

# Diversity and the Gender Pay Gap

2018



# Foreword

At Investec Wealth & Investment (IW&I) our job is to provide our clients with a service of the highest possible standard delivered by high calibre people with expertise and integrity. A diverse workforce is essential to enable us to fulfil this mission and continue to innovate and adapt as an organisation. Through diversity of perspective, thought and experience, we believe our company, culture and employees will thrive.

At 5 April 2018, our mean gender pay gap was 46.8%, which is a small improvement on the prior year (47.2%). We are committed to bringing greater balance to our workforce at all levels and have developed a multi-year diversity and inclusion plan to drive this.

The plans we are developing and implementing demonstrate our commitment to deeper and longer term changes to our business practices, which we believe will increase the diversity of our workforce, including greater female representation in senior leadership and client facing roles and across our organisation.



# Our gender pay gap results

The below data is based on a snapshot of hourly rates of pay in the pay period encompassing 5th April 2018, and bonuses paid during the 12 months to 5 April 2018 with the respective comparative year.

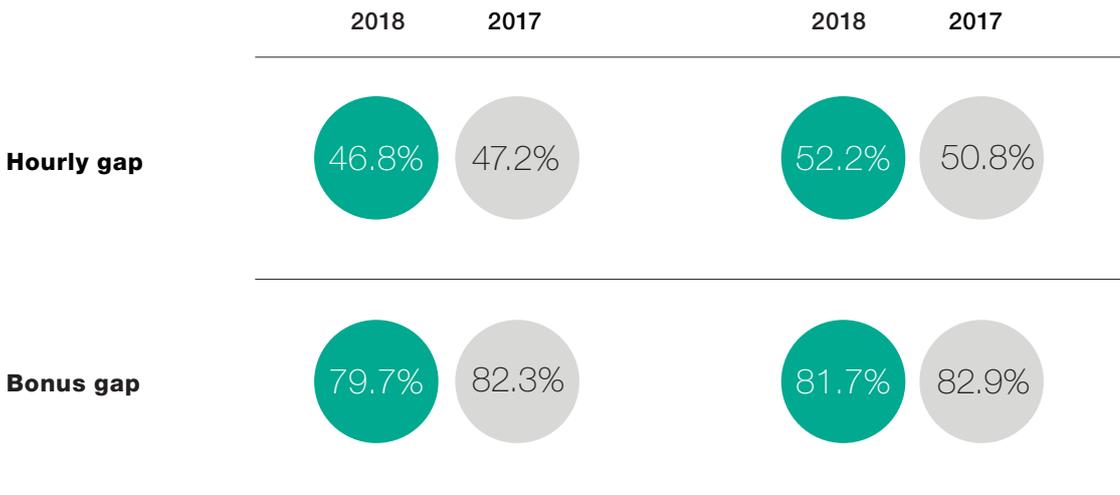
## Hourly and bonus pay gaps

### Mean

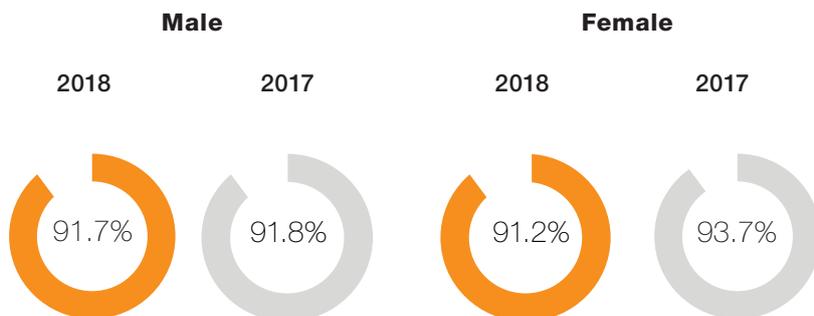
The mean figure represents the difference between the average of men's and women's pay expressed as a percentage of the average male pay

### Median

The median represents the difference between the midpoints in the ranges of men's and women's pay expressed as a percentage of the male midpoint

