

nucleus<sup>o</sup>

# Gender pay gap report 2023



# Our commitment to gender diversity



**Alison Longbottom**  
Chief People Officer



This is our first UK Gender Pay Gap disclosure as a combined group as Nucleus since James Hay (JHP) acquired Nucleus Financial (NFG). This report outlines the steps that we continue to take to increase female representation in senior positions and in doing so, reduce our overall gender pay gap.

At Nucleus, we've built a culture where everyone is valued for their individuality, and where our differences aren't only embraced but celebrated.

Achieving gender balance at all levels of the organisation remains a key priority, and whilst we've made good progress over the last year, we remain committed to making improvements across female hiring, development, and retention.

In 2023 we welcomed over 200 new colleagues, complementing our existing team with a wealth of diverse experiences and fresh perspectives. We strongly believe that increasing gender diversity is a key driving force behind our business and in achieving our goals.

This year's data shows some modest improvements across the government's four reporting categories; however, we recognise that there's still more to do to deliver the outcome we wish to see.

Our gender pay gap continues to be driven by an imbalance in our most senior roles and doesn't reflect unequal pay in like for like roles across the business.

Our combined group figures saw the number of women overtake men in three out of four pay quartiles, except for the upper quartile which includes our Executive Committee.

We've implemented several initiatives to improve our gender balance in more senior roles, including investing in training and development to support female talent to progress in their career with us, as well as overhauling legacy recruitment procedures and challenging ourselves to think bigger and better when it comes to attracting top talent.

We'll be continually reviewing and looking to improve our approach to equity, diversity, and inclusion this year, supporting a culture where everyone can thrive.

I confirm that the information contained in this report is accurate.



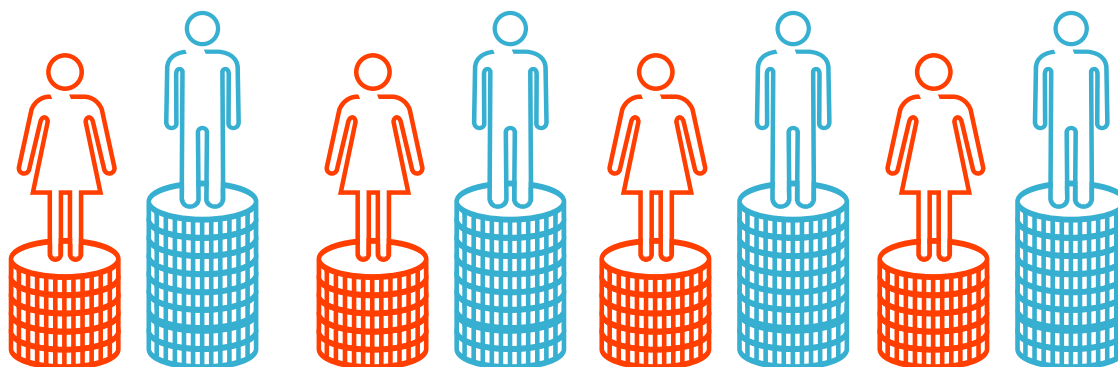
## What is the gender pay gap?

The gender pay gap is a calculation of the difference between women and men's average pay and bonus across all roles within the business.

Our gender pay gap is driven by the fact that for the time period of the report, most of our more senior roles were filled by men whilst outside our senior roles we have a 48% female / 52% male split.

To close the gap, we want to have a gender balanced population at senior levels of the organisation. Since the snapshot date of this report we have made good progress and achieved our 2024 target of at least 40% of women in senior roles.

This report provides our statutory data, which we're required by law to report to the government each year, along with a clear explanation of the figures and what we're doing about them.



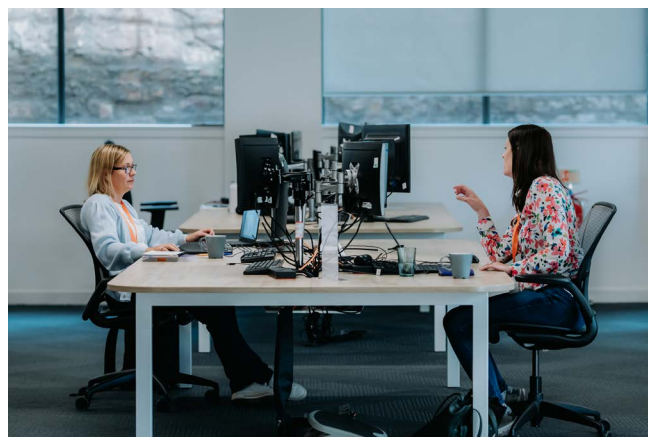


## Closing the gap

It's important to note that the data contained in this report is a snapshot of people employed as at 5 April 2023 for salary and the preceding 12 months for bonus payments. The impact of some of the changes and initiatives that we've put in place already won't be captured until next year's reporting period.

