

# Gender Pay Report 2019-20



ST. JAMES'S PLACE  
WEALTH MANAGEMENT



## Key themes

- Steady progress and good to see the gap closing but a need to stay focused.
- Opportunity to learn from our experience over the past three years and figure out what is working and what isn't.
- Gender equality is something we all need to play a role in working towards – not just a 'women's' issue.
- COVID has taught us that we need to create a workplace where employees can balance the demands of work and home life without compromising their career aspirations.

## Introduction by Andrew Croft

Chief Executive Officer and Executive Sponsor for Gender Equality

Over the 2019-20 reporting period, we have seen a further reduction in our gender pay gap. However, against the tumultuous backdrop of 2020, we are evermore mindful this is a long-term journey, sensitive to the moving landscape of our business. The impacts of the Coronavirus Pandemic on working mothers provided a stark reminder of the importance of creating a workplace where employees can safely balance career ambitions with family needs. I remain committed to driving these changes forward as we continue through this period of uncertainty, ensuring our commitment to gender equality stays firmly on the agenda.

This is our fourth Gender Pay Report as a business, and we have an opportunity to evaluate our experiences and decide how best to move forward. One of the key steps we took in 2020 was to introduce a new Time off for Parents policy, offering all new parents an equal amount of leave at contractual rate of pay. In doing this we hope to contribute to shifting childcare gender norms, and having seen early benefits of this for new parents in the Pandemic, we will continue to evaluate the outcomes of this approach and learn from the steps which most further our progress.

## Foreword by Vicki Foster

Head of Inclusion & Diversity

Throughout 2020 we have remained committed to our vision to be a vibrant place to work where difference is recognised as a strength and where talented people can flourish and achieve their highest potential. Ensuring gender equality within our business is fundamental to this, and reducing our gender pay gap a vital contributor to our progress. While we have continued to reduce our gap this year, we cannot lose our pace of change.

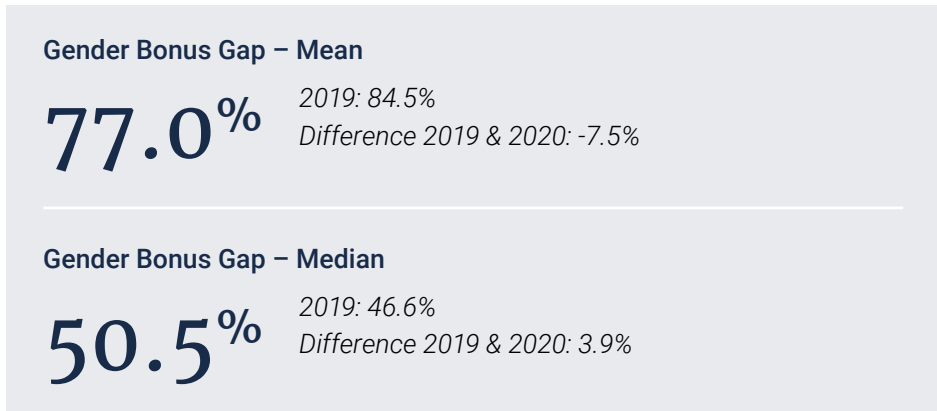
In the past twelve months, we have focused on gathering data to lead our decisions and focus interventions where they will have the greatest benefit. Through our recruitment and promotions reviews and an anonymous employee diversity survey, we have identified and mobilised key steps to support our female talent pipeline and wider gender initiatives.

Doing what we can to keep internal progress moving in the face of external change remains a key priority for 2021.

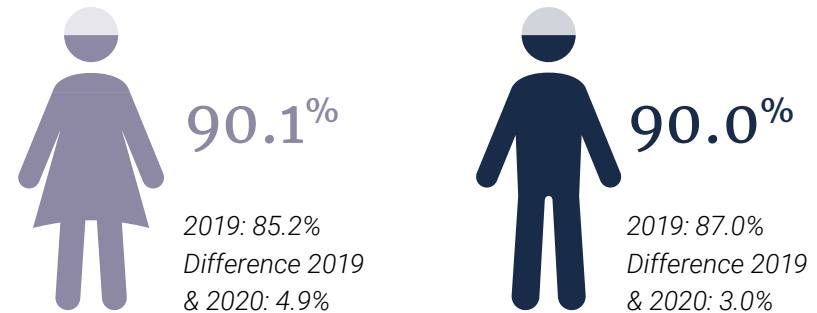
# Gender Bonus Gap

A bonus pay gap is the difference in bonus paid to male and female employees. It is expressed below as a percentage of the bonus paid to male employees over a 12 month period. Our current bonus gap is reflective of the higher performance related remuneration offered to senior roles.

We have seen a 7.5% reduction in our mean bonus gap as more women have moved into senior roles. However the increase in the median bonus gap indicates that men's bonuses are still higher than women's. This may be because where women have moved into more senior roles, their bonus was reflective of their previous role.



