



Gender Pay Gap Report

Introduction

We remain fully committed to harnessing diverse talent and fostering an inclusive culture where all our people can thrive. Via our employee led group *#included*, we launched a number of initiatives in 2019 and were proud to have our efforts recognised by the industry with the Portfolio Advisers' award for Diversity & Inclusion Initiative of the Year.

For the second year, we are voluntarily publishing our gender pay gap report in order to be transparent about our position and what we are doing to address this.

On the 'snapshot date' of 5 April 2019, our headcount was 245 employees (145 males and 100 females) in our largest entity, LGT Vestra LLP. Although the report excludes the data of our 49 partners in line with the regulations (Equality Act 2010 (Gender Pay Gap Information) Regulations 2017), for transparency we have made reference to this in the report.

Methodology

The gender pay gap report looks at the following:

- Mean gender pay gap in hourly pay
- Median gender pay gap in hourly pay
- Mean bonus gender pay gap
- Median bonus gender pay gap
- Proportion of males and females receiving a bonus payment
- Proportion of males and females in each pay quartile

Hourly pay: calculated on what had been paid in the period including the 'snapshot date' (i.e. in the April 2019 payroll). As we pay our annual bonuses in April, the total hourly rate incorporates the bonus for the 2018 review year, which does widen the pay gap. It also means that we are to some extent, double counting the bonus which is clarified later in the report.

Bonus: payment received in the 12 month period that ends on the 'snapshot date' (i.e. the bonus payment period is 6 April 2018 to 5 April 2019). For the vast majority, this is the bonus that was paid in April 2018 for the 2017 review year.

Mean: represents the difference between the average of male and female pay as expressed as a percentage of the average male pay.

Median: represents the difference between the midpoints in the ranges of male and female pay.

The results

Hourly pay and bonus gap

Our gender pay gap is driven by the larger number of senior client relationship managers that are male.

The hourly pay data includes basic pay and bonus because of our bonus payment date. If we remove the bonus element, the mean hourly pay gap is 25.71% and the median hourly gap is 26.16%.

It is also important to note that of our 16 part-time employees, 14 are female. As the figure used for the calculation is the actual bonus payment received rather than taking into account the full time equivalent, this too has a key impact on the bonus gap.

Hourly mean pay and bonus gap			Hourly median pay and bonus gap		
Gap	2019	2018	Gap	2019	2018
Hourly pay gap	30.55%	24.8%	Hourly pay gap	22.13%	24.2%
Bonus gap	39.98%	52.0%	Bonus gap	39.87%	27.3%

Although it is not required to include our Partner data, we are striving for transparency and have therefore looked at these figures too. The mean hourly pay gap is 40.72% and the median hourly pay gap is 36.50%. This is due to a higher proportion of male Partners in senior roles.

Proportion of males and females receiving a bonus

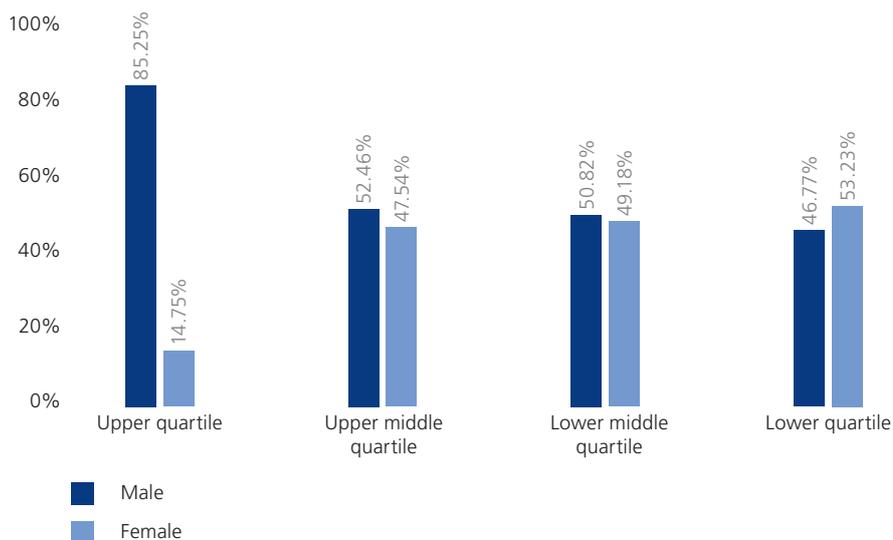
This is calculated by separating out all employees at 5 April 2019 by gender and accounting for how many of each gender received a bonus in the relevant bonus payment period (6 April 2018 to 5 April 2019). Some employees at 5 April 2019 were not employed during the bonus payment period or did not have the requisite length of service or performance standards to qualify for a bonus payment. This had an impact on the percentage difference between our male and female employees.

Proportion of males and females receiving a bonus		
Gender	% received bonus 2019	% received bonus 2018
Male	67.58%	62.4%
Female	68.00%	71.7%

Proportion of males and females in each quartile

We divided the hourly rates for our 245 employees into quartiles, from largest to smallest hourly pay rate in order to derive the proportion. The results are similar to the 5 April 2018 'snapshot date', reflecting the obvious imbalance at the upper quartile. Our recruitment practices coupled with our focus on internal career moves and progression have resulted in a greater balance within the other three quartiles.

Proportion of males and females in each quartile



Conclusions from our CEO and Chairman

We are proud of the achievements of our employee-led group *#included* which has been a real force for change, not just within our business, but within the industry more widely. Within a short space of time, significant progress has been made to improve our culture, placing diversity and inclusion at the heart of it. Some of our key achievements have been:

- Providing equality, diversity and inclusion awareness training to all staff.
- Holding a number of awareness days and 'Lunch & Learns', covering all aspects of diversity and inclusion.
- Rolling out a pilot internal mentoring programme.
- Launching our first formal summer internship programme, reaching a wider pool of applicants.
- Enhancing our shared parental leave and paternity pay policies.
- Partnering with Skills Builder to host school children in the office to help raise their awareness of a career in finance and nurture key skills for the future.
- Co-sponsoring of the She Can Be campaign, where over 100 young women from diverse backgrounds are invited to firms in order to understand the career opportunities available in the City.

Whilst positive steps have been taken, we recognise that it will take time for our gender pay gap to reflect this work. In our 2018 report, we acknowledged that given the challenges in the financial services industry more generally, where there is a more limited pool of female candidates at the senior levels, we were determined to ensure we continued to nurture and develop our people. This is in addition to ensuring a balanced gender representation when recruiting, with a mandatory 50/50 at entry levels. As a result and as expected, our hourly pay gap has widened. However, we firmly believe we are doing the right thing to ensure we address the seniority imbalances in a positive and sustainable way, with a long-term view.

We are committed to building on the initiatives to date and to achieving our targets as part of the Women in Finance Charter. Along with the Management Board, we ensure that diversity and inclusion is integrated in all our practices and strive to be known for our positive and inclusive culture.



David Scott, Chairman



Ben Snee, Chief Executive Officer

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Important information

LGT Vestra LLP is authorised and regulated by the Financial Conduct Authority (FCA). Our registration details are set out in the FCA Register: Firm Reference No. 471048, www.fca.org.uk/register. Registered in England and Wales: OC329392. Registered office: 14 Cornhill, London, EC3V 3NR.