

"WE PRIDE OURSELVES ON A CULTURE OF EQUALITY AND INCLUSION, AND ARE COMMITTED TO NARROWING OUR GENDER PAY GAP"

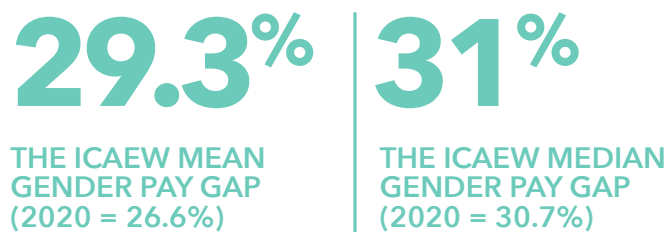


ICAEW GENDER PAY GAP REPORT 2021



OUR GENDER PAY GAP

Organisations with 250 or more employees must publish specific data annually about their gender pay gap. The **gender pay gap** is defined as the difference between the average earnings of men and women in the organisation on the annual snapshot date of 5 April, expressed relative to men’s earnings.



Mean and Median: The mean figure is the difference between the average of men’s and women’s pay or bonuses. The median figure is the difference between the midpoints in the ranges of men’s and women’s pay or bonuses.

In both the 2021 mean and median calculations there has been an increase in our gender pay gap compared to the 5 April 2020 snapshot date. This is because of an increase in contractors and consultants at the top end of the upper quartile, the majority of whom are men. Our reported mean gender pay gap of 29.3% for 2021 reduces to 23.1% when these contractors and consultants are excluded. When comparing the 2021 mean gender pay gap excluding contractors and consultants (23.1%) to 2020 data (26.1%) - there is a 3% reduction in the mean gender pay gap.

EQUAL PAY

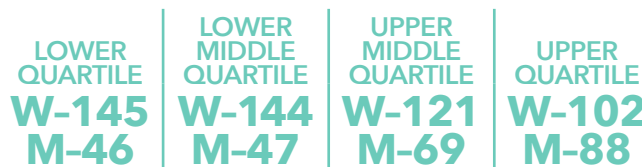
Equal Pay is defined as men and women being paid the same for same or similar work. We are confident that ICAEW does not have an equal pay issue and we regularly and proactively benchmark salaries to ensure that men and women are rewarded equally for the same or similar work.

WHY DO WE HAVE A GENDER PAY GAP?

ICAEW’s workforce is made up of 67% women and comprises substantive employees as well as contractors. The statistics demonstrate clearly that ICAEW is as an employer of choice for women. However, men are over-represented in our most senior positions increasing the median and mean gender pay gap artificially overall. The distribution of men and women between levels of seniority in an organisation has the greatest impact on gender pay gap reporting.

QUARTILES

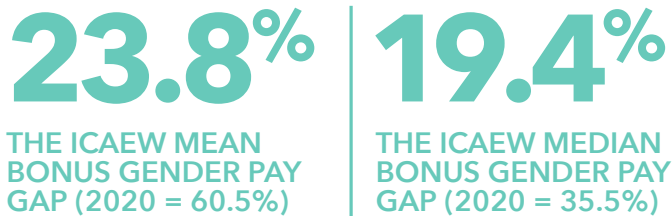
The chart below illustrates the gender distribution across ICAEW in four equally sized quartiles on 5 April 2021.



Quartiles: The regulation on gender pay reporting require us to report equal numbers of employees in four ascending groups based on average pay.

BONUS

Organisations must report on bonus payments made during the 12 months prior to the snapshot date of 5 April 2021.



ICAEW sets the majority of bonus payments up to a maximum 20% of total salary. As reported in the median and mean calculations, men occupy more senior roles which attract a higher salary and therefore a higher bonus, despite men being underrepresented in ICAEW overall.

BONUS RECIPIENTS



The number of employees receiving a bonus payment was much lower than 2020 as we decided to only pay contractual bonuses because of the pandemic.

Bonuses are usually paid proportionate to salary and therefore a lower salary will result in a lower bonus. The mean and medium bonus gender pay gap figures are significantly lower this year as only contractual bonuses were paid and there was less difference in pay between the men and women within this group.

