

An aerial, top-down view of a busy city street. The pavement is made of dark grey rectangular tiles. In the center, two people are walking towards each other, their figures in sharp focus. They are surrounded by many other pedestrians who are blurred into streaks of color, indicating motion. The overall scene is a high-angle, long-exposure shot of a crowded urban environment.

Rathbones
Look forward

Gender pay gap report

March 2022

Welcome to Rathbones' gender pay gap report for the year to 5 April 2021.

This report outlines the results of our pay gap analysis. It has been another challenging year, but we have pulled together for each other and our clients as a reflection of our values. We understand there is no quick fix for gender imbalance, but by continuing to make small steps forward, and taking a long-term view of investing in future talent, we can make real headway in addressing our gender pay gap.

The challenges in this area are significant, but our commitment to improving equality and enabling greater gender diversity at Rathbones remains strong. Of course, this imbalance won't be resolved overnight, but this report gives insight into the progress we've made over the past 12 months and clear direction on how we intend to achieve even more in the coming year – and beyond.

Rathbones' gender pay gap is not the result of us paying men more than women for work of equal value – it's because we have a higher proportion of men in senior roles and more women in junior roles. This is largely a consequence of complex legacy factors; the wealth management sector has traditionally been a heavily male industry built on long-lasting client relationships with low turnover.

While we are proud of our culture of longevity and the trust this builds with our clients, it creates challenges for influencing our gender pay gap.

This report highlights a 3% decrease in this year's hourly gender pay gap compared to 2020. This year we increased our female recruitment in senior roles to 30% compared to 17% in 2020. We also recruited a smaller proportion of women in administrative and support roles with 43% compared to last year's 70%. Though we understand that recruitment alone won't bring about sustainable change, these are positive steps towards shaping a more equitable work environment.

Three out of nine directors on our board are women, which means we meet our commitment of 33% female board representation for FTSE 350 companies. We also have three women on the group executive committee.

We also meet the requirements of the Parker Review, which encourages the improvement of ethnic and cultural diversity on boards. We see this as a good foundation on which to build, but not an end point. We are signatories to the Women in Finance Charter and the firm is committed to achieving 25% female senior management representation by 2023. As of end 2021, we have reached 28%.

Our bonus pay gap increased by 4.5% this year. This number is heavily influenced by earn-out payments, which largely contributed to the reduction in this gap last year. This is a further consequence of the legacy of our



“At Rathbones, we recognise that an equitable, more inclusive future is a stronger, more resilient one for everyone.”

industry; nevertheless, we recognise that we can and must continue to do more.

We are committed to growing the talent of the future and finding meaningful, long-term solutions that will allow us to strengthen our cadre of senior, highly paid women. In this effort we have updated our policies that support working parents and families, as outlined by our chief people officer, Gaynor Gillespie, in this report. This included reducing the eligibility period for enhanced company maternity, paternity and adoption pay, from two years to 12 months.

We will continue to revisit and evaluate these policies to identify where we can offer even better support to our employees. It has become clear over the past two years just how important it is to be adaptable, and we are determined to continue our evolution as a company – driving positive change to keep not only gender equality, but diversity and inclusion as a whole, trending in the right direction.

At Rathbones, we recognise that an equal, more inclusive future is a stronger, more resilient one for everyone.

Being a responsible employer means doing the right things for all of our people. Making decisions today that will foster a better tomorrow, and building a foundation of fairness and respect for a more sustainable future for all. On behalf of the board and group executive team here at Rathbones, I hope you will find this report informative and reflective of our determination to achieve a better future.

As group chief executive of Rathbones Group Plc, I confirm that the information contained herein is accurate.

Paul Stockton
Group Chief Executive

Our results

Rathbones gender pay gap reporting 5 April 2021 snapshot date

1,579
Employees

839 Male – 53%
720 Female – 47%



Hourly pay

Mean hourly rate of pay

All full-pay relevant employees



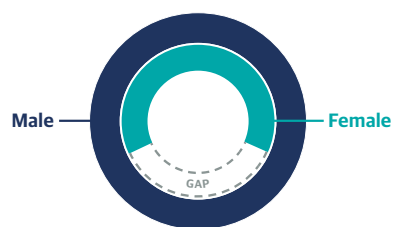
37.1%

(2020: 40.1%)

