

Building a fair and inclusive workplace

Gender Pay Gap report 2022/23



Introduction

As one of the UK's leaders in the financial services industry, Mattioli Woods continues to build a fair and inclusive workplace, a place where our colleagues continue to grow in the environment around them.

To ensure we continue with this growth, we monitor and discuss our endeavours, with the gender pay gap being one of the most important metrics we track. We believe having a diverse and inclusive workforce is important for innovation, and this is why we believe Mattioli Woods is as successful as it is today.

Our report looks at our gender pay gap information. We recognise there is a gap, therefore this report will go through plans on how we are working towards closing the gap. We are aware that since 2017 we have had frustratingly slow progress towards a better-balanced report based on the statistics. However, we also acknowledge all that our valued employees do and understand the importance of treating all employees fairly regardless of their ethnicity or gender.

Reporting - our measures

During the reporting period of April 2022 to April 2023, Mattioli Woods employed 894 valuable employees, split into 483 (54%) females and 411 (46%) males. Our numbers show we employed more females than males during this time; however, our roles are open to all genders and we follow a fair recruitment process in hiring the right candidate for each of our roles.



A word from Ian Mattioli

"Wealth management has traditionally been a male-dominated environment, so it is thrilling to see more women entering, beginning, or furthering their careers within the industry. We acknowledge there are challenges to overcome, and we are eager to continue embracing a diverse group of colleagues whose experience brings significant value to the business. Promoting equality has been a core focus of everything we do as a company, and I am proud of this. We have never rested on our laurels, and we continue to make progress towards achieving a better gender balance within the Mattioli Woods Group.

It is crucial for us to have a diverse representation that encompasses gender, age, culture, religion, and beliefs. By providing equal opportunities across the company, we can sustain growth and tap into a wealth of experience from different backgrounds.

Our diversity helps to create an environment where our colleagues and clients prosper. By continuing to provide equal opportunities to all, we are building a sustainable future we can be proud of, a future that is full of possibilities, where all our people are encouraged and supported to be the best versions of themselves."

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Our findings

In previous years, we recognised there has been a pay gap; however, from certain interventions, we are pleased that the mean and median gaps have decreased. The mean bonus gap has reduced to 77% from 89%; however, the median bonus gap has increased from 20% to 35%.

From a gender perspective, Mattioli Woods has unfortunately seen a decrease in female leaders between 2022 and 2023, reducing to 44.4% from 54.27% in comparison to an increase in male leaders to 55.6% from 45.73%.

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, measures 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 because they are men or women.

The GPG is different from equal pay

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

For the full details 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>

How is the gap measured?

The GPG is measured by using average pay comparators (mean and median) to understand the organisation as a whole better 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 female compared to the middle male.

Our gender gap at Mattioli Woods

As of 5 April 2023, Mattioli Woods employed 894 valued employees. We are pleased that our 2023 data shows that the gaps are decreasing. The mean gender pay gap has decreased by 4.3% and the median gap has also decreased by 3.6%. We are extremely proud of this and feel that we are on a positive journey in closing the gap in the near future.

