

Gender Pay Gap

reporting provides an insight into our commitment to equality, diversity and inclusion. Read more in our **Report**



Introduction

Mattioli Woods is required to produce a gender pay gap report under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. We understand the importance of equality, diversity and inclusion and support an engaged culture that is valued by our employees. Mattioli Woods continues to grow, increasing our number of employees year on year. Our recruitment process remains transparent, always ensuring applicants, both internal or external, are treated equally regardless of background, race, ethnicity or gender.

What matters to us most is our people, whether that is our 22,516 clients, the 642 people we employ, our shareholders and supporters, or the communities in which we serve.

Equally, we place great emphasis on fairness, which is one of our core values.



A word from **Ian Mattioli** MBE Chief Executive Officer

There has been and always will be room in our business for everyone. A strong focus on equality, diversity and inclusion is critical in achieving the very best across our group for our clients and each other. Any role in our business is achievable no matter your gender.

The worldwide acceptance of flexible working brought about by the pandemic has already benefited many of our employees in reducing costs, especially for childcare. Work/life balance is also more achievable with the 9-5 workday becoming a thing of the past, with many of our employees choosing to work hours that suit both the business and their own needs. Thanks to systems like Teams and Zoom etc. we have all embraced our employees' home lives into the working day. Some of my most memorable calls with employees this year have involved parents with a child – even twins – sitting on their knee. This new way of working is now a part of the Mattioli Woods culture and long may it continue.

We recognise there is a gap and we know we can do better. We are addressing this both with new appointments and promotions from within the business. We continue to support a gender diverse team across our business now and into the future.

Some of my most memorable calls with employees this year have involved parents with a child – even twins – sitting on their knee.



What is the gender pay gap?

The gender pay gap (GPG) is a measure of the difference between the average men's and women's earnings across an organisation.

What is equal pay?

Equal pay, on the other hand, is a measure of the difference between the individual earnings of two people (or a group of people) carrying out the same or comparable work. Under the Equal Pay Act 1970, it is unlawful to pay people unequally based on gender.

The GPG is different from equal pay

Equal pay is about men and women receiving equal pay for the same or similar job, and we know, through analysis and audits, that we foster a fair and transparent working environment, rewarding employees based on their performance.

For the full detail of how organisations are instructed to calculate their gender pay gap, and to see the guidance we use, please visit the Government website here: <https://www.gov.uk/guidance/gender-pay-gap-reporting-make-your-calculations>

So how is the gap measured?

The GPG is measured by using average pay comparators (mean and median) to better understand the organisation as a whole, and the distribution of females (particularly in the more senior roles where pay is naturally higher), by using the following calculations:

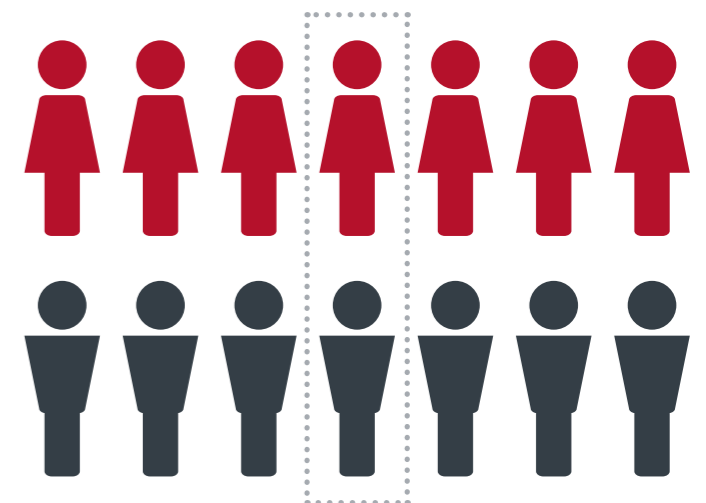
- 1 The mean GPG
- 2 The median GPG
- 3 The mean bonus gap
- 4 The median bonus gap
- 5 The proportion of male and female employees who received a bonus
- 6 The proportion of male and female employees within each pay quartile

Mean pay gap



The mean gender pay gap is the difference in the average hourly pay for women compared to men.

Median pay gap



The median represents the middle point of a population if you separately lined up all the women, and all the men. The median pay gap is the difference between the hourly rate for the middle woman compared to the middle man.