The **mean** difference in average hourly pay between men and women

Median hourly rate of pay

All full-pay relevant employees



36.0%

(2020: 39.1%)

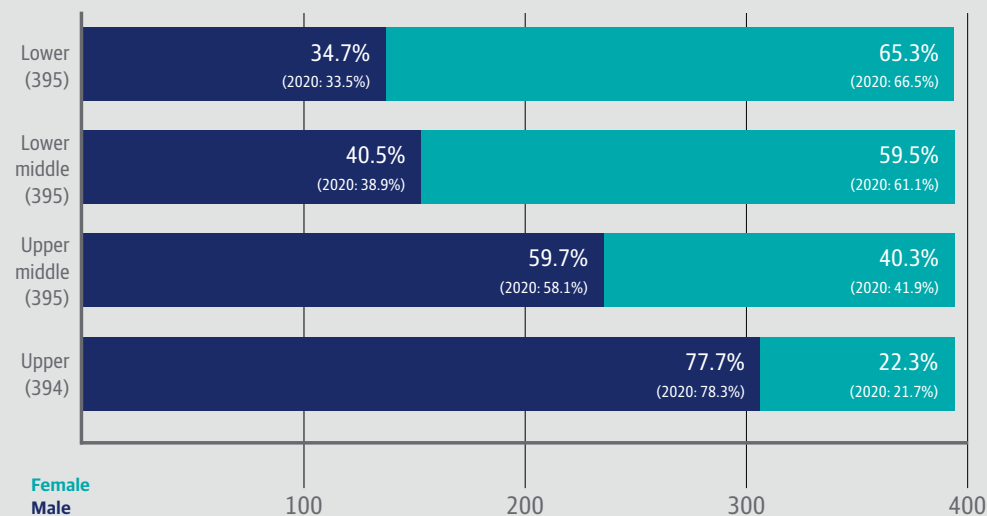
The **median** difference in average hourly pay between men and women

Quartile pay

Proportion of gender per quartile

All full-pay relevant employees

This bar chart shows the total population of Rathbones divided into four quartiles. We have proportionally more women in administrative roles and proportionally more men in higher paid management and investment roles.



Our results

Rathbones gender pay gap reporting 5 April 2021 snapshot date

Bonus pay

Mean bonus pay
All relevant employees

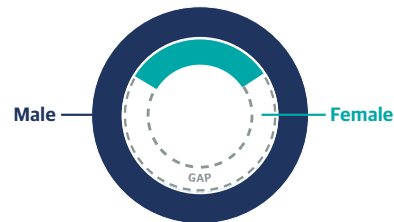


71.0%

(2020: 66.5%)

Mean Bonus gender pay gap percentage

Median bonus pay
All relevant employees

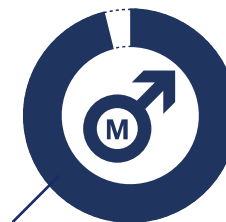


52.2%

(2020: 60.0%)

Median Bonus gender pay gap percentage

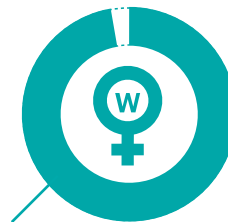
Bonus pay distribution
Proportion of relevant employees receiving bonus



97.0%

(2020: 96.2%)

of eligible men receiving a bonus



97.7%

(2020: 97.7%)

of eligible women receiving a bonus

Jemima Chapman

Graduate Trainee Investment Manager

“ I joined Rathbones in October 2020 via the Graduate Programme and have been rotating through different departments including marketing, investment risk, an investment desk and front office delivery; I am yet to start with the research team. Whilst I have had a positive experience on the Graduate Programme, it has been an unusual career start joining a business during a pandemic. Although working from home has its challenges, the Graduate Programme has continued to present me with exciting opportunities. One that I am most grateful for is the mentoring programme, where I've received valuable guidance from Joanna. Her support has definitely eased my introduction into Rathbones.

Joanna's mentoring has helped me recognise my areas for improvement and my strong points, whether that's around exams, rotations or presentations. I would highly recommend the mentoring programme to others and in the future, I would like to become a mentor myself.”