NARROWING THE GAP

ICAEW treats all its employees equally and promotes a culture of inclusivity that significantly enhances our ability to achieve success. We are committed to narrowing our gender pay gap and recognise its significance.

As part of our annual pay review process, we review all salaries under the lens of equal pay and adjust appropriately. While it will take time to achieve parity, we continue to take action where needed to ensure that our policies and practices remain fair and explore ideas that will help address specific challenges.

WOMEN IN FINANCE CHARTER

ICAEW is a signatory to HM Treasury's [Women in Finance Charter](#), pledging to support the progression of women into senior roles in the financial services sector. In 2017, we committed to having 40% of our senior management team made up of women by March 2020. We exceeded this target in June 2019 (44%) and women now comprise 57%* of our senior management team (as of September 2021).

*The data for the Women in Finance Charter includes our international employees and excludes contractors.

DIVERSITY AND INCLUSION

- ICAEW is committed to narrowing our gender pay gap and we have recruited a Diversity and Inclusion Manager to oversee the development of ICAEW's diversity and inclusion strategy and our internal and member-facing activities. This strategy will target difficult and hard to reach areas in the organisation and profession to drive change equity and monitor progress.
- We provide training to managers on our recruitment process, including unconscious bias training and structured interviews. We also engage with consultants to facilitate workshops and develop our training to ensure we have best practice in place.
- We recognise that in 2021 women largely remain the primary care givers for children and relatives. We have family friendly policies in place that are flexible around childcare and caring responsibilities to ensure the workplace is fair for all, and our people feel supported to seize opportunities.

NARROWING THE GAP CONTINUED

- We have created guidance for managers to raise awareness of the impact of the menopause in the workplace and updated our wellbeing policy. We have also set up an Employee Resource Group called 'menoPAUSE' to provide a network and regular resource for our people to share experiences, and where partners or children can learn more about menopause and support them on their journey and minimise impact on careers.

ORGANISATIONAL STRUCTURE

- We continue to work to ensure that there is a better gender balance across all teams in the organisation.
- In April 2021 an organisational restructure saw the creation of two new posts: the Chief Finance Officer (CFO) and the Chief Operating Officer (COO). Both roles were filled by women. While the COO was already a Board member in another role, the CFO was a new addition to the ICAEW Board
- We ensure flexible working opportunities and flexible working arrangements are open to all employees at all levels within the organisation.

TALENT DEVELOPMENT

- We help our employees to progress and reach their full potential by providing leadership and development training through our Aspire and Women in Leadership programmes. Women in Leadership largely continued virtually during 2021 and we hope to resume the Aspire programme, which was postponed during the COVID pandemic.
- We provide one-to-one coaching to address individual development needs and a mentoring scheme is available for all employees to support them in achieving their career aspirations

RECRUITMENT

- We provide training to managers on our recruitment process, including unconscious bias training and structured interviews.
- Our recruitment policy is to draft fully inclusive adverts for job openings, assessing language for gender bias and respective talent attraction.
- It is also our practice, where possible, to have gender balanced shortlists for senior positions within ICAEW.
- There is now always at least one woman and one man on all senior management interview panels.



Michael Izza ACA, Chief Executive



Maura Owens, Director of Human Resources

Chartered accountants are talented, ethical and committed professionals. There are more than 1.8m chartered accountants and students in the world, and more than 187,800 of them are members and students of ICAEW. All of the top 100 global brands employ chartered accountants.*

Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor over 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

We are proud to be a founding member of Chartered Accountants Worldwide, a network of 750,000 members across 190 countries which promotes the expertise and skills of chartered accountants around the world.

We believe that chartered accountancy can be a force for positive change. By sharing our insight, expertise and understanding we can help to create sustainable economies and a better future for all.

www.charteredaccountantsworldwide.com
www.globalaccountingalliance.com

ICAEW

Chartered Accountants' Hall
Moorgate Place
London
EC2R 6EA UK

T +44 (0)20 7920 8100
E generalenquiries@icaew.com
icaew.com



* Source: CAW, 2020 - Interbrand, Best Global Brands 2019