

# Gender pay gap report

For the year ended 5 April 2025



# Welcome

## to our gender pay gap report



Mike Morgan, Chief Executive

I'm pleased to share our latest insights on the gender pay and bonus gaps at Close Brothers, the factors behind them, and the steps we're taking to close these gaps.

The gender pay gap reflects the difference in average hourly earnings between men and women across the organisation, regardless of role. It is not the same as equal pay for equal work, which we are confident we uphold through regular reviews of pay and recruitment processes.

The gender pay gap is driven mainly by the greater proportion of men in senior and client-facing roles, which attract higher pay.

The gender bonus gap compares average variable pay. Bonuses are influenced by base salary, part-time working patterns and periods of absence.

This year, both pay and bonus gaps reduced across the group. Winterflood Securities, included in this report due to being a part of the group during the reporting period, saw lower awards for front-office roles, which significantly reduced the group bonus gap.

Closing the gap requires improving gender representation at senior levels. Under our Women in Finance Charter

commitments, we adopted a revised definition of senior management in 2025 (Group Executive Committee and their direct reports) and set refreshed targets: 40–45% female and 15–17% ethnic minority representation by 31 July 2027.

To achieve this, we are implementing an action plan informed by internal analysis and external advice, alongside our three-year Diversity and Inclusion (D&I) strategy.

We are also especially proud that our progress in the area of gender balance and inclusion was recognised this year in our first ever listing in the Times Top 50 Employers for Gender Equality. We were further accredited as a 'Menopause Friendly Employer'. In addition to numerous other D&I awards this year, we were pleased to receive the Runner up award for Dynamic Mentoring Organisation of the Year as part of the Inspired by Mentoring Awards in recognition of our gender equity mentoring programmes for nearly 10 years.

While we acknowledge there is more to do, our strategic actions and long-term commitments position us strongly to make meaningful, sustainable progress towards gender balance and broader inclusion.



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Mike Morgan



# Key statistics about our demographics and pay

As of 5 April 2025, our female employees represented:

45% of our workforce  
36% of our Senior Managers<sup>1</sup>  
36% of our Managers  
50% of our Board

Our group-wide gender pay gap

Mean	Median
29.3%	31.0%



2.54%

Average pay gap between employees in the same salary band, driven by differences in role responsibilities

<sup>1</sup> We define Senior Managers as the Group Executive Committee and their direct reports, excluding Executive Assistants.

## Intersectionality



### Ethnicity

85% of colleagues have voluntarily shared their ethnicity data, demonstrating the confidence placed in us to use this aggregated information responsibly to inform and advance our Diversity & Inclusion strategy. Among those who disclosed, a higher proportion of women identify as being from an ethnic minority background compared to men (19.3% vs 16.9%). As of 5 April, representation within our senior manager population was balanced, with equal numbers of men and women from ethnic minority backgrounds. To further support career progression, the Professional Women of Colour Working Group collaborates closely with our Gender Balance and Cultural Heritage Networks, focusing on initiatives that empower women from ethnic minority backgrounds to thrive within our organisation.

### Age

Over half of women in the organisation (53.4%) are under 40, while a significant proportion (42.3%) are between 40 and 59, reflecting the presence of colleagues at menopause age. To foster inclusion across age groups, we have launched the Intergenerational Network, which connects colleagues from different generations to share knowledge and drive innovation, success and growth. Additionally, the Menoforum Working Group champions policy improvements and system changes, and delivers awareness initiatives for line managers and peers to better support colleagues experiencing menopause.

### Caring responsibilities

Around one in four colleagues have caring responsibilities for children under 18 (including disabled children) or for older adults (including disabled adults). Our Working Parents and Carers Network provides practical support and resources for parents-to-be, parents, and carers, helping colleagues feel supported and equipped to balance work and caring responsibilities effectively.

### Social mobility

We are committed to attracting, developing and retaining talent from all socio-economic backgrounds to

ensure our workforce reflects the communities we serve. Our Social Mobility Network leads initiatives in this space, and we actively support charities such as Smart Works, which helps unemployed women gain the coaching, clothing and confidence needed to secure employment and transform their lives.

### Disability

Approximately 9% of colleagues have shared they have a disability, including neurodivergent and mental health conditions. Through our newly merged Accessibility and Mental Wellbeing Networks, we provide tools, resources and support to help colleagues bring their best selves to work.