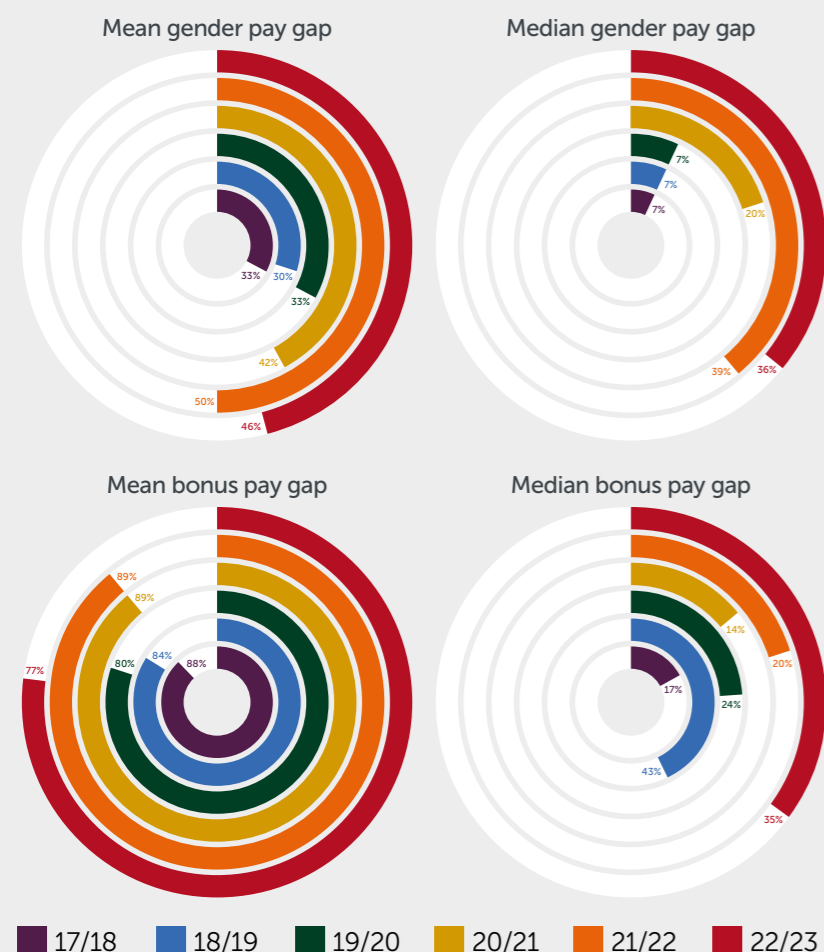
Last year, our mean bonus pay gap was at 89%. For this reporting year, we are pleased to see this figure decrease to 77%; however, the median bonus pay gap unfortunately has increased from 20% to 35%.

We continue to make improvements and acknowledge there may be future impacts on the bonus gap due to bonus arrangements for the Executive and Consultant teams, which are predominantly males. We recognise these areas are male heavy and are working closely with the Leadership team and the non-executive and executive directors to close this gap.

We recognise having a more balanced distribution of men and women at all levels of the organisation is needed to narrow the gap and, in the long term, eliminate the gap. Additionally, the data does not take into consideration the pro rata bonuses for part-time employees, the majority of whom are female.

This table is a snapshot of our gender pay and bonus data year-on-year since 2017. While we agree the data does not look favourable, we are making positive steps to reduce the gap. There is still some way to go and with the initiatives we have been implementing, we are on a positive journey. However, we will continue to implement other strategies to close the gap further.

Mean and median



Gender bonus pay gap

At Mattioli Woods, we reward employees with an annual performance-based bonus, as well as a Christmas bonus. Although the mean bonus pay gap for men is still higher than that for females, the percentage has decreased from the previous years. It still remains that men at Mattioli Woods overall receive a higher bonus than women. The gender bonus gap is largely affected by our workforce profile. Specifically, we have fewer women in consultancy and executive positions where the nature of those roles means there is a higher proportion of variable pay.

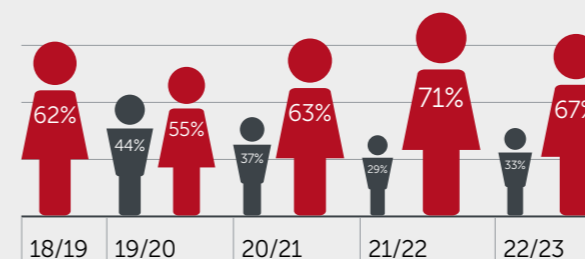
These figures do not reflect the full picture due to the natural movement of starters and leavers throughout the year, who may not have completed their probationary period, may have left before bonuses were paid, or individual performances that were not at the level expected.

Population by quartiles

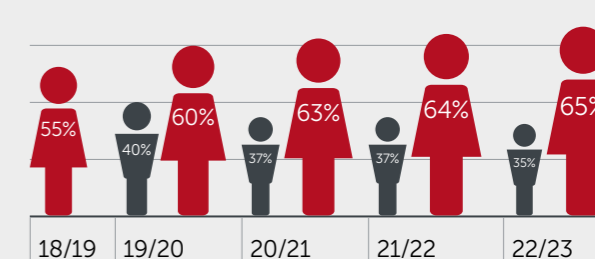
Quartiles represent the pay rates from the lowest to the highest across our organisation, split into four equal-sized groups, with the percentage of men and women in each quartile. From the data below, 67% of females are paid at the lowest quartile. This number has decreased from 71%, which again shows a small improvement. This figure takes into consideration part-time working, which inevitably decreases in annual salaries. The gap still remains high for the highest paid, with male salaries 77% higher than females.