Our gender pay gap at **Mattioli Woods**

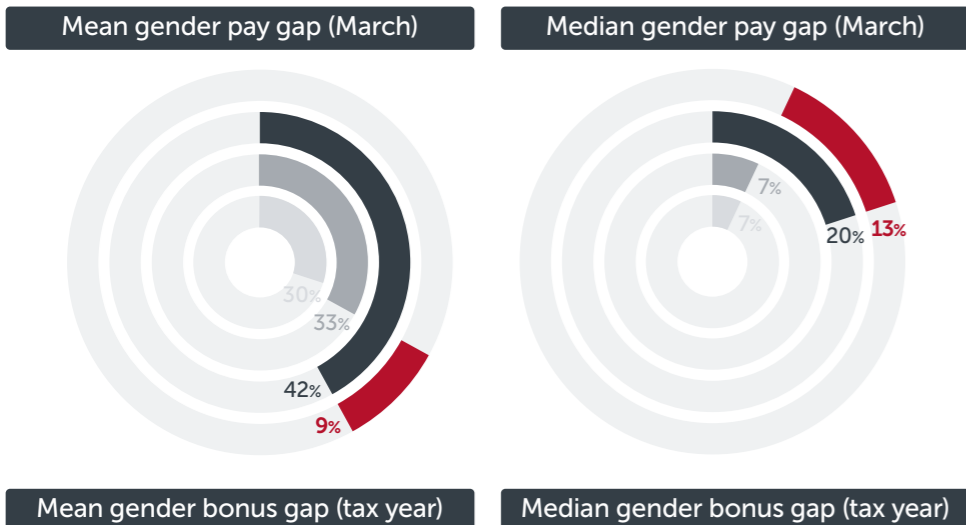
At Mattioli Woods, as of 5 April 2021, we employed 642 valued employees; a total of 283 male employees and 359 female employees. In Mattioli Woods, the gender pay gap has increased from 7% to 8.5%, which is an increase of 1.5%. Since 2019, Mattioli Woods has appointed a number of female leaders; however, an ongoing challenge we face is in recruiting female consultants (client advisory roles), which is driving the increase in the mean gender pay gap. As a business we recognise this and are promoting internal consultant training programmes, allowing promotions from within and giving females an opportunity to learn the role.

Mattioli Woods is currently working on introducing a leadership programme to support the learning of those who have the aspiration to progress. In addition, Covid taught us that agile remote working is as effective as working in the office, and therefore recently amended employee contracts to hybrid working, which will also attract more females to leadership, executive and consultant roles.

At Mattioli Woods we understand the need for flexible working and therefore employ a higher number of women in part-time roles, which are generally lower-paid positions due to their administration or support nature (an average hourly rate of £16.93 compared to £28.96 excluding overtime for full time roles).

Our mean GPG has increased to 42% compared to the previous year's figure of 33%, showing that the GPG has increased by 8.5%.

Mean and median



2019 2020 2021
Change between 2020 & 2021

Mean/median pay gap

Mattioli Woods employs 283 male and 359 female employees. The mean difference in pay between male and female is 41.5%, compared to 33% the previous year..

Our GPG does not mean men and women in comparable roles are paid unfairly. Rather, the figures simply reflect our current workforce profile.