Here's some of the activity and commitments we've put in place over the last year to support greater gender diversity:

- **People Leader training** – our guidance for recruitment covers topics around subconscious bias, gender equity and the importance of diversity.
- **Job adverts** – we ensure the language used in our role profiles and adverts is gender-neutral and free from implicit bias.
- **Gender balanced candidate shortlisting** – an ongoing commitment to create candidate pools of balanced gender split when recruiting for all roles.
- **Inclusion reminders** – our applicant tracking system (ATS) is equipped with an inclusion module, which provides guidance throughout the candidate journey to hiring managers, highlighting the importance of a fair and consistent selection process.
- **Salary benchmarking** – during our salary review process, gender is one of the factors we look at to ensure consistency and equality across roles of the same type and level.
- **We've introduced a women at Nucleus network** - underpinned by a shared passion for raising the profile of women at Nucleus, creating a supportive, aspirational and motivational environment for women at all stages of their careers to feel empowered to develop and grow.



In 2022, we undertook a harmonisation project, investing an additional £1m per year to improve terms and conditions for our people with legacy James Hay and Nucleus Financial contractual terms. We did this by levelling-up benefits such as employer pension contributions, bonus rates and holidays to the highest level across the group. For working hours, we 'levelled-down' so everyone is now contracted to a full-time equivalent of 35 hours per week.

In addition, as part of our remuneration strategy we regularly review and monitor our salary and bonus processes to ensure pay equity in like for like roles across the group.

Throughout 2023, the proportion of new hire women in our senior leadership team has significantly increased, with a hire rate of 45% in 2022 increasing to 57% in the time period 5 April 2022 to 4 April 2023 (8 female senior hires and 6 male senior hires).

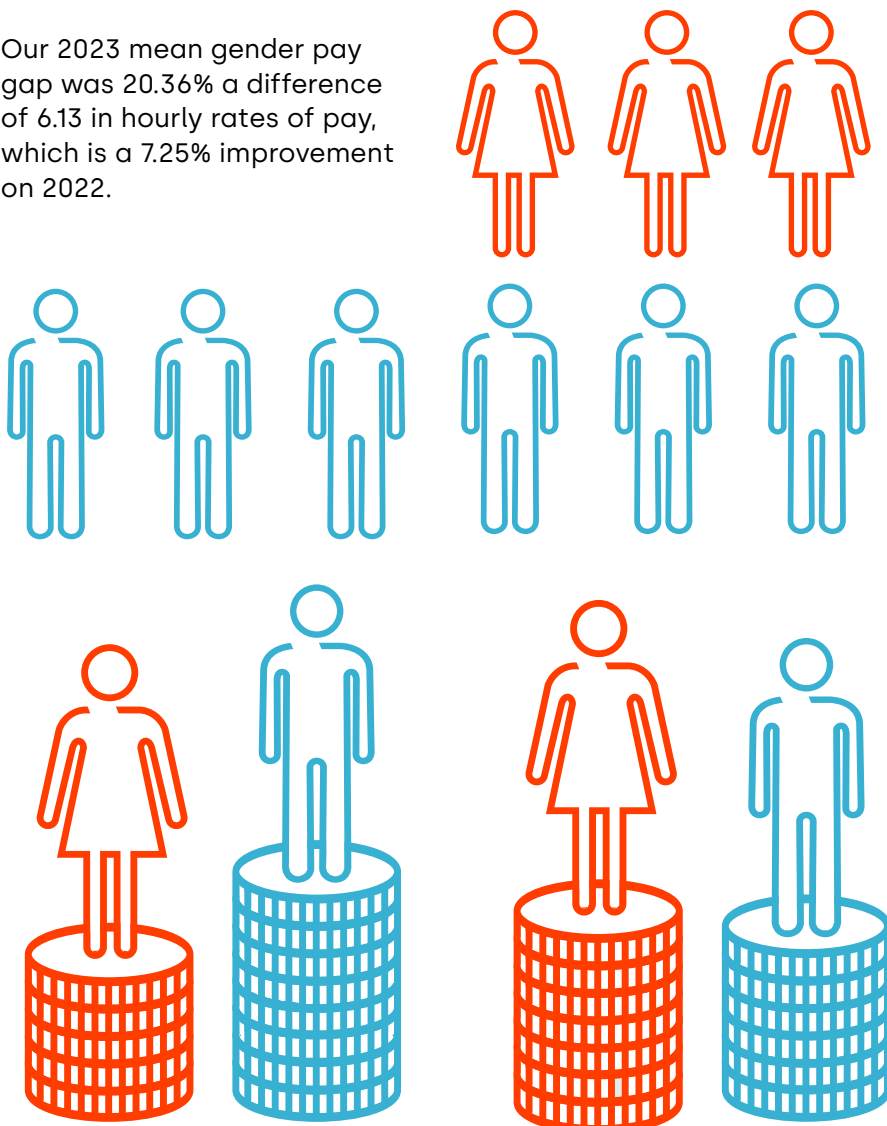
In 2023 we announced our Nucleus Foundation partnership with the Verve foundation where we've sponsored our first female only cohort of women to train as financial advisers. We continue to look at similar initiatives to encourage more women into financial advice and planning careers.