Quartile pay

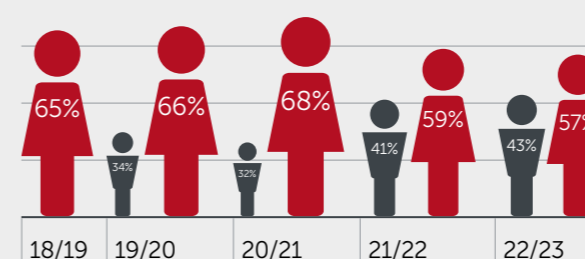
A (Lowest)



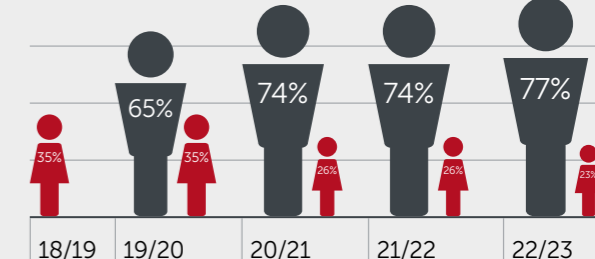
B



C



D (Highest)



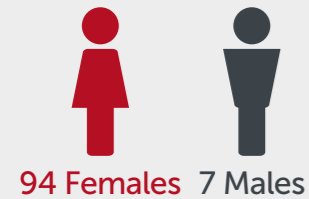
Proportion receiving a bonus (tax year)