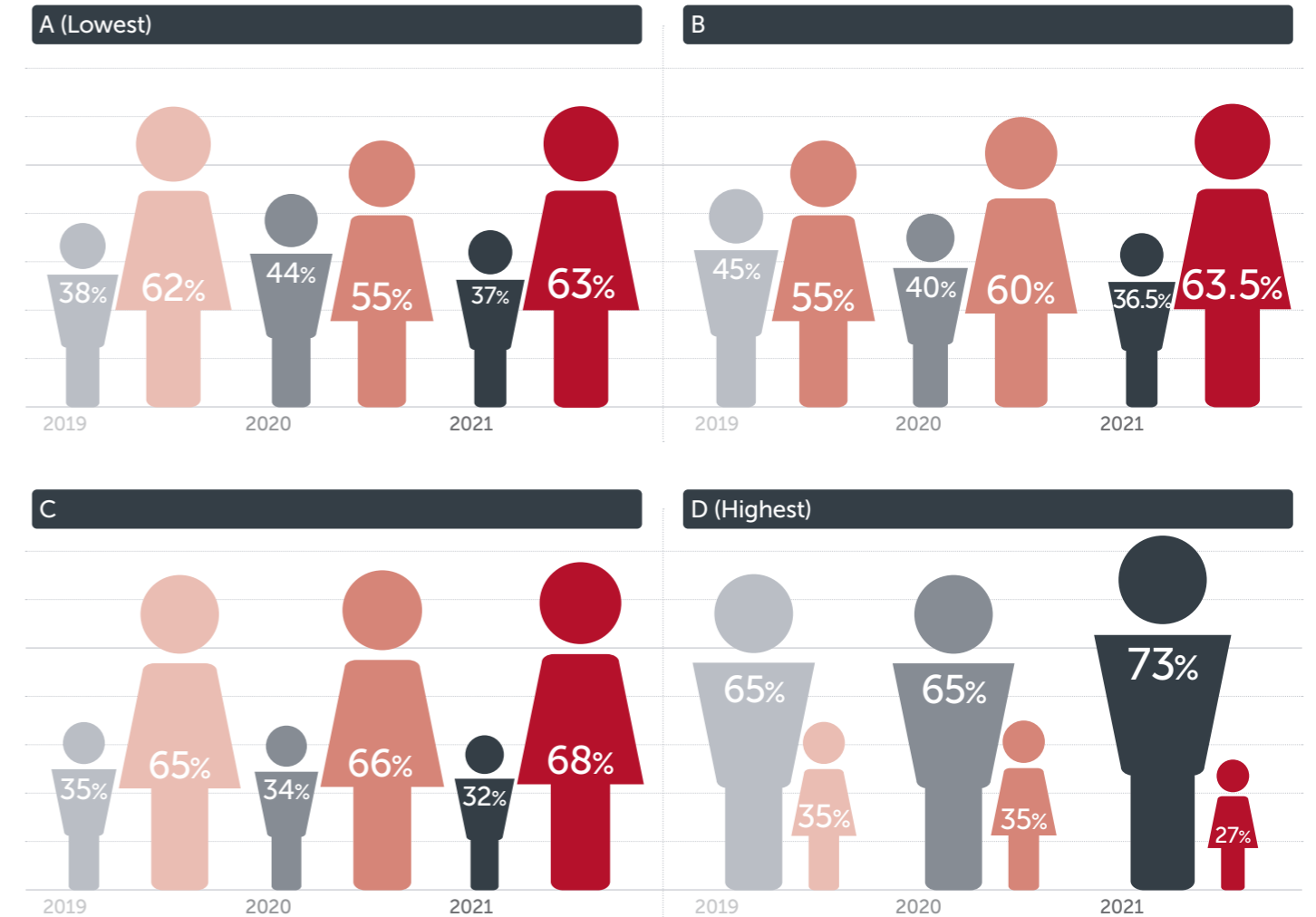
Gender bonus pay gap

The mean bonus pay gap for men is 89.4% higher than women, which is an increase of 10.4%. The median bonus pay gap for men is 14.4% higher than of women, compared to 23% last year. The gender bonus gap is largely affected by our workforce profile, specifically by the few women we have in our consultancy roles, where there is a higher proportion of variable pay due to the nature of the role.

Population by quartiles

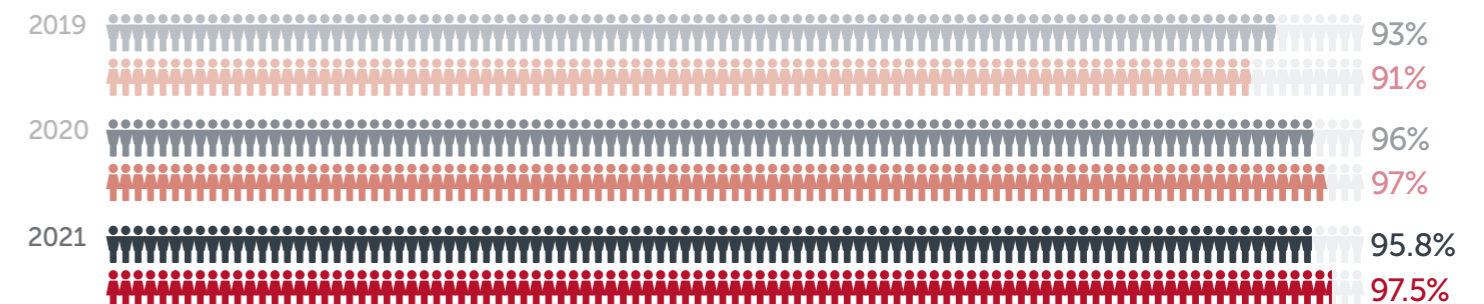
Quartiles represent the pay rates from the lowest to the highest across our organisation, split into four equal-sized groups, with the percentage of men and women in each quartile.

