making individuals feel welcome and supported.



Limit our criteria to only the key requirements of the role.



Review the vocabulary used within job descriptions to avoid any unconscious bias.

We are sharing stories of women who are succeeding across all levels of the business:

When women see themselves represented across websites and social media pages, they are more likely to apply. In promoting more female employees & initiatives on our LinkedIn page, we aim to attract more female applicants.

We are making 7IM an attractive place to work:

We aim to connect and support female employees through gender awareness initiatives, relationship building, and career development, highlighting our commitment to gender parity in visible ways to attract more women, and men who want to work in a more diverse environment.

Our actions

Continued

Retention data:

Leavers			
Gender	2020	2021	2022
Female	35%	28%	33%
Male	65%	72%	67%

There was a **two percentage point decrease** in women leavers from 2020 to 2022

Data monitoring

At 7IM, we understand the importance of data monitoring, which is why we've built a GEN dashboard that focuses on key performance indicators (KPIs) across our business. Our GEN regularly reviews this data, and it's taken to our Executive Committee (ExCo) on a quarterly basis. This allows every member of ExCo to be challenged on how they're addressing disparities. Through regular data monitoring and analysis, we can make informed decisions about how to improve our practices and ensure that we're fostering a culture of fairness, inclusivity, and equality at 7IM.

Balance and flexibility

We understand the importance of balance and flexibility, particularly for working parents, who face unique challenges in balancing work and home life. That's why we're committed to fostering a culture of flexibility and understanding at 7IM. GEN is at the forefront of this effort, constantly monitoring and challenging any discrepancies that arise within the business. We're dedicated to creating a workplace that fosters inclusivity, equality, and opportunity for all our colleagues.

Spotlighting the team

At 7IM, we've identified that women are less likely to put themselves forward than men. This has resulted in a lack of senior women role models, which in turn has impacted the next generation of women within the firm. To address this, we've implemented a number of initiatives.

Firstly, we're taking a more proactive approach to encourage women to participate, rather than waiting for them to volunteer. We believe that this creates a more equitable workplace where everyone feels comfortable contributing. Secondly, we're using our GEN to role-model behaviours around speaking up, such as asking questions in town halls and presenting on topics. By providing examples of confident communication, we hope to inspire more women to step forward and share their perspectives.

Finally, we're entering individuals for awards – to provide recognition and build confidence. We believe that celebrating the achievements of our colleagues is essential to creating a supportive and empowering workplace culture where everyone feels valued.



What's to come in next year's report

We will continue to take a passionate approach to our culture, structure and practices to foster a supportive and inclusive workplace.

We will continue to challenge where we feel necessary and take direct action in creating strong pathways to success for females across all levels of the business.

Our analysis shows we need to continue focusing on:



Attracting more women to work at 7IM.



Increasing the number of women in our most senior leadership roles.



Improving our understanding of why women leave 7IM.



Increasing the number of women in our Executive Committee and Partnership Groups.

Whilst the data in this report and other sources of internal data suggest that we are making strong headway in some areas, we need to ensure that we continue to retain focus on what we are doing well, as well as what we need to start doing better. We are proud of the culture we have created and look forward to **#succeedingtogether** in adding further value to our staff and clients from the action we will take in this and future years.

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