

Gender Pay Report

April 2023



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a message from
Mark Duckworth // CEO

At Schroders Personal Wealth (SPW) we have thousands of unique and diverse clients across the UK. We believe, that to be a successful business, we must ensure our workforce represents the people who entrust us to look after them.

Reporting on our gender pay position helps us, as a Wealth Management industry, recognise where more action is needed. The industry has historical gaps to fill, and it is our joint responsibility to address these in each and every company.

I am committed to reviewing and improving SPW's gender pay position as we grow our business. One of the improvement areas we have identified is better tracking the diversity of our candidates, something I intend to shine the spotlight on in the year ahead.

I was particularly pleased to read the comments from Kim, Beth, Claire and Faye, and hope others will be encouraged by these accounts. This is a great reflection of our business – we want to create a culture where every individual's performance in their role is based on merit and what they bring to the table. I'm also delighted that the report contains so many pictures of our own colleagues, this hopefully gives you a true sense of what our business is about.

As Chief Executive Officer, I am wholly committed to creating an inclusive workforce at SPW. I know that an environment where colleagues can bring their whole selves to work is an environment where people and businesses thrive.





What is the gender pay gap?

The gender pay gap is the measure of the difference between the average man's pay and the average woman's pay across an organisation, expressed as a percentage. It is regardless of role, seniority, length of service or location and any other differentiating factors.

The gender pay gap is different from equal pay. Equal pay compares the pay for men and women who do the same, or similar, work. Equal pay is a legal requirement in the UK and at SPW, we operate on an equal pay basis across the company, ensuring a clear, fair and transparent approach to pay, affirming we oblige both legally and morally.

The gender pay gap is formulated to show the differences between men and women across a business in higher and lower paid roles.

How is it calculated?

“Median” Gap

The median gap takes the man at the mid-point between the lowest and highest paid man in the organisation, and calculates the gap versus the equivalent woman.

“Mean” Gap

The mean gap takes the average hourly pay or bonus of a man, and calculates the gap versus the average hourly pay or bonus of a woman.

Data is based on what was paid in April 2022 payroll, and in the 12 months leading up to this date.

SPW's pay gap

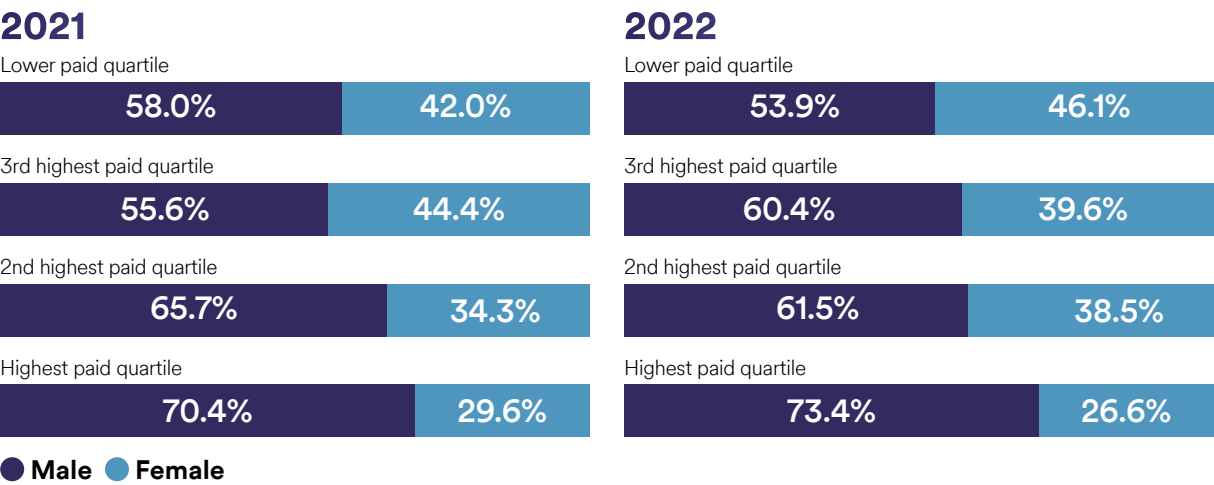
This report shares our gender pay data in April 2022, calculated using payroll data for 767 colleagues. In 2021, most colleagues received a flat recognition payment, which erased our median gender bonus gap and influenced our gender pay gap. The data presented below is therefore more comparable to our 2020 report, and we are pleased that both measures of our gender bonus gap are on a downward trend. Whilst the gender pay gap mean has improved, the median has widened and our analysis is shared later in this report.

