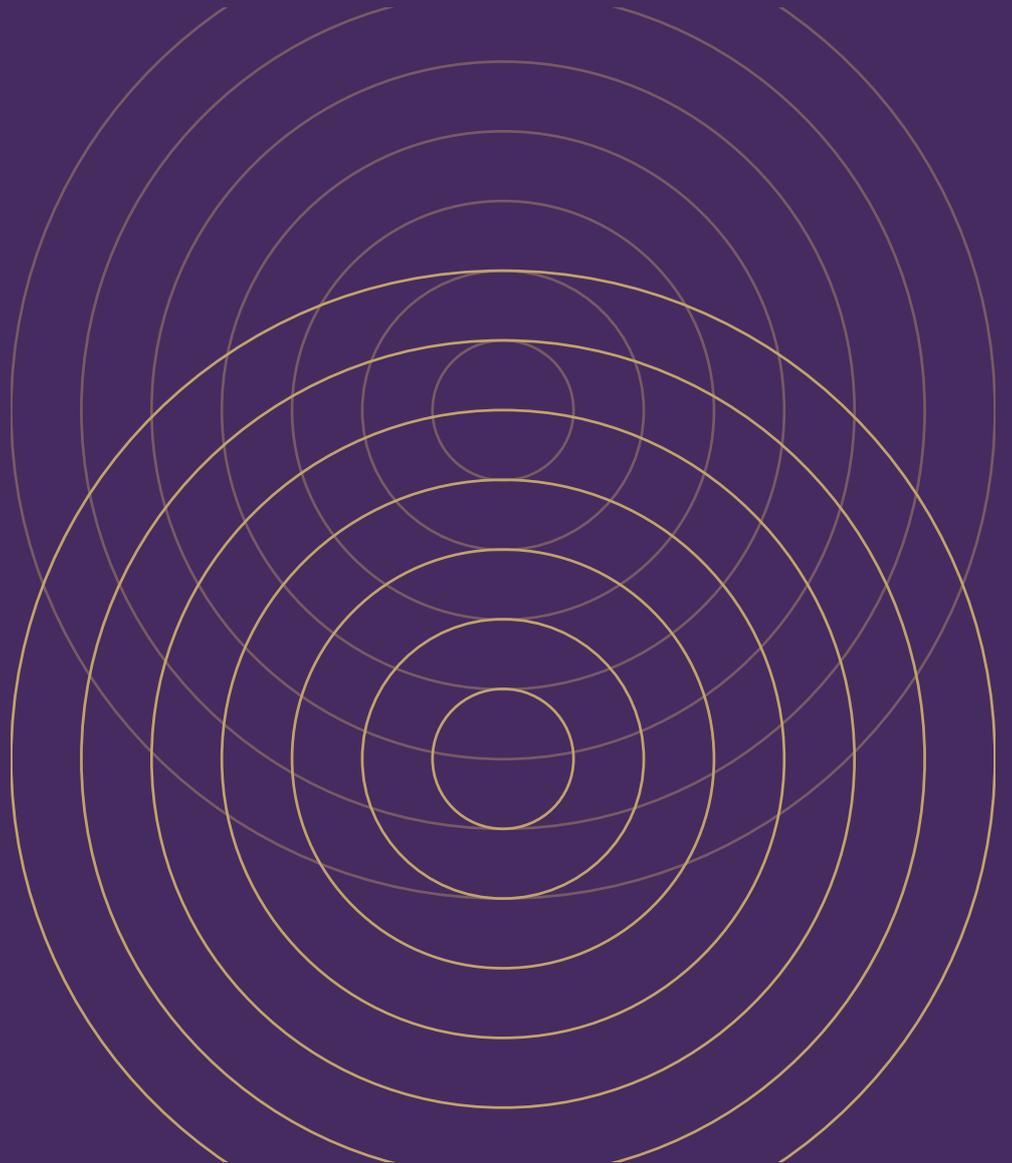




PEEL HUNT

GENDER PAY GAP REPORT 2021

APRIL 2022





INTRODUCTION

The Gender Pay Gap Information regulations (“Regulations”) came into force in April 2017 and require UK organisations with 250 or more employees to publish four main metrics that detail their pay and bonus gaps, bonus ratios and the distribution of genders across the four quarters of their pay range. This information is submitted to the Government Equalities Office (“GEO”). The methodology for calculating these metrics is prescribed by the Regulations.