Joanna Pennington-Jones

Investment Director

“*I joined Rathbones in 2019 as an investment director, having worked in the industry for over 20 years. I wanted to be involved in the Rathbones mentoring programme because as a female in the industry, I can appreciate the many benefits of such a partnership. Having someone who has walked the path before and who can share insights and experiences is so valuable at various points throughout your career.*

For me, being a mentor is about empowering others to achieve their goals, helping them to realise their strengths and supporting with areas of development. As a female investment director, I think it's really important to build relationships and networks that can help guide us forward and really hope that I have provided some insight and guidance to Jemima. I have thoroughly enjoyed mentoring her and have learnt a lot from listening to her perspective and outlook. I am really looking forward to seeing her career progress in investment management.”



Catherine Taylor

Chief Operations Officer, Rathbone Investment Management International



I joined Rathbone Investment Management International Limited (RIMI) in Jersey as chief operations officer back in September 2015.

There were 16 employees in the Jersey office when I first joined Rathbones, of which six were women. Six years later we have doubled to 32, and half are women, so it's satisfying to see a better balance accompanying the fast growth. It's at the executive level though where there's a bit more to be done.

I have a strong desire to help mentor women into senior roles to ensure they have the same opportunities as me. With this in mind, in 2021 I took part in the 'Everywoman of Influence' programme. This involved setting aside four Tuesday mornings over the course of four weeks, and in fact that alone with a hectic diary was a challenge. However, it did prove to me that if you make a concerted effort to find time for your own development, it can be done! Those sessions were really helpful to pause and reflect on my own career, how I could impart my knowledge on others and get the best out of working relationships with colleagues around me. Unlike other seminars or conferences, this programme had delegates from all over the world and from multiple industries, which opened up new opportunities to network and share ideas across a much more diverse group of inspirational women. It certainly gave me food for thought and opened my mind to different ways of thinking. The programme was also a great chance to speak more openly with other senior women in Rathbones, and we are all committed as a group to putting what we learned into practise."





Moving Forward **Gaynor Gillespie** Chief People Officer

At Rathbones, our people strategy has always been key. But now that a chief people officer is a member of the group executive committee, it's clear just how important it is to our collective success – and the positive impact it can have on our gender pay gap.

The past two years have been challenging for everyone and supporting the safety and wellbeing of our employees has been a top priority. During this time, our people have shown overwhelming resilience and adaptability. Together, we have continued to adapt our company culture to be more considerate, compassionate and fair.

The world of work has changed forever. That's why it's important that the policies we have adopted in these unsettled times are integrated into our future people planning. Our move towards permanent hybrid working is a perfect example of this. By providing employees with more autonomy in how they shape their time, we are shaping a work environment built on shared trust. Not to mention, this flexibility is essential for working parents and families, especially in this period of uncertainty.

We will continue to adapt and enhance our family friendly policies so that caring responsibilities can be shared more equally. This plays an important role in ensuring our female colleagues feel they belong at Rathbones as

their careers develop and their personal lives change. Another example of progress that supports women in the workplace is the introduction of menopause awareness training.

Our gender pay gap is the result of there being fewer women in senior roles than men. This is largely because the wealth management sector is a traditionally male industry. Fortunately, we are making promising progress in changing this and many of our colleagues are involved in initiatives to support greater gender diversity in the sector. In May 2021 we hosted our third 'She Can Be' event, a career insights day for girls to help them see financial services as a viable career option. And colleagues in Scotland participated in 'Future Assets' events which work to encourage girls in high school to consider the world of investments.

We are continuing to take steps to build our female talent pipeline by mentoring our female talent and providing inclusive leadership training to line managers. In 2021 we piloted two external female leadership programmes to support female talent in their personal and professional development. We also became members of Inclusive Companies, to support us in building a workplace that educates, motivates, and celebrates the individual strengths and unique characteristics of all our people.

We're also working hard to gain a better understanding of our people profile across different functions of our business. And by upgrading our people IT systems, we can make better use of data to drive everyday decisions relating to diversity, equality and inclusion, including processes like recruitment, retention and succession planning.

We are committed to driving progress on gender balance at Rathbones and moving forward; we are seeking expert advice on what we can do on the ground to continue to address the talent challenges our sector faces.

We are heartened to build on the positive action we have taken so far. By truly applying an inclusive lens to everything we do, we will certainly see more female talent reach more senior roles at Rathbones. In this way, we can close our gender pay gap and drive sustainable success for all of our people.

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