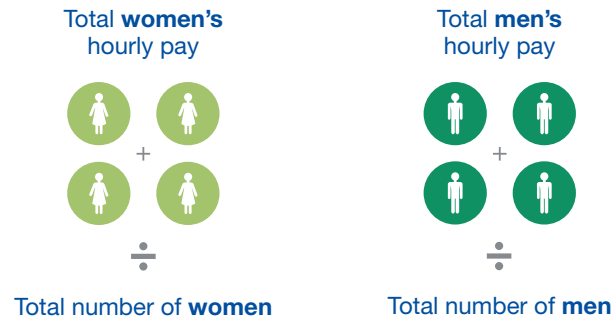


What is a gender pay gap?

A gender pay gap is the difference in average pay between all men and all women across an organisation. This is different to the issue of equal pay - namely the legal requirement under the Equality Act to pay men and women equally for doing the same or similar jobs, or work of equal value.

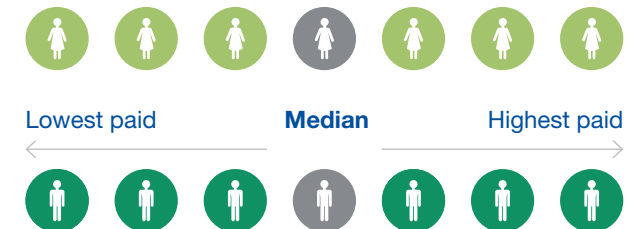
Since 2017, organisations with 250 or more employees have been required to publish annual data on their gender pay gap:

Mean calculations



The mean gender pay gap is the percentage difference between average hourly pay for male and female employees, calculated by adding up the pay of all employees in each cohort and dividing by the number of employees in that cohort. The pay figures used in this calculation are after deductions for salary exchange benefits, such as pension, holiday purchase and electric vehicle and cycle to work schemes. The mean gender bonus gap is calculated the same way.

Median calculations



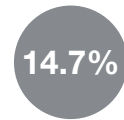
The median gender pay gap is calculated by sorting the hourly pay of male and female employees (after salary exchange deductions) from lowest to highest, then taking the figures in the middle of each range and expressing the difference between the male median and the female median as a percentage. The median gender bonus gap is calculated the same way.

What do our statistics show?

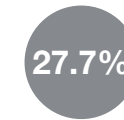
This report shows our mean and median gender pay and bonus gap, based on hourly pay at the snapshot date of 5 April 2023 and bonuses paid in the year to 5 April 2023.

Pay

Mean gender pay gap

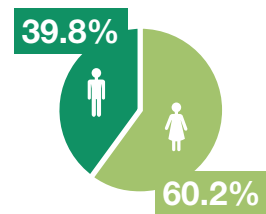


Median gender pay gap

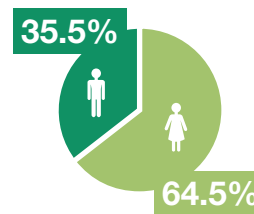


The proportion of male and female employees in each pay quartile is shown here:

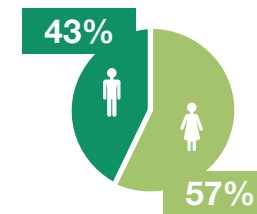
Lower quartile (%)



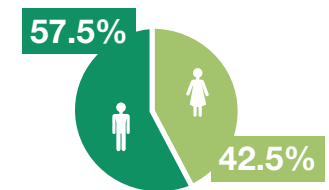
Lower middle quartile (%)



Upper middle quartile (%)



Upper quartile (%)



Why do we have a gender pay gap?

At PKF Francis Clark, women make up 57% of our workforce, compared to 54% across the accountancy profession (ICAEW Probate Diversity Survey, 2023). Women outnumber men in every pay quartile apart from the upper quartile, where the proportion of women has increased by 1.5% compared to last year.

Historically, in common with the profession as a whole, we have seen more men than women in senior positions. For example, in the year ending 5 April 2023, 76% of those in director-grade roles were male. This imbalance is one of the main reasons for our current gender pay gap. (See page 5: *What are we doing about our gender pay gap?*)

Our gender balance in the lower quartiles partly reflects the higher proportion of women working in support roles and our trainee recruitment drive over recent years. We are committed to growing our own talent and each year we recruit a high number of trainee accountants and tax advisers. In 2022/23, there was a broadly even gender balance among our new trainees, while in some previous years we have seen a small female majority. Over time, as our trainees and more experienced colleagues progress in their careers, we expect the gender balance in the upper quartile to move as a result of this approach.

This effect was partly counteracted by experienced hires joining us in 2022/23. While overall we recruited similar numbers of male and female experienced hires, there were more female joiners in the lower two quartiles and more male joiners in the upper quartile, reflecting the wider local labour market. Despite this, our mean gender pay gap has reduced by 1.4% compared to the previous year.

Bonuses

**Proportion of employees paid a bonus
in 12 months to 5 April 2023:**



Mean gender bonus gap:

82%

Median gender bonus gap:

51.2%

Why do we have a gender bonus gap?

In the previous two years, pandemic-related bonuses were paid to eligible employees depending on length of service, meaning an exceptionally high proportion of colleagues received a bonus. The year ending April 2023 saw a return to the firm's standard method of recognising exceptional performance with performance-related bonuses.

Typically, performance-related bonuses have been awarded to colleagues in senior roles, who, as noted above, are more likely to be male due to the current make-up of our workforce.