## Percentage of Men & Women who received a bonus



A higher proportion of men than women received bonuses during the 2019-20 reporting period. While overall the percentage of people receiving bonuses fell in 2019, 3.9% fewer women received bonuses compared to 1.6% fewer men. This is because we had more senior women joining the company than in previous years but were not yet eligible to receive a bonus at the time of reporting.

# Gender Pay Gap Report

## Commentary

The 2019-20 reporting period sees the continuation of a focussed effort to reduce our gender pay gap. We have seen the benefit of gender-balanced shortlists with an increase in women in the upper middle and upper quartiles from the same period last year. By placing an emphasis on interventions with measurable outcomes, we are seeing a positive change in our gender pay gap that we believe will be sustainable in the long-term.

## Gender Pay Gap

A gender pay gap is the difference in average pay between one gender and another. It is expressed here as the difference in the hourly rate of pay between male and female employees, as a percentage of the hourly rate of pay of the male employees. The median is the middle value of all hourly rates, when ranked.

During the reporting period 2019-20 we have seen an overall reduction in the gender pay gap.

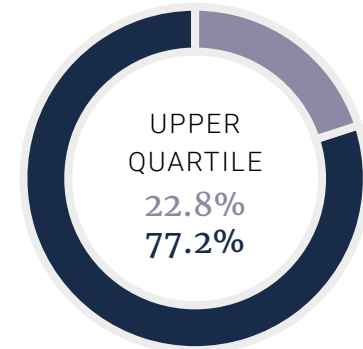
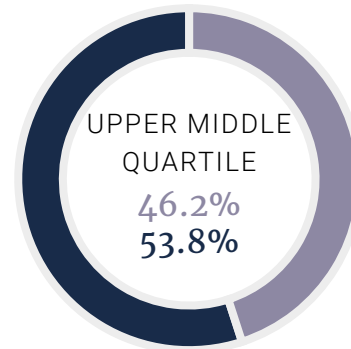
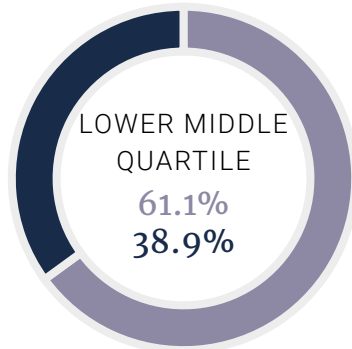
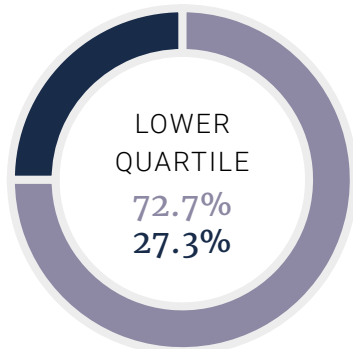
### Gender Pay Gap – Mean

**39.4%**  
 2019: 43.4%  
 Difference 2019 & 2020: -4.0%  
 Difference since GPG reporting began (2017): -7.8%

### Gender Pay Gap – Median

**42.3%**  
 2019: 43.5%  
 Difference 2019 & 2020: -1.2%  
 Difference since GPG reporting began (2017): -4.1%

## Pay Quartiles



Female	2019: 73.9% Difference 2019-20: -1.2%	2019: 63.9% Difference 2019-20: -2.8%	2019: 45.3% Difference 2019-20: 0.8%	2019: 21.3% Difference 2019-20: 1.5%
Male	2019: 26.1% Difference 2019-20: 1.2%	2019: 36.1% Difference 2019-20: 2.8%	2019: 54.7% Difference 2019-20: -0.8%	2019: 78.7% Difference 2019-20: -1.5%

## Review 2019-20 activities

Our inclusion strategy, adopted in May 2019, is founded on three pillars: to attract, retain and develop talent. We recognise that to close the gap we need to attract female talent but also retain and advance them in their careers. We have continued to ground our activities in evidence, with focus groups and employee surveys becoming as much a part of our ongoing research as analysing quantitative data.

We have continued to make progress on our public commitments, making positive steps such as introducing gender-balanced shortlists.

- Increase the number of women on the St. James's Place plc Board to at least 33% by 2020. We achieved this target in January 2020.
- Increase the number of women in senior roles in our business to at least 30% by 2023. We have been tracking positively against this target for most of 2020.
- Increase the number of black, Asian and ethnic minority employees across our business to at least 10% by 2023. We have more to do to reach our goal, particularly in growing our pipeline of black, Asian and minority ethnic talent.

We have also made some high-profile senior female appointments with Rosemary Hilary, Baroness Helena Morrissey, Emma Griffin, and Lesley-Ann Nash joining our Board as Non-Executive Directors in 2019-20. In January 2020, we also welcomed Liz Kelly to the Executive Board as Director of Corporate & Company Secretary.





