

Gender pay

UK legislation requires all employers with 250 or more UK employees to disclose information about their gender pay gap on an annual basis. We have analysed our pay data in detail and the tables below summarise the key information as at 5 April 2018.

We are committed to creating a positive and diverse working environment where everyone is treated fairly. Specifically in relation to pay and our recruitment, performance review and reward processes, we strive to ensure that regardless of gender, employees are paid the same or similar for the same or similar positions.

Definition and calculation of a gender pay gap

The "gender pay gap" is the difference in the average hourly rate of pay between all relevant fully paid men and women in a company. It reflects the gender composition of our workforce. It is different to "equal pay" which is the difference in pay between a man and a woman who carry out the same or similar role or work of equal value in a company.

Our gender pay and bonus gap

The table below shows our overall mean and median gender pay gap based on hourly rates of pay as at the "snapshot date"¹, 5 April 2018. It also captures the mean and median differences between bonuses paid to our male and female employees in the year up to the snapshot date, i.e. for the year up to 5 April 2018. The data provided only relates to our UK employees.

	Percentage difference mean	Percentage difference median
Hourly rate of pay	18.16%	15.75%
Bonus	35.28%	11.73%

In 2018 the median hourly pay difference between our male and female employees was 15.75% (2017: 12.4%), which is below the UK median pay gap of 18.4% across all public and private sectors in April 2018 (source: Office for National Statistics).

A detailed breakdown of pay by gender and pay by quartile is shown in the table below. In the lower and lower middle quartiles, we have more females than males. In the upper middle and upper quartiles, we have more males than females.

	Proportion of females and males in each quartile band			
	£8.63 < £13.32	£13.32 < £17.45	£17.47 < £26.03	£26.06 < £211.97
Total in band	204	201	201	201
Male total: 426	93	98	114	121
Female total: 381	111	103	87	80
% male	46%	49%	57%	60%
% female	54%	51%	43%	40%
% difference mean	(0.7)%	0.1%	(3.7)%	12.7%
% difference median	(0.4)%	0.1%	(4.7)%	0.6%

The year-on-year change in the median hourly pay difference reflects a change in the demographic make-up of our UK-based workforce. During 2018 we centralised a number of our key corporate functions in the UK. In particular a large number of corporate finance and IT roles were transferred from Bridgewater in the US to Reading in the UK. As part of this process a number of roles were filled by male colleagues. Since April 2018, in line with our Diversity and Inclusion strategy, we have actively sourced a diverse range of candidates for all senior roles, including senior finance leadership roles, and next year's report will reflect this.

As detailed in the table below, 80.33% of our female employees and 87.97% of our male employees received a bonus payment. Both figures are above the UK reported average.

	Females	Males
Proportion of females and males receiving a bonus payment	80.33%	87.97%
Eligible population for a bonus during the relevant bonus pay period ²	361	399

In view of the year-on-year change in the median hourly pay difference, we undertook an in-depth analysis of our pay structure in the UK. In keeping with our commitment to fair treatment and pay equality, we have also reviewed the pay structures we operate across our global footprint. We are confident that our pay rates are fair and that male and female colleagues in comparable roles are paid equitably and fairly.

As highlighted above, to address the demographic imbalance reflected in this gender pay data we are actively sourcing a diverse range of candidates for all senior roles. In addition, our management performance programme now includes diversity objectives for each Executive Committee member and our HR leaders across the Group. These objectives are aimed at supporting our overall Group objective which is to have 30% of senior management roles held by female executives by 2020.

1. Snapshot date: Specific reference date in which the gender pay gap needs to be calculated as Government requirement from the Advisory, Conciliation and Arbitration Service and Government Equalities Office. For businesses and charities this date is 5 April.
2. 47 individuals were not eligible for bonus payments because they were new hires during the final quarter of the financial year ended 31 December 2017.