Quartile pay



Bonus proportions

Proportion receiving a bonus (tax year)¹



¹Bonuses include all bonuses paid, LTIP, exercised share options and vouchers

Proportion of men and women paid a bonus

Mattioli Woods rewards all employees with an annual performance-based bonus, as well as a Christmas bonus. Last year was the first year that a bonus was not paid due to the pandemic and this was communicated effectively to all the employees, including informing them that key executive members took a pay decrease and no bonus.

In 2019/20, 97% of females received a bonus compared to 96% of men, this year (2020/2021) 97.5%

of females received a bonus compared to 95.8% of men, which is consistent with our findings throughout the years.

Our bonuses do not show the full picture due to the natural movement of starters and leavers throughout the year, who may not have completed their probationary period, leavers who may have left before bonuses were paid, or individual performances that were below expectation.



Our workforce profile

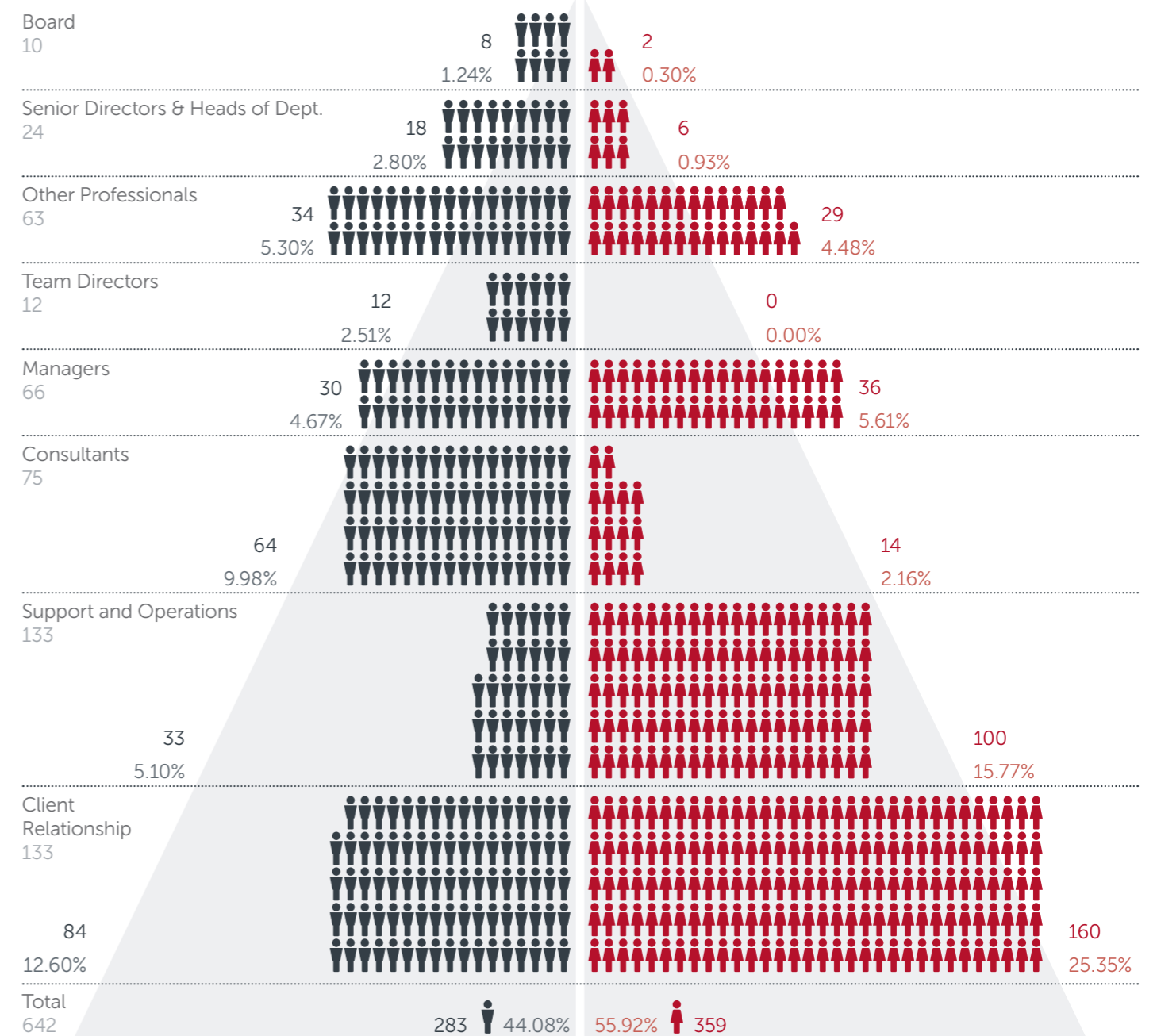
The spread of men and women in various levels of seniority of role influences our GPG figures.