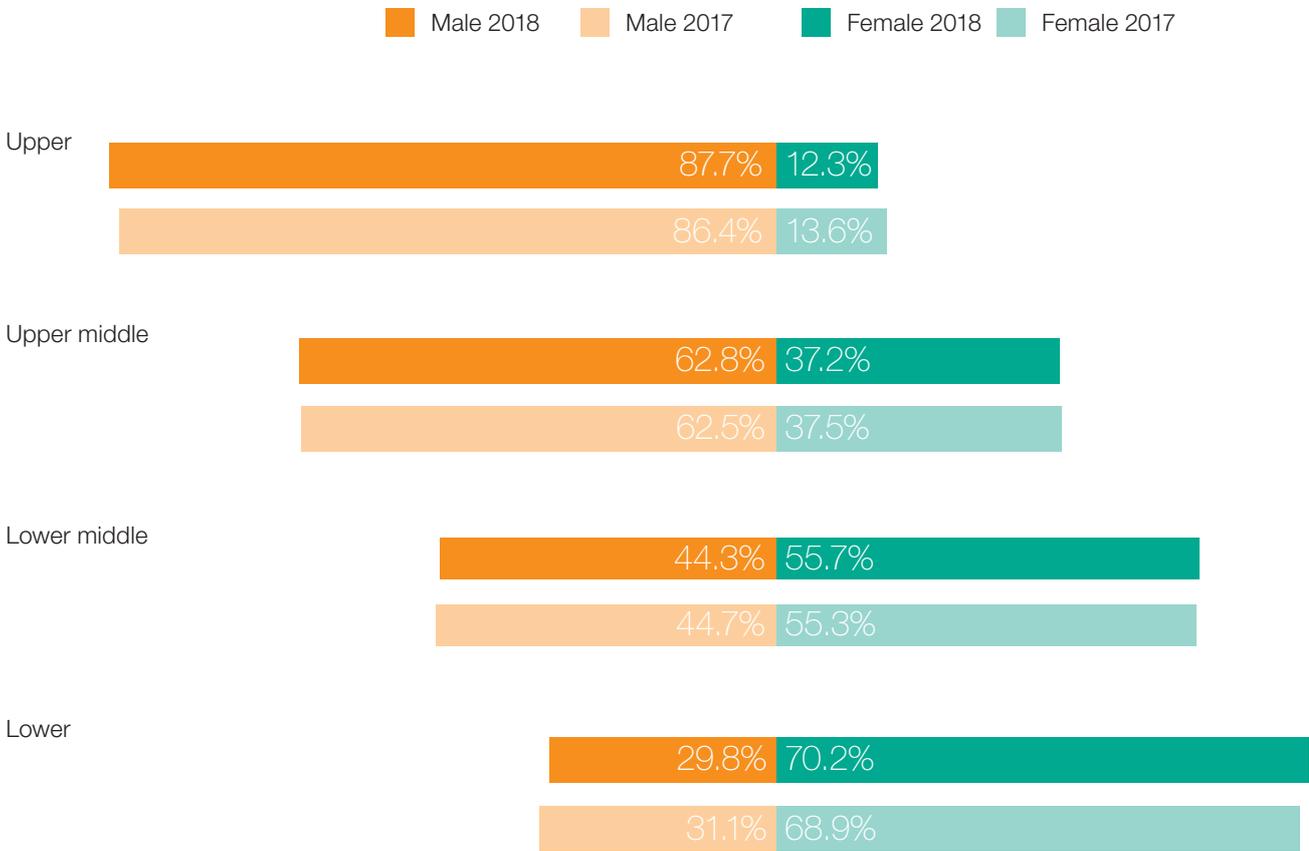


## Proportion of males and females receiving a bonus



### Proportion of men and women within each pay quartile

Each quartile represents an equal number of employees



## Why does Investec Wealth & Investment have a gender pay gap?

The gender and bonus pay gaps are calculated on averages across the whole of an organisation and do not take into consideration factors such as the type of role and level of seniority. Our pay and bonus gaps continue to be principally driven by a higher proportion of women in junior and lower paid roles and a lower proportion of women in senior leadership, revenue-generating and client-facing roles. The pay levels and higher ratio of variable to fixed remuneration for these senior and client facing roles magnifies the pay and bonus gaps. We are confident that men and women are paid fairly and equitably relative to their role, skills and experience, and this is central to our reward philosophy.