## Our gender pay gap

We're encouraged to see our gender pay gap continuing to narrow in certain areas, but the gap continues to be driven by a gender imbalance in our most senior roles – it doesn't reflect unequal pay for work of equal value.

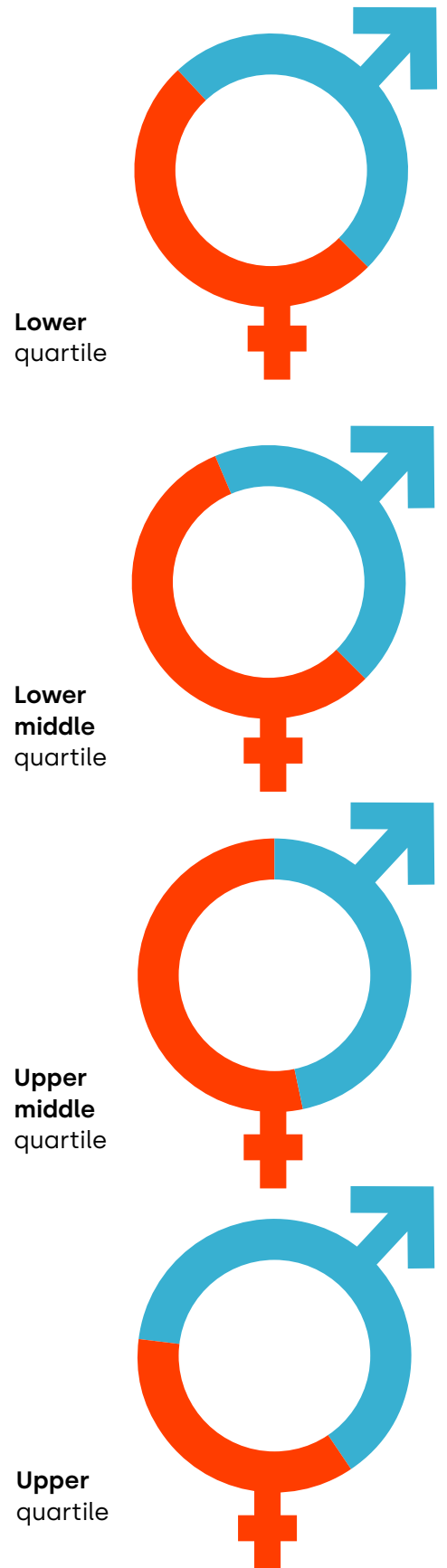
## Our combined group data

Our 2023 mean gender pay gap was 20.36% a difference of 6.13 in hourly rates of pay, which is a 7.25% improvement on 2022.



As an overall group, we're reporting that women were paid a mean average bonus of 60.6% less than men compared to 2022 of 63.15% (median 8.33% less than men compared to 21.97% less in 2022).

However, a smaller proportion of women received a bonus than in 2022 – 87.5% in 2022 v. 84.39% in 2023.



Representation of women was higher in three out of four pay quartiles

# Our data explained

The government's mandatory gender pay gap reporting requirement is the disclosure of four prescribed statistics:

1. Mean and median gender pay gap
2. Mean and median bonus gap
3. Proportion of women and men receiving a bonus
4. Proportion of women and men by quartile pay band

The snapshot date to determine in-scope employees for the pay calculations is 5 April 2023.

## Mean and median gender pay gap

	2022	2023
Mean	27.61%	20.36%
Median	15.88%	7.58%

## Difference in pay per quartile

Group	Mean pay males	Mean pay female	Pay gap (mean)	Pay gap (median)	% of male	% of females	Contribution to pay gap
Lower quartile	14.23	14.08	1.06%	2.46%	49.38%	50.63%	-0.57%
Lower middle quartile	18.62	18.39	1.23%	2.01%	43.75%	56.25%	-4.19%
Upper middle quartile	25.69	24.67	3.96%	3.77%	46.88%	53.13%	-2.49%
Upper quartile	53.71	45.38	15.52%	7.38%	63.52%	36.48%	27.62%

■ Female representation    ■ Male representation

## Mean and median bonus gap

	2022	2023
Mean	63.15%	60.6%
Median	21.97%	8.33%

## Proportion of women and men receiving a bonus

	2022	2023
Women	87.5%	84.39%
Men	83.86%	87.69%