Part-time workforce profile



Of our female employees, 25.35% are working part-time, in comparison to 3.18% of our male employees. This reflects wider society and industry trends.

Total workforce profile²



²Our workforce profile is constantly changing therefore this is just a snapshot in time.

Progress and plans

Recruitment

We have seen the market evolve over the last 2 years culminating in a shortage of qualified candidates in many industries and it is fair to say that Mattioli Woods is experiencing this. We continue to make fully diverse talent pools the norm and embed diversity into our organisation, starting with our recruitment programmes. We work closely with local colleges and universities to recruit, train and retain talent. We use skills-based competency assessments and work hard to ensure we have gender-balanced shortlists for roles. We also use a structured interview process with multiple stages and interviewers to ensure any unconscious bias is eliminated as far as possible.

Our recruitment procedures are reviewed regularly to ensure individuals are treated on the basis of their relevant merits and abilities, and to ensure our procedures are in line with the prevailing legislation and regulations as set down in UK law, and with the rules and guidelines of the FCA, PRA and other regulatory bodies.

Job selection criteria are regularly reviewed to ensure they are relevant to the job and are not disproportionate. Job advertisements avoid stereotyping or using wording that may discourage particular groups from applying and we take steps to ensure our vacancies are advertised to a diverse labour market.

Development and training

We have refined our training and mentoring programme and included additional training for mentors, as and when required, to ensure standards are continuously high, which has resulted in many successful female promotions. We are working towards a leadership programme to support the progression of current employees. We continue to work with training providers to support learning and knowledge building.

Reward and recognition

Work has continued to progress with a transparent approach to promotion – all our opportunities are advertised internally. We review pay processes and base pay on fairness and performance measures, and this year introduced a job evaluation project to support one of our core values, fairness. We continue to regularly review and invest in improvements, including new technology and benchmarking to correctly group and grade roles, ensuring they are properly aligned.

Culture and workplace

We are extremely committed to a culture where all employees have a voice and are included. We are very proud of the flexibility of our wide and varied working practices that work for all genders. We have a wellbeing programme that allows all employees to confidentially speak to our wellbeing partner or mental health first aiders. This is to ensure all employees feel safe and secure whether it be at work or in their personal life.

Conclusion

For a business committed to having a positive social impact alongside sustainable growth, building a gender-balanced workforce is paramount to Mattioli Woods. We are therefore pleased to see continuing overall progress in our gender pay gap figures for 2021.

Our ambition is to achieve a fully inclusive workplace where all our employees can thrive – we continue to embrace new initiatives and innovate across all areas of our business to achieve this.

Declaration

We confirm the information and data is accurate and has been calculated in line with the UK Government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Ian Mattioli MBE
Chief Executive Officer

Mattioli Woods plc
1 New Walk Place
Leicester
LE1 6RU

Tel: 0116 240 8700
Fax: 0116 240 8701
info@mattioliwoods.com

www.mattioliwoods.com