All of our employees are eligible to receive a discretionary bonus, except those who have given notice to terminate their employment and those who have not yet completed a minimum period of employment. This is the principle reason for figures of less than 100% of employees receiving a bonus.

# Investec Diversity principles

While we have actively tried to increase the diversity of our senior leadership, we recognise that across our organisation we have more work to do. Our diversity principles apply across the global Investec business and to all our efforts.

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- We believe in the importance and benefits of diversity and foster a culture that is supportive and inclusive of different perspectives and experiences.
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- As a global specialist bank and asset manager, diversity ensures that we represent the diversity of our global client base.
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- Our commitment to diversity is fundamentally about 'doing the right thing'.
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- We are looking at our working environment to enable greater agility and responsiveness to the needs of all individuals, while supporting flexible work arrangements where appropriate.
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- In terms of diversity, we commit to equal compensation on a like-for-like basis.
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- We will work proactively to rebalance our company in line with the societies in which we operate by empowering communities through entrepreneurship and education, and leveraging the value in our diversity.
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- We will measure and track progress annually.
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- We will work towards achieving our targets through concrete actions.

# How are we addressing our gender pay gap?



## Commitment to our core values

Our core philosophies value diversity and respect for individuals. We endeavour to prevent and/or eliminate any form of discrimination based on gender, race, religion, age and sexual preference.



## Diversity and Inclusion actions

Our senior leadership team recently agreed a multi-year diversity and inclusion action plan on how we attract, develop and retain the best talent in our industry sector. Early areas of focus in this include exploring flexible and agile working and designing and delivering training for all employees on 'Why Diversity Matters'.



## Gender balanced recruitment

We have built an in-house recruitment team, who will focus on establishing diverse candidate pools and shortlists for all open positions, as well as ensuring appropriately balanced interview panels. We are actively working on graduate recruitment, including communicating our careers to female students to increase awareness and improve the diversity of our candidate pools. We have made progress in hiring a greater proportion of female graduates into client facing roles, of 17 Trainee Investment Managers hired in 2018, 6 were female (compared to 2 out of 6 hired in 2017).

For broader diversity of thought, we are launching a pilot in 2019 in partnership with Pymetrics to change the way we attract and select talent through the use of neuroscience and A.I. as well applying audits for any bias.



## Learning and development

We invest significantly in developing and upskilling employees and in leadership programmes to develop current and future leaders. Investec's HR learning and development team are focused on developing and retaining people who can perform extraordinarily in support of business objectives in a manner consistent with Investec's culture and values. We support a number of external learning programmes and have developed many internal learning programmes.



## Family-friendly policies and work practices

We have a number of policies and practices that help to balance the needs of families. One of them is enhanced shared parental leave for all staff, where full salary is paid up to 26 weeks. We are also exploring opportunities to offer greater flexibility at work for all employees, as appropriate.



### **Diversity awareness programmes**

Investec's Zebra Crossing programme explores the complexities of diversity at a personal, interpersonal and an institutional level. We are rolling this programme out to our senior leadership and extending it to all leaders. In addition, we are developing training for all employees, 'Why Diversity Matters', which will focus on increasing awareness and understanding of the benefits of diversity in the workplace.



### **Measurement and accountability**

To help measure our efforts, we have set a number of goals and targets. With regard to the IW&I Board, we are pleased that during the last 12 months we have increased the number of female board members and as such, female representation is now 36%. We also signed up to the Women in Finance Charter in February 2018 to reinforce our commitment to gender diversity. This includes a senior executive taking specific responsibility for diversity and inclusion; I have personally taken on this responsibility. As part of this we will also meet set targets for diversity, publish progress reports annually and link the pay of our senior executives to delivery of these targets. Progress against our objectives will be reviewed regularly by the relevant executive management and boards.

## In conclusion

We acknowledge that we have a significant gender pay gap under the regulations, but are confident that across our organisation men and women are paid equally when comparing like for like roles. We recognise that we have much work to do in this area, but remain committed to continuing to focus on increasing representation of women, especially at senior levels and in client facing roles.

**“We want an environment where each and every employee feels valued so that they can do their best for our clients.”**

**Jonathan Wragg**

Chief Executive