Please note that gender pay gap reporting is to be distinguished from the area of equal pay which, under the Equality Act, requires organisations to pay men and women the same for equal or similar work.

This report is Peel Hunt LLP’s (“**Peel Hunt**” or the “**Firm**”) second gender pay gap report.

The data within this report relates to the ‘snapshot date’ of **5 April 2021**.

On this date, Peel Hunt had more than **250** staff. Only **143** of the employees were considered ‘relevant employees’ (as defined in the Regulations). The remainder of the employees were partners of the Firm and therefore not ‘relevant employees’.

Peel Hunt is only required to disclose the gender pay gap statistics for the ‘relevant employee’ population, however the Firm has decided to voluntarily disclose the combined partner and employee statistics for the entire Firm.

This report contains two sets of data:

1. Employee Gender Pay Gap: our official statistics shown on Page 8, as published on the GEO website,

based on the Regulations, including all relevant components of ‘ordinary pay’ and ‘bonus pay’ for ‘full-pay relevant employees’ only. Ownership income relating to units in the partnership held by employees of the Firm is included in the bonus gap figures and in the bonus distribution figures.

2. Whole Firm Gender Pay Gap: the statistics shown on Page 9 that include both partners in the Firm and relevant employees of the Firm, as at 5 April 2021.

It should be noted that partner earnings are expressed differently to remuneration received by employees. Partners ultimately receive an overall share of the profits of the Firm, however for the purposes of the Whole Firm Gender Pay Gap analysis, we have characterised fixed partnership drawings as being akin to an employee salary and variable profit share awards as being akin to an employee bonus. Ownership income relating to units in the partnership has been excluded from the Whole Firm Gender Pay Gap statistics for partners, as it largely relates to legacy equity ownership in place following the management buy-out in 2010.

EXECUTIVE SUMMARY

This is Peel Hunt's second gender pay gap report. We understand that real change takes time, and we remain committed to increasing all forms of diversity within Peel Hunt and across the financial services sector as a whole.

Not only do we want to increase female representation at Peel Hunt, we also want to be a driving force in the sector to help attract women and empower them to thrive in their careers, in what has historically been a male-dominated sector.

We have continued to show our commitment to diversity with the introduction of a board level Environmental, Social and Governance Committee ("ESG Committee") in 2021. The ESG Committee is responsible for developing a strategic response to environmental, social and governance challenges, along with wider diversity challenges.

Our Diversity & Inclusion Committee ("D&I Committee") and HR Department have launched a number of initiatives over the past year in support of these causes – further detail relevant to the area of gender diversity can be found in the 'Closing the gap' section of this report, however key initiatives include:

- Gathering diversity and engagement data;
- Focusing on our recruitment practices and candidate outreach;
- Encouraging the next generation of women and diverse talent in financial services;
- Enhancing parental support and family friendly policies; and
- Maintaining partnerships with supportive bodies and charities such as Women on Boards, Talking Talent and Tommy's Pregnancy.

Whilst we recognise the role of goals and objectives in encouraging diversity in the workplace, we acknowledge that significant change will naturally take time and there may be volatility in the figures published from year to year. Nonetheless our commitment to achieving sustainable long term improvement in diversity and inclusion remains strong. We hope that through our continued efforts we will continue to build an inclusive culture and a working environment where diversity is encouraged and our staff are enabled to thrive.

We confirm that the data contained within this report is accurate and meets the requirements of the Regulations.



Steven Fine,
Chief Executive Officer



Fatima Badini,
HR Director



CLOSING THE GAP

The key statistics from our Whole Firm Gender Pay Gap data as at 5 April 2021 are:

Our median gender pay gap is **54.1%** (2020: 56.0%) and our mean gender pay gap is **42.8%** (2020: 39.2%).



Our median bonus pay gap is **88.2%** (2020: 83.3%) and our mean bonus pay gap is **75.6%** (2020: 71.1%).



Our overall staff base was predominantly male: **79.5%** (2020: 81.0%)

Based on compensation alone, our senior staff were **94.3%** male (2020: 100%).



As noted in the Introduction, this is not an equal pay report.

We consider that taking a firm wide view of our gender pay gap statistics provides us with a more accurate representation of our organisation.