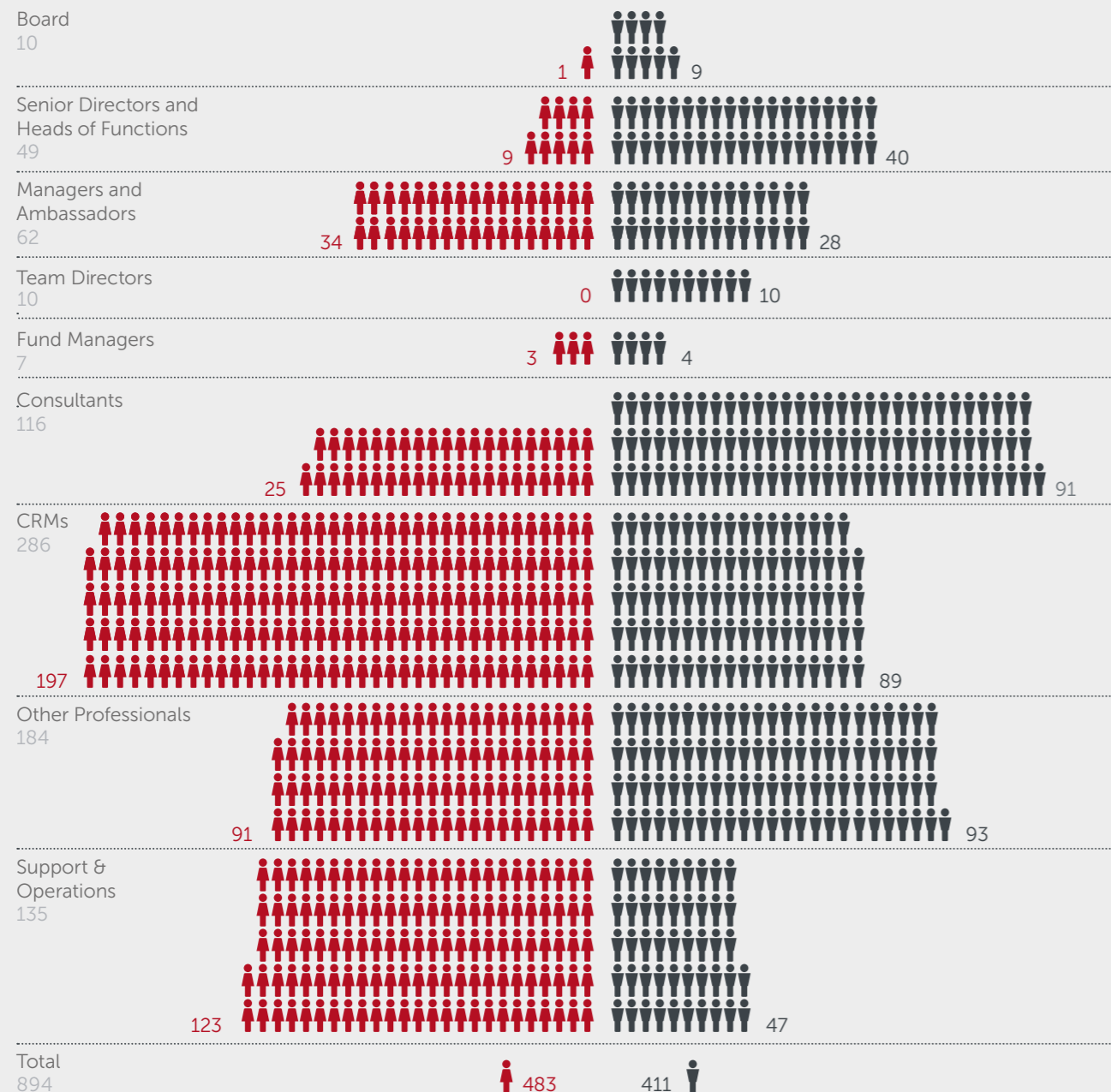
Our workforce profile

The spreads of men and women in various levels of seniority of role influence our GPG figures.

Part-time workforce profile



Since last year's reported figures, our female and male part-time figure has again increased. In 2022/23 we had 27 males and 94 females working part-time hours. Mattioli Woods prides itself in being a flexible working business where work-life balance and the wellbeing of employees is always considered. Of our female employees, 15.4% are working part time, in comparison to 3% of our male employees. This reflects wider society and industry trends.



Equality, diversity and inclusion



Mattioli Woods understands that diversity and inclusion is important, having a diverse workforce from a variety of backgrounds. With various skills and experience, this will help us better understand our clients and more importantly, make our business stronger.

At Mattioli Woods, we want to ensure our employees can achieve their potential and therefore, we encourage promotions and progress from within. We are an equal opportunities employer and understand that talent is not directed by ethnicity, race, gender/ gender identity, sexual orientation, religion, age, background, or social class.

We promote long-lasting careers and want to create a diverse and inclusive environment, so our employees feel wanted and part of a great team. We want to be an employer of choice, and therefore, we aim to attract, retain, and develop the best people from within, from all backgrounds.

Our vision is to have a respectful and supportive workplace that enables us to attract and retain a diverse and inclusive workforce that represents our clients and the community.

Equal opportunities employer

We are committed to promoting equality of opportunity for all employees and job applicants and aim to create a working environment in which all individuals can best use their skills, free from discrimination or harassment, and in which all decisions are based on merit.

Mattioli Woods does not discriminate against employees on the basis of any 'protected characteristic' under the Equality Act 2010. The protected characteristics are gender, sexual orientation, marital or civil partner status, gender reassignment, race (including colour, nationality, ethnic or national origin), religion or belief, pregnancy or maternity, disability, and age.

The principles of non-discrimination and equality of opportunity also apply to the way in which employees treat visitors, clients, customers, suppliers and former team members.

Parental leave enhancements

Our employees expressed the need for enhanced family leave policies; therefore, in August 2023, we increased the pay offered for maternity leave, paternity leave, adoption leave, and surrogacy leave.

Wellbeing support

We are committed to providing a healthy working environment that promotes a state of contentment, allowing our colleagues to improve the quality of their working lives. To support and encourage them to flourish and achieve their full potential, benefiting themselves, the business and our clients. We strive to create a wellbeing positive workplace, where our colleagues feel able to be their best and true selves. We aim to proactively empower our colleagues to focus on their own wellbeing, supporting others around them in doing the same.