Our gender pay figures year on year are as follows:

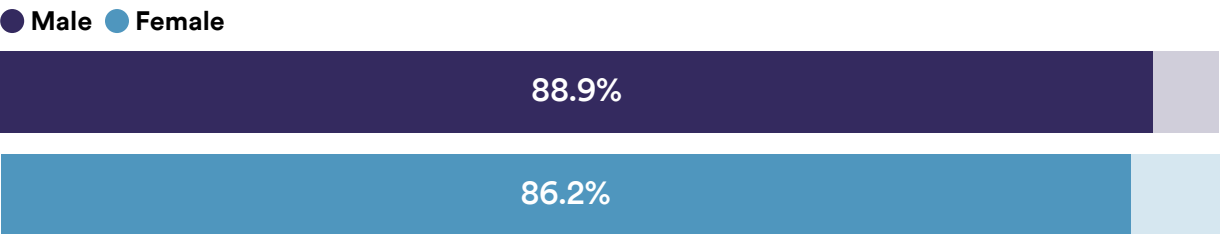
Mean and Median	2020	2021	2022
Gender Pay Gap Mean	18.6%	15.5%	18.2%
Gender Pay Gap Median	12.8%	5.8%	17.7%
Gender Bonus Pay Gap Mean	35.7%	30.4%	26.8%
Gender Bonus Pay Gap Median	43.3%	0.0%	26.8%

Pay Quartiles 2022

We are pleased that the proportion of females in our second highest quartile has increased by 4.2% over the year, which we believe is the result of internal female promotions. This has however caused our third quartile to worsen. We have also onboarded a high ratio of female support staff over the 12 months, improving our lowest quartile by 4.1%.



Who received a bonus in 2022?



These figures are impacted by recruitment in early 2022, resulting in a number of new joiners who were ineligible for a bonus, having not worked for SPW during 2021. Out of those eligible, 97.1% of colleagues received a bonus. Zero bonus was awarded where performance expectations were not met.

What causes our gender pay gap?

We believe that our gender pay gap is driven by two key areas. The first is the number of men on our leadership team. The second is our Personal Wealth Advisers, who make up 41% of our population.

Our adviser population receive a higher weighting of variable reward than our control functions, which is reflective of the type of role that they do and the way that compensation is structured in the market. Within our Adviser population, 27% are female. The higher ratio of male Advisers is the key driver of our gender bonus gap.

We are proud that our ratio of female advisers is higher than the industry average, but we know there is more we can do to keep improving. Our proportion of female advisers has remained at a similar level year on year. We continue to work hard to support and progress females within our client-facing business.

What is causing our figures to change over time?

We're conscious that due to our size, small changes in our headcount can have a large impact on our figures. In the year since our last report, a female departure from our executive team impacted the figures. We know that our median pay gap has worsened year-on-year, in part due to our executive team changes, but also due to us recruiting a high ratio of female support staff over the 12 months since our last report. Whilst this has widened the gap, we believe this was the right move for our business, balancing out the ratio of male and female colleagues in our support roles, and recruiting junior female talent into our company. We hope to see this talent progress through the organisation over time, with our support.

Looking into the data, we're pleased with our female retention figures, but can see that there is more we can do when filling vacancies, particularly at senior levels. We need to have a laser focus on recruitment, making sure that we have diverse long and short lists, and we need our hiring managers to hold agencies to account in this regard.

In early 2021, we paid a flat recognition payment to most staff in lieu of bonuses, which resulted in our gender bonus gap median becoming zero. In 2022, bonus payments and therefore our bonus gap returned to a more typical level, but we are pleased that the bonus gaps are trending downwards when compared to 2020.



Our Women’s Network, SPWomen

At SPW, we are passionate about creating and maintaining an inclusive and diverse workplace. To ensure our female colleagues are heard and represented, the network SPWomen, supporting the Potential of Women, was created. The network is not limited to employees who identify as female, but for allies of women, to increase their awareness and understanding of the strengths and needs of females in a typically male environment.

Throughout 2022, SPWomen achieved great successes. With over 180 members, the network has grown significantly to be SPW’s largest diversity and inclusion network. During the last year, SPWomen held nine events, focusing on topics such as managing change through the menopause, women and pensions, and development plans, demonstrating the network’s passion about education and awareness for women of all life stages. The network also set up a volunteering partnership with Smart Works, a charity providing interview clothing and coaching to unemployed women. Our partnership aids the charity to promote the economic independence and relief of financial hardship for vulnerable women.

