

Gender Pay Gap Report 2020

7IM Workforce Gender Split

This report fulfils Seven Investment Management's (7IM) obligations to publish our gender pay gap under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The gender pay gap shows the difference in the average earnings between all male and female relevant staff within the organisation. Gender pay gap reporting differs from "equal pay", it does not consider role type, experience or qualifications. We have robust processes in place which identify and address equal pay issues and any discrepancies are rectified during our annual salary review process.

7IM Workforce Gender Split

Gender	%
Male	57%
Female	43%

Overall, 7IM has a 57% Male and 43% female workforce.

Pay Gaps as at April 2019

Difference between Males and Females		
	Mean	Median
Hourly Pay	15.8%	15%
Bonus	40.4%	45%

The **mean gender pay gap** is a calculation of the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. The gender pay gap data at 7IM shows that men are earning **15.8%** more as a mean figure, this is an improvement on last year's reported figure and better than the 16.2% mean gender pay gap reported by the *Office of National Statistics* for the UK in 2019*. 7IM is also performing much better compared to our peers within Financial Services where the mean gender pay gap in the sector is 32.7%*.

The **median gender pay gap** is the midpoint of all hourly salary figures. If you separately lined up all the females in the company and all the males, the median pay gap is the difference between the hourly pay rates for the middle female compared to that of the middle male. The *Office of National Statistics* put the overall gender pay gap for all employees in the UK in 2019 at a median of 17.3%*; 7IM's figures are once again better, reporting a median pay gap of **15%**.

The **mean bonus gap** is the difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees. Our data shows, that men are receiving **40.4%** more as a bonus figure at the mean.

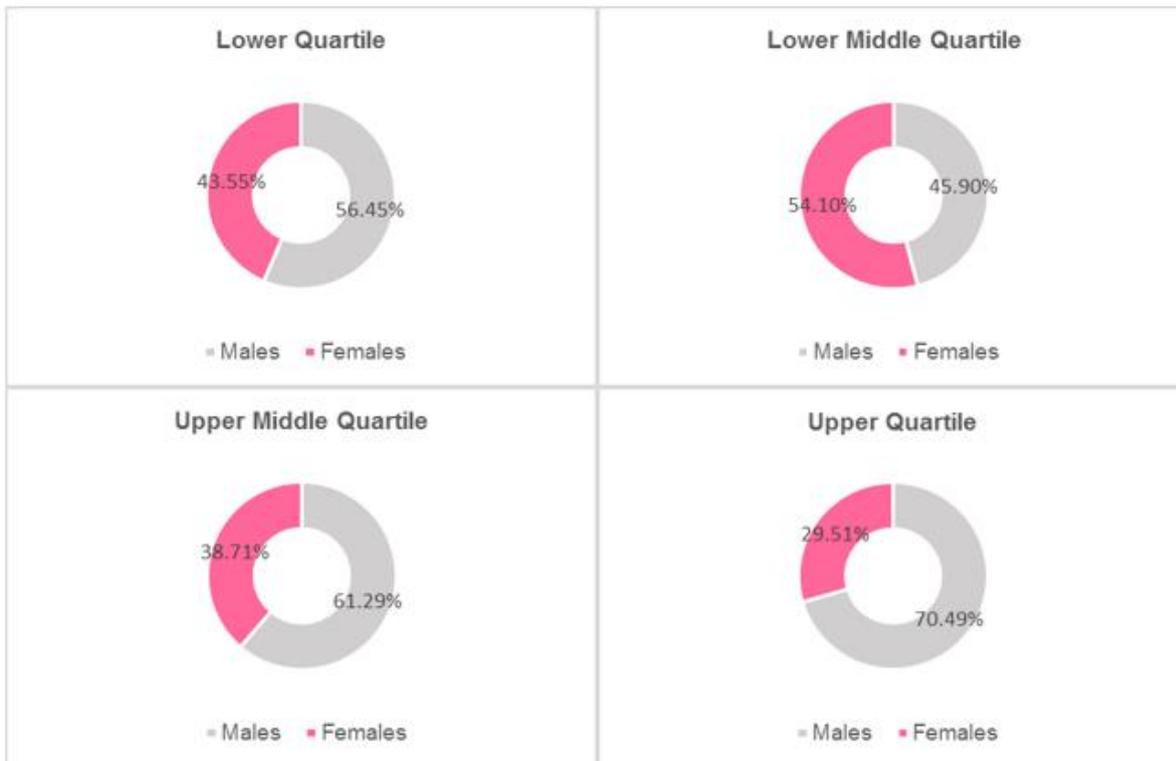
The **median bonus gap** is the midpoint of all bonus earnings of male and female employees. At 7IM, men receive **45%** more as a bonus figure at the median.