# How we're reducing our gender pay gap

## Attract

### *Reviewing our recruitment processes and practices*

We recognise the importance of ensuring that any actions we take moving forward are data driven and specific. As such, we completed an end-to-end review of our current recruitment processes from attraction, shortlisting, interview, offer and retention to better understand how we can drive more inclusive and diverse outcomes. A key aim of the review was to highlight any barriers that might hinder our attraction and retention of women into senior roles. However, the scope of the review was much broader than gender and considered diversity in its widest sense.

We collated both quantitative and qualitative data to understand where we are already driving inclusive and diverse outcomes and identify gaps that require our focus. This included statistical data analysis, employee surveys and focus groups.

The review identified a number of key recommendations, including the better use of diversity data throughout the hiring process, and supporting line managers in the consistent application of best practice in inclusive recruitment.

**Looking ahead**, we will pilot the recommendations from the Recruitment Review, testing their success and developing a 'gold standard' for inclusive recruitment practices.

## Retain

### *Review of our promotions process*

We recognise that increasing representation of women in senior roles is key to decreasing the gender pay gap, and that a disproportionate rate of promotions for men is an exacerbating factor in gendered pay disparity.

In light of this, we have committed to strengthening our talent pipeline by identifying, developing and nurturing talent irrespective of race, gender, disability, sexual orientation, age, religion or socio-economic background. To ensure that we remain data driven, we completed an end-to-end review of our current promotions process to better understand areas of best practice and identify any areas for development. This included a review of both quantitative and qualitative data, including focus groups and employee engagement surveys to ensure that the review reflected employee sentiment.

A number of key recommendations have been made, including use of employee diversity data to track trends in events such as promotions, ensure the promotion process is applied consistently across the business, and reviewing the accessibility and format of our development opportunities.

**Looking ahead**, we will pilot the recommendations from the promotions review, testing their success and continuously monitoring our activities to ensure that the promotions process is transparent and development opportunities are developed with inclusivity as a central requirement.

We will also conduct a detailed equal pay and reward audit, develop an action plan to address any areas for improvement, including ongoing monitoring.

## Supporting our working parents

In January 2020 we introduced a new Time off for Parents Policy, replacing our existing enhanced Maternity Leave Policy. The Time off for Parents Policy offers both parents six weeks at 100% average weekly earnings, followed by 26 weeks at standard contractual rate of pay. Both parents also have the option of taking the time in up to two periods of leave within a one-year period. This policy was designed to give financial reassurance and flexibility to parents after the birth or adoption of a child. We recognise that SJP is in a powerful position to give this support to new parents and in doing so, help shift societal expectations around balancing childcare and work.

100% of women on maternity leave have taken the full entitlement.

### Paternity Leave uptake

	2 weeks	3-9 weeks	10-25 weeks	26 weeks full entitlement
Uptake	2	5	4	10
	9.5%	23.8%	19.0%	47.6%



## Develop

### *Strengthen the pipeline of female talent*

We understand that inclusive environments and diverse teams provide the foundations for creativity, innovation and business growth. Providing development opportunities and the gathering and analysis of both qualitative and quantitative data enables us to strengthen the pipeline of female talent at all levels across our business.

St. James's Place has taken part in the 30% Club cross-company mentoring programme for three consecutive years now, each year increasing the number of women taking part. The 30% Club mentoring programme, delivered by Moving Ahead, is an international cross-company mentoring programme. It is designed to support and develop a broader pipeline of women attaining senior leadership roles. The nine-month programme matches female mentees with senior male or female mentors from another organisation.

The programme engenders personal accountability in mentees, encouraging them to take control of their careers by developing skills, knowledge and confidence. At SJP, we see the two-fold benefit of the programme, with our mentors, senior men and women in our business, taking the opportunity to deepen their own understanding of the experiences and challenges of women at various stages of their career. Bringing this understanding into our own business helps us to build stronger and more inclusive teams.

Building on this, we have developed our own reverse mentoring programme for our executive leaders. Reverse mentoring is a powerful tool in creating a culture of mutual trust and understanding between the groups involved. Mentees (in this case senior men) are being given the opportunity to openly discuss challenges they are facing, the mentors (more junior women) giving their perspective on how to answer these challenges.

We were also keen to understand more from our existing senior women about their experience of working at SJP. We held seven senior women round table events. 44 women have taken part in the events which were hosted by Liz Kelly. The round table sessions focussed on questions around attracting and retaining female talent and perceptions of female progression. The round table sessions provided a valuable source of feedback and the opportunity for senior women across the company to provide key insights into what the company can do to move forward.

**Looking ahead**, we will continue to focus on developing talent and strengthening the talent pipeline.

## Governance

The Executive Board play an active role in prioritising Inclusion & Diversity within the business, including our work on gender equality. Members each sponsor a specific element of our Inclusion & Diversity agenda and are actively engaged in driving change. The Inclusion & Diversity Steering Group Sponsored at Executive Board level, the Steering Group is accountable for the effective execution of our Inclusion & Diversity strategy.

*"I confirm that the information contained in this report is accurate as at 5 April 2020 and aligned with the requirements of the Regulations."*

Andrew Croft, Chief Executive Officer





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WEALTH MANAGEMENT

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