We have embedded a wellbeing programme with a dedicated team to support our valued employees and have mental health first aiders to support this initiative. Through this, we have a support mechanism for all employees through support groups and one-to-one meetings.

We believe the wellbeing of our employees is important; therefore, in June 2023 we enhanced our holiday leave, allowing our employees to be able to take more time off to spend with their loved ones.

Female senior leaders

We want to tackle our gender pay gap and therefore, we continue to hire and develop females at Mattioli Woods. In 2019, a senior leadership team was introduced, mainly where female leaders were appointed, allowing females to have a voice in the business. Furthermore, 2023 saw a robust talent management programme introduced to the Group to not only develop females in the business but all employees, identifying talent across the Group.

Career, talent, training and development

Our talent management programme launched in 2023 allowing leaders to recognise top talent, while launching development programmes and investing in training. By sharing internal opportunities, we encourage our employees to apply for roles suited to their skills set.

The new trainee adviser academy also launched, with 20 new trainee advisers starting their careers with Mattioli Woods, as well as a development programme for our client relationship managers.

We continuously ensure our training and development standards are high, which has resulted in many successful promotions. A recent HR leadership academy was launched for new and existing leaders in the business, where training takes place in cohorts three times a year. The feedback to date has been positive.

As we continue to work with training providers to support learning and knowledge building, we have started working closely with De Montfort University in supporting higher education.

Recruitment

We want to be the employer of choice and offer training and development programmes to encourage employees to retain employment at Mattioli Woods. We attract and employ diverse candidates through various sources such as job boards, agencies, word of mouth, universities and colleges.

Recruitment of college and university leavers

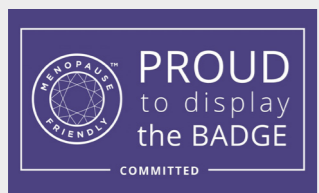
We believe we are an inclusive employer and want to give young people the chance to be successful in their careers. In 2023, Mattioli Woods worked with a number of colleges and universities, which in turn enabled us to employ a number of college and university leavers in development programmes for a successful future.

We continuously want to attract females and males from various backgrounds to work at Mattioli Woods. Recently, we have concentrated on graduate and college leavers, encouraging the next generation of female and male talent to join our successful business.



Living wage employer

We are proud to be a living wage accredited employer and pride ourselves in paying our employees fairly for the work they do. Our development roles pay scale starts at the living wage and increases as the roles evolve or promotions take place.



Menopause employer

Mattioli Woods recognise that menopause is a natural and significant life transition for many of our employees. We are committed to creating an open, supportive and inclusive workplace environment that acknowledges and accommodates the unique needs of those experiencing menopause.

We believe it is our responsibility to ensure all employees feel comfortable discussing menopause and to provide guidance and practical support to our employees who need it.

Reward and recognition

We understand this area is important and we continue to progress with a transparent approach to promotion – all our opportunities are advertised internally, and all applicants will follow a fair and consistent process. We review pay processes and base pay on fairness and performance measures. We continue to regularly review and invest in improvements, including new technology and benchmarking, to ensure we are able to correctly group and grade roles, ensuring they are properly aligned.

Development and training

- We have structured training programmes for those wanting a career in financial services, which is open to internal and external applicants.
- Mattioli Woods invests time in apprenticeships and degrees as well as professional accreditations, while training on the job, feeding into growing the succession pool.
- We attend university and colleges, talking through the employment opportunities at Mattioli Woods.
- Our talent management process allows robust development programmes to be put in place.
- Regulatory modules are to be completed monthly. This allows all of our employees to understand the world of financial services.

We encourage all our employees to complete a CPD, which highlights the learnings annually. Mattioli Woods encourages development regardless of an employee's role within the Group.

Conclusion

Overall, we continue to work on a positive journey towards having better balanced statistics. It is imperative to Mattioli Woods to track this metric to strategically embed initiatives to change this and ultimately become an employer of choice. We are confident with the female leaders we have in place and the development and succession being introduced for this to be successful.

Our ambition is to achieve a fully inclusive workplace, attracting females and males from various backgrounds where all our employees can thrive and progress, and overall feel safe and supported throughout their journey.

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

mattioliwoods.com