The statistics show that at 5 April 2021 Peel Hunt had a gender imbalance, in particular at senior levels of our organisation, although there have been modest improvements in overall female representation and at the most senior levels.

Since publishing our first gender pay gap report, the Firm has taken steps to increase senior and overall female representation within our organisation:

- Lucinda Riches was appointed to the Board of Peel Hunt Limited in September 2021 as a Senior Independent Director and Chair-Designate, resulting in **28.5%** female representation on the current Board of Peel Hunt Limited.
- We welcomed Suzanne Clark to the Firm in July 2021 as Chief of Internal Audit.
- Female staff represent **9.1%** of the Peel Hunt LLP Board, **11.1%** of the Firm’s Management Committee and **50%** of the D&I Committee.
- As evidenced by the Whole Firm Gender Pay Gap statistics, our overall staff base shows progression in terms of the number of female staff in our business: we have 1.6% more female staff than the prior year based on the Whole Firm Gender Pay Gap statistics.

We acknowledge that in order to make meaningful changes to our statistics, we need to do more to increase female representation at senior levels within the Firm. As a result, the Firm’s D&I Committee and HR Department are responsible for the establishment and maintenance of a number of initiatives which contribute towards this goal. This report focuses on the initiatives implemented since our first gender pay gap report, and outlines our focus going forward. Please note, the initiatives detailed within last year’s report remain in place and are maintained across the Firm.



CURRENT INITIATIVES

Some of the additional initiatives implemented since our first gender pay gap report include:

Gathering diversity and engagement data

We have started to collate diversity data during our on-boarding process to allow measurement of the success of our recruitment initiatives.

Peel Hunt's Chief Financial & Operating Officer has recently become a member of the City of London led taskforce commissioned by the Department for Business and HM Treasury to improve socio-economic diversity at senior levels in UK financial and professional services. As a Firm, we are assisting the taskforce with gathering socio-economic diversity data.

Our hope is that both sets of data will provide us with metrics to analyse trends and enable the Firm to make decisions to pursue our diversity and inclusion agenda.

We have also obtained engagement data through our annual staff survey enabling us to respond to themes that may prevent an inclusive culture, and give staff a safe and anonymous platform to voice feedback. We were very pleased to report this year that our female population had higher levels of engagement and wellbeing within the survey results, and we commit to conducting these surveys on an annual basis.

Focusing on our recruitment practices and candidate outreach

Peel Hunt have recently hired a specialist Recruitment Officer in order to streamline processes and ensure a consistent, non-biased hiring process. Along with this hire, comes the introduction of gender de-coding software which is used to assess the gender neutrality of job descriptions and job advertisements, and significant work has been put into the Firm's social media presence and branding in order to attract more diverse talent.

Encouraging diversity in the next generation

Organisations like ours have a duty to encourage diverse candidates to consider careers in financial services. Whilst this does not directly address the current lack of female representation at senior levels, it contributes to the future representation of women within our industry.

Through our partnership with The Brokerage we have continued to offer young, diverse talent the opportunity to learn about the industry, partake in careers events, mentoring programmes, insight days and internships, and most importantly provide an opportunity to be considered for permanent entry level and junior positions across the business.

Supporting flexible working

Statistically more women have childcare responsibilities than men, and therefore flexible working arrangements can particularly support women in business to balance personal responsibilities and career aspirations, or return to work after periods of family leave.

We understand the benefits that flexible working can bring, not only to female staff, but also to the wider staff population, particularly in an environment where flexible working and agility are becoming ever more important for staff.

As such we continue our efforts to embed a sustainable flexible working approach, to ensure that all staff have the ability to work in a way that allows them to balance a successful career and their personal lives.

Maintaining partnerships with supportive bodies and charities

We have developed a number of existing relationships with bodies and charities focused on improving diversity and female representation across organisations or encouraging environments that are supportive of such talent. We have maintained our partnerships with Women on Boards, The Brokerage, HCA Healthcare, City Psychology Group and Talking Talent to provide support to our staff and make positive change.

OUR FOCUS GOING FORWARD

Whilst we will continue to support the initiatives outlined above, we understand that long term change requires more.