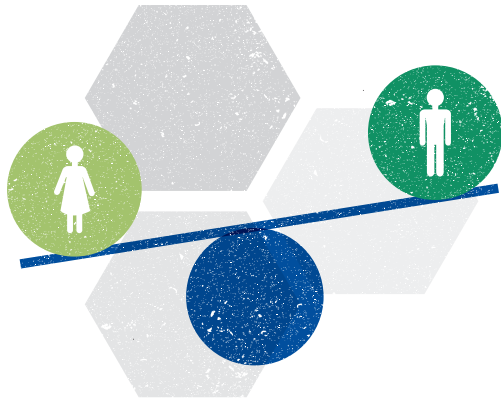
We also pay bonuses to colleagues for introducing new recruits and clients to the firm. Over the past year, a higher proportion of women than men received these referral bonuses, which are generally lower in value than performance-related bonuses.

What are we doing about our gender pay gap?

Being a great place to work is one of our strategic priorities, and supporting all colleagues to progress in their careers is an integral part of this.

We recognise that we still have work to do to close our gender pay gap. To this end, we are working on several strategic projects to encourage and support women to achieve their ambitions, which over time will lead to a more even gender balance at all seniority levels within our firm.

We remain committed to our target of 50% of new directors being female. Increasing the number of female partners is also a board-level priority, and we have met our target of 33% of new partners being female in consecutive years. These targets are considered realistic and achievable at this point in our journey towards an equal gender balance.



Other actions include:

We have **embraced hybrid working**, normalising greater home working and providing everyone, including those with caring responsibilities, with **more flexibility** to balance their work and other commitments.

.....

We provide **coaching to senior leaders** preparing for and returning from maternity leave and **run workshops** to help new partners balance increased work responsibility with personal commitments.

.....

We are working on a more structured approach to succession planning to consistently **identify talent** and **development needs**.

We use structured competency-based selection methods and **train our managers** on objective assessment.

.....

We have **increased the transparency** and fairness of our pay and grading structure, introducing **one-to-one discussions** for all colleagues as part of our annual pay review process.

.....

We have launched a suite of leadership programmes to **develop those taking on their first leadership roles**, right up to those aiming to become directors and partners.

.....

We run **leadership programmes** to assist new partners with their increasing work responsibilities and balancing their own personal commitments.

We have signed up to the **Menopause Workplace Pledge** and invest in **supporting women** through this time in their lives. We have run a series of **menopause sessions** to help support and retain female colleagues. We remain committed to enhancing training for managers and increasing menopause awareness for all colleagues.

.....

We are currently working towards **B Corp Certification**, a designation that a business is meeting high standards of verified performance, accountability and transparency across a wide range of social and environmental factors. Certified B Corporations are leaders in the global movement for an inclusive, equitable and regenerative economy.

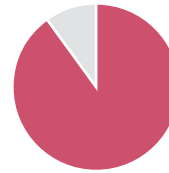
PKF Francis Clark is ranked 46th out of 89 large organisations in the UK's Best Workplaces for Women 2023, compiled by workplace culture experts Great Place to Work.

For two years running we have been certified as a Great Place to Work following an independent annual survey of our people. Here are some of the key findings from female colleagues in our latest survey (November 2023):



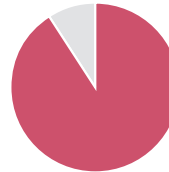
90%

say "People here are treated fairly regardless of their gender"



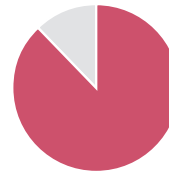
91%

say "I'm proud to tell others I work here"



88%

say "I can be myself here"



88%

say "I am offered training or development to further myself professionally"



87%

say "I am treated as a full member here regardless of my position"



90%

say "People care about each other here"



**Anonymous comments
from female colleagues
when asked ‘Is there
anything unusual about
this company that makes
it a great place to work?’
included:**

“The culture within our office is great, and it feels very much like a family. We all want each other to do well and succeed, and hopefully progress together. The opportunities are there for the taking.”

“Wellbeing and the environment are recognised for their importance, the atmosphere in the office is very relaxed, paid time is allocated for volunteering and there is a great deal of support from management.”

“Despite having 900 employees over nine offices they still make it feel like being part of a big family, and they nurture the sense of belonging. You’re not a number here, you are respected and appreciated for the role that you play.”

“I believe they’re unique in allowing us to have a healthy family/work balance as this can be very difficult to juggle. PKF Francis Clark are amazing at giving us that flexi time and always understanding if I need to finish early for a parents’ evening or need to leave the office if my child is sick.”

“It feels like they care about their employees, the community and the environment – lots of regular information and webinars on mental health, menopause, dealing with stress, help with finances.”

We also conduct quarterly employee listening surveys to help us make PKF Francis Clark an even better place to work. Here's what female colleagues have told us:

My **work schedule** is flexible enough to deal with family or personal life

8.3/10

I have the option to **work remotely** when I need to

8.6/10

My manager **cares about me** as a person

8.4/10

I can **count on my colleagues** to help out when needed

8.4/10

The firm provides me with **information and support** to manage my **health and wellbeing**

8.3/10

I see PKF Francis Clark as the kind of place where I could **make friends**

8.3/10

Source: Quarterly employee engagement survey, January 2024. Scores indicate average agreement on a scale of 1-10.