In 2023, the network aims to achieve more through four key objectives; connection, empowerment, development and allyship, ultimately to achieve gender equity at SPW. SPWomen aims to provide a safe space for women by influencing the marketing and recruitment strategy, and, providing learning and development opportunities to female colleagues that align to career pathways, ensuring progression and representation at every level of SPW. To truly create an inclusive workplace, all colleagues need to continually develop their knowledge and understanding. SPWomen will increase allyship for females through line manager education and training, to ensure female colleagues in their team, feel and are supported.

Claire Bocking, Chair of SPWomen, explains the importance of the network and why she joined:

“I joined the committee as I’m passionate about helping all women to achieve their financial and career goals. As a woman and parent working in financial services for the last 25 years, I know how tough it can be at times during your career and how important the support of other women and your line manager can be. As an advice business, we need to provide education and support to all women in managing their finances. It’s important that our advisers and colleagues represent our client base, so I’m passionate about attracting female talent and ensuring our colleagues feel supported and empowered to progress into adviser and senior leadership roles.

We want to aim high and achieve gender equity at SPW. As the largest network at SPW, the network and its members have an opportunity to shape and influence the future of our business. From member engagement and feedback, we are in an informed position to help the senior executive team and wider business understand what it feels like to be a woman at SPW, what is brilliant and what barriers there are to career progression. Connecting our members, highlighting role models at all levels of the organisation, increasing female career progression and allyship are key themes for us this year. Whilst many of us have had incredible support from line managers, others feel that they have not been fully supported. We have an opportunity to open up and grow our member base even more, as SPWomen is not just for women. We provide education and support so that all line managers have increased awareness of gender equity and understand our aims and objectives so that all colleagues feel the same level of support and have the opportunity to achieve their goals.

I have had strong female influences in my career at SPW and I am lucky to have an honest and supportive relationship with my line manager. I’ve had mentors and sponsors both male and female, who have proactively helped me to develop confidence in my strengths and provide opportunities to stretch and grow my capability. Paying it forward and supporting other females as they progress through their careers and overcome challenges is important to me and many others that I work alongside.”

What our female colleagues think

Kim Wilson, Lead New Client Adviser

“The main way in which I feel supported as a female adviser in SPW is the fact that gender does not feel like it is even a consideration. I am respected in my role based on merit and because of what I bring to the table as an individual. My experience is that my colleagues are aware of and want to tap into the strengths that different people of all backgrounds possess.

It is acknowledged that women may have different views and ways of doing things due to their experiences and personalities, and I have only ever seen this viewed as a positive and valuable resource. Unlike previous roles where I have felt I have to carry myself in a particular way or perform better to be viewed the same as male colleagues, at SPW I know I am valued for being myself.”

Beth Yates, Business Development Manager

“As a young female, a new company that comes with a new culture can be incredibly daunting. However, SPW works hard to ensure their culture is one of inclusion and equality. Through the diversity networks we see positive conversation, challenge and change every day to drive a stronger culture.

Throughout my time so far, I have been nurtured and encouraged like any other colleague, regardless of gender or any other characteristic. There are many incredible female role models in the business I am consistently reassured by seeing the allyship and advocacy for feminism and gender equality across our leadership and my own team as well. Working at SPW you can’t help but feel proud of the culture we continue to create.”





a message from
Faye Farrant // Chief People Officer

“There is a privilege and responsibility that goes with being part of SPW’s executive leadership team. In an industry which still lags behind others in terms of its gender balance at senior levels, I am conscious I need to keep diversity and inclusion at the forefront of everyone’s mind: without continued focus we won’t see the progress that is needed and it’s easy to get disheartened when progress isn’t fast enough. When I joined, just six months ago, I was heartened by the authentic way our leadership team members talk about and are involved in our Employee Networks: for a young company the maturity in our approach and the level of sponsorship is a great reflection of our inclusive culture.

It’s well documented that gaining gender balance at a senior level can be attributed to having the right role models and ensuring there is a fair and consistent approach to progression within an organisation: these are things we will continue to focus on. I’m also delighted that we are increasing our paid maternity leave from 20 to 26 weeks from 2024. Whilst we haven’t published our Ethnicity pay gap in this report, we know how important this is. It’s something we are tracking and actively looking to improve year on year.

As the Chief People Officer (CPO), I am proud of our flexible approach to working. It allows all of us to juggle both work and family or external commitments that is night and day from the working environment I first started in over 20 years ago. Whilst meaningful change will take time, we can all play a role in supporting a more diverse and inclusive workplace: I would challenge all our colleagues to be brave in their aspirations of more opportunities at SPW and to be allies where they see those who lack the confidence to ask for more.”

I hereby certify that with accordance to the United Kingdom’s Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, that the UK gender pay information in this document is correct.





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