Our focus going forward will therefore be to sustain our current initiatives, through the introduction of a firm wide ESG strategy. We believe that this will promote greater gender diversity across our organisation and help Peel Hunt to be a more inclusive place to work, whilst embedding diversity within our core strategy as a business.

Our priorities going forward include:

Pregnancy and parenting at work champions

In line with our continued support for staff who wish to become or who are parents, we are excited to announce our new partnership with Tommy's Pregnancy, the largest UK charity focusing on pregnancy health. Through our partnership, we are aiming to create a more inclusive working environment and promote more open and supportive conversations on pregnancy, parenting and loss in the workplace. The programme will provide managers with the tools to better support all colleagues. We plan to introduce a new Pregnancy and Baby Loss Policy in support of this area of focus.

We have also recently become accredited as a Tommy's Pregnancy 'Pregnancy and Parenting at Work Champion'. Through this accreditation we will be recognised in the UK for our commitment to raising the standard of pregnancy care and support in the workplace.

Increased education

To demonstrate our commitment to diversity and inclusion, we feel it is necessary for all staff to understand its importance. As a result we plan to roll out a range of tailored training programmes for all Peel Hunt staff during the first half of 2022 focussing on recognising unconscious biases, inclusion and culture. It is our aim that these sessions will encourage firm wide ownership and accountability for diversity and nurture an inclusive culture.

Encourage the next generation of women in financial services

Peel Hunt will continue to focus on the next generation of women in financial services by committing to the introduction of scholarship and graduate programmes. It is our hope that programmes such as these will contribute to the future representation of women within our industry and, one day, in senior positions.

Succession planning

Peel Hunt understands that more needs to be done to ensure women occupy a greater proportion of senior roles. As a result, we acknowledge that additional efforts are needed to create a pathway for success. This is applicable to all individuals within our organisation: everyone should have an equal opportunity to thrive and understand what they need to do to get there.

The HR Department will be working closely with senior management over the next year to ensure that these pathways are mapped out and that succession plans have been built with a view to developing future talent. Effective training, coaching and support will be needed to allow staff to develop and reach their potential.



UNDERSTANDING OUR DATA

In order to better understand our gender pay gap data, we have summarised some of the key terms used throughout this report. As noted, it is important to distinguish gender pay reporting from equal pay comparisons.

Gender pay gap

The difference in adjusted hourly rates between men and women.

Adjusted hourly rates include elements of ordinary pay plus any bonus payments (pro rata) received in the same month's payroll, in this case the **April 2021** payroll.

The difference between the average (mean) and the middle (median) adjusted hourly rates of each gender is expressed as a percentage of male earnings.

A low gender pay gap percentage figure represents a smaller gender pay gap.

Pay quarters

The proportions of male and female 'full-pay relevant employees' in each of the four quarters of the pay range from the lowest (lower) to the highest (upper) adjusted hourly rate of pay.

Bonus gap

The bonus gap represents the difference between the average (mean) and the middle (median) bonus values of each gender during the period **6 April 2020 to 5 April 2021**.

The bonus gap is expressed as a percentage of male earnings.

A low gender bonus gap percentage figure represents a smaller gender bonus gap.

Bonus payment ratio

These statistics show the proportions of male and female 'relevant employees' who were paid bonuses during the period **6 April 2020 to 5 April 2021**.



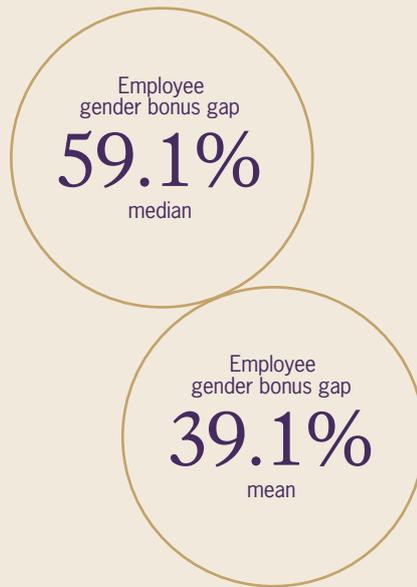
EMPLOYEE GENDER PAY GAP

The gender pay and bonus gap figures are as follows:

Gender pay gap



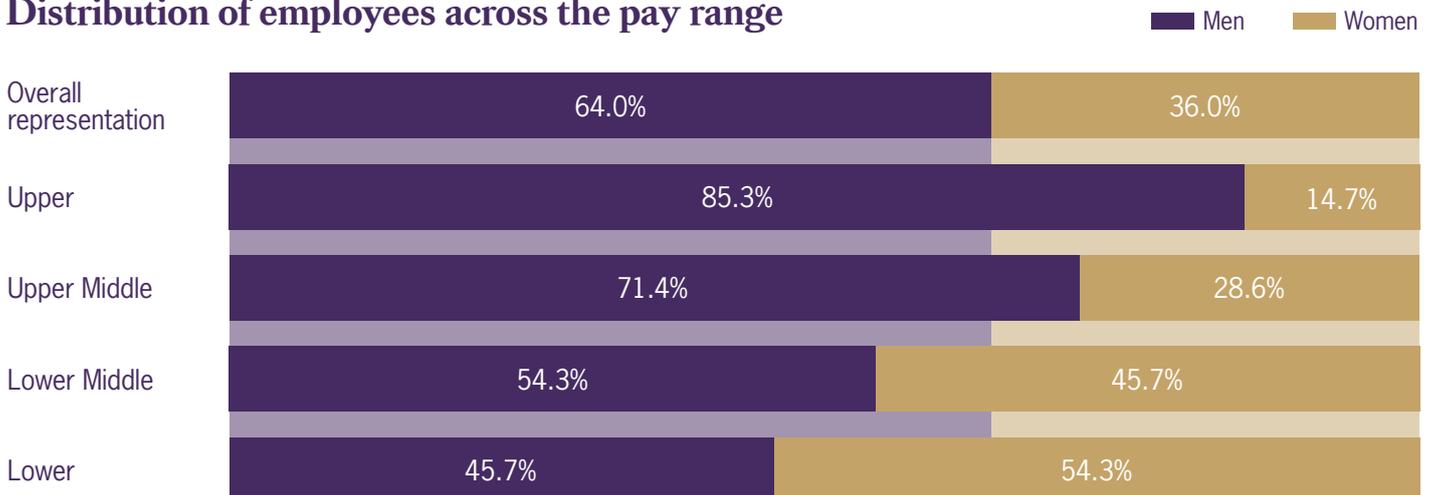
Bonus gap



As at 5 April 2021, Peel Hunt had 143 ‘relevant employees’. Of these, 4 employees were excluded from the gender pay gap statistics due to reduced or unpaid leave, leaving 139 ‘full-pay relevant employees’: 50 women (36.0%) and 89 men (64.0%).

Our analysis shows that 87.0% of women and 84.3% of men included in the ‘relevant employee’ population at 5 April 2021 received a bonus between 6 April 2020 and 5 April 2021. Any variations in the bonus payment ratio are largely due to our bonus eligibility and payment policy for staff members who join or leave Peel Hunt during the financial year; we anticipate that there may be annual fluctuations in these numbers based on the timing of staff members joining and leaving the Firm. We remain committed to ensuring a balanced approach to bonus payments between women and men.

Distribution of employees across the pay range



WHOLE FIRM GENDER PAY GAP

As at 5 April 2021, Peel Hunt had 143 'relevant employees' and 145 partners, giving rise to an overall headcount of 288. Of these, 5 employees were excluded from the gender pay gap statistics due to reduced or unpaid leave, leaving 283 'full-pay relevant employees' and partners: 58 were female (20.5%) and 225 were male (79.5%).

Peel Hunt is choosing to voluntarily disclose these statistics for the whole firm (i.e. both employees and partners) as we feel this provides a more realistic picture of Peel Hunt's true gender pay position. Our aim is to be transparent with our current and prospective staff, clients and other external stakeholders with respect to our gender pay gap.

Our analysis shows that 88.9% of women and 92.0% of men included in the overall staff population at 5 April 2021 received a bonus between 6 April 2020 and 5 April 2021. Any variations in the bonus payment ratio are largely due to our bonus payment policy for staff members who join or leave Peel Hunt during the financial year; we anticipate that there may be annual fluctuations in these numbers based on the timing of staff members joining and leaving the Firm. We remain committed to ensuring a balanced approach to bonus payments between women and men.

The gender and bonus gap figures on a whole Firm basis are as follows:

Gender pay gap



Bonus gap



Distribution of partners and employees across the pay range