Bonus Proportions

Gender	%
Male	97.4%
Female	95.7%

The table above shows the proportion of male and female relevant employees who were paid a bonus during the relevant period. Our data highlights that marginally more men received a bonus compared to women within the organisation

Pay Quartile by Gender



Our gender pay gap data shows that males at 7IM earn more on average than females. The reason for this is because men hold the majority of the organisation’s most senior and highest paying roles. The report from last year showed that there were more females in junior roles, however, this year there has been a slight shift, where there are a higher percentage of males in the lower quartile. As you move towards the lower middle quartile, the male / female split becomes more balanced compared to last year. There has also been an increase in the percentage of females in both the upper middle and upper quartiles. Progression of female staff within the business can account for the improvement in these figures.

We made headway in terms of more female representation at the Executive Committee level, where we have gone from 78% males and 22% females in 2018 to 60% males and 40% females in 2019. In order to reduce the pay gap, we will need to focus on removing perceived barriers to talented women progressing to the most senior roles.

Understanding 7IMs Gender Pay Gap

In 2019, there was an absolute reduction of 3.2% in the mean hourly rate compared to the year before and an absolute increase of 3% in the median hourly rate of pay gap.

Whilst 7IM saw an improvement in gender pay gap figures for hourly rate, the gender pay gap mean and median for bonus pay have increased in 2019. One reason for this is that in 2018, a number of higher paid female staff were on maternity leave; 7IM bonus calculations factor in time out of the office due to leave; we believe this has impacted our gender pay gap in both mean and median bonuses paid in Spring 2019.

The industry has a predisposition to pay a higher proportion of bonuses to staff who work within a Sales or Investment Management function; we have more men within these teams at 7IM which has exacerbated the bonus pay gap.

Unfortunately, you cannot assume that the gender pay gap is going to get better every year. The mean and median figures can go in completely different directions as one is a midpoint and the other an average. Bonuses vary considerably and a small movement can have a surprisingly big impact on figures.

Addressing 7IMs Gender Pay Gap

Building a gender-balanced and diverse workforce is important to 7IM as an organisation. “Doing the right thing” is a key value within the firm and for us this means recruiting the best person for a role, irrespective of gender or other protected characteristics. We also ‘value our people’ so it is important that we reward our people fairly and promote on merit.

While our hourly pay gap is lower than the Financial Services average of 32.7%, we recognise that more work needs to be done in order to achieve gender balance at all levels of our workplace. We are proud of the following initiatives which have been introduced at 7IM to help us achieve more gender balance within our organisation:

- In order to accomplish our plans to accelerate diversity and inclusion within the work place, a working group has been set up, headed up by a member of the Executive Leadership Team to show our commitment to creating a shift in culture as well as a more inclusive work environment.
- Flexible working practices were introduced in July 2019, giving our staff greater flexibility over working hours and the ability to work from home. To allow our staff to adopt new working practices, we rolled out web-based tools to enable a more collaborative working environment.
- We recognise that maternity leave and caring for children in the early years can impact women’s ability to progress at work, therefore we make it easier for returning and existing parents to request formal flexible working. In the last 12 months 100% of flexible working applications from staff were approved.
- We increased number of week’s maternity pay in 2019 to show our support to women who choose to grow their families.
- Research shows that a major barrier to women succeeding is their own limiting self-beliefs, as well as the unconscious bias that exists within most organisations. Therefore, we have invested more in coaching and new training initiatives as well as setting up an Extended Leadership Forum which we hope will help overcome these hurdles so that all staff have the same opportunity to develop their career.
- We ensure that fair, non-discriminatory and consistent recruitment processes remain in place.
- We continue to adopt a fair and consistent remuneration approach across the business providing guidance to managers who are involved in pay reviews and bonus allocations.

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



Kate Hughes
HR Director
February 2020

*- Office for National Statistics (ONS) Gender pay gap in the UK: 2019 (October 2019)