### Sexual orientation

Throughout this report, we refer to men and women; however, we acknowledge that gender identity extends beyond these categories. Our Unity (LGBTQ+) Network provides a supportive environment for the 3% of colleagues who identify as LGBTQ+ and promotes allyship through education. By raising awareness and creating networking opportunities, the Network brings people together and celebrates the richness of our diverse communities.

# Our Gender Balance Network



Elizabeth Martine (Chair) and Phil Hooper (Executive Sponsor of the Network)

## The Gender Balance Network strategy focuses on three core pillars:

**ADVOCATE:** Being the voice of gender equity at Close Brothers, by supporting the review of representation targets and progress against them, contributing to gender pay gap reporting and initiatives addressing the gaps, and facilitating submissions for awards.

**CHAMPION:** Promoting an inclusive environment by increasing male allyship and enhancing engagement across networks internally and externally.

**THRIVE:** Taking proactive measures to support progression for all genders by helping the business identify and address barriers to progression, enhancing recruitment processes and reviewing internal policies.

In 2025, the Gender Balance Network continued to champion gender equity across Close Brothers, delivering initiatives that promote inclusion, raise awareness, and create opportunities for colleagues to develop and progress.

We were proud to be recognised for the first time in The Times Top 50 Employers for Gender Equality, a significant milestone that reflects our belief that diversity drives innovation, strengthens teams, and fosters an inclusive workplace for all. This achievement demonstrates our ongoing commitment to improving gender equality

The Gender Balance Network is committed to identifying and challenging imbalances to improve gender equality at every level across the organisation.

at Close Brothers and the collective efforts of our employee-led networks.

To mark International Women's Day, we organised a week-long programme of events celebrating the achievements of women and encouraging action to support gender equity. Activities included a panel discussion on leadership and allyship, a speed networking event to help colleagues build confidence and connections, and career development workshops delivered in partnership with the Learning and Development team.

We also celebrated International Men's Day, supporting the Working Parents and Carers Network with the launch of the Dad Forum – a monthly drop-in session for fathers and father figures. Additionally, the Gender Balance Network hosted a panel event on working fathers, exploring how greater support for them can help create a more balanced workplace.

To enhance colleagues' experiences, the network ran a series of listening circles with senior leaders, gathering insights on career progression, feedback, recognition and wellbeing. These conversations led to direct action, including awareness events on sponsorship, mentorship and coaching during National Inclusion Week, helping colleagues understand and access development opportunities. We also contributed to recruitment focus groups and a sexual harassment at work working group, ensuring colleague voices remain central to decision-making on policy and process development.

We strengthened our partnership with Smart Works, a charity that supports women into employment by providing clothing for interviews and coaching. Our colleagues raised funds by participating in the Step Up for Smart Works challenge, helping women overcome employment barriers and build confidence.

A member of the Gender Balance Network committee was recognised externally in the Involve Role Model Lists for leadership and contribution to inclusion – a testament to the positive impact of our networks in driving cultural change and advancing gender equity across the group.

In addition, our business areas remain actively engaged in gender equity initiatives. The 'Women in Motor' group continues to raise awareness of female representation in the industry and celebrates female role models. The Menoforum provides peer support and helps to normalise conversations about health and life stages in the workplace.

# Our diversity and inclusion strategy

Diversity and inclusion are embedded into our values and culture internally, and we also know that in a changing legal, regulatory and social landscape, embedding inclusion into our ways of working with customers and external partners is increasingly important. We are currently implementing our three-year D&I strategy and action plan, designed to drive meaningful progress across all strands of diversity, including gender.

## D&I priorities and focus areas:

- 1** **Priority 1:** Ensure leadership and management engagement and accountability across all D&I focus areas

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- 2** **Attract, develop and retain the best talent**  
**Priority 2:** Attract and recruit more diverse talent, and embrace equity in these processes
- 3** **Priority 3:** Enable growth, retain and support colleagues throughout their careers

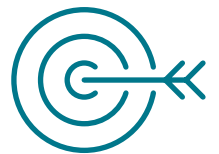
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- 4** **Increase psychological safety to maintain our strong inclusive culture**  
**Priority 4:** Maintain an environment in which all colleagues feel psychologically safe, and provide targeted support for minority groups

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- 5** **Deliver good, sustainable outcomes for our customers, and embed inclusion in our interactions with external partners**  
**Priority 5:** Shape an inclusive brand and embrace inclusion in our interactions with customers, suppliers, corporate partners, charities and communities

Our representation targets until 31 July 2027:



40 – 45%

female senior managers

15 – 17%

ethnic minority senior managers

### Note on mental health and wellbeing

Our D&I efforts align with employee engagement and wellbeing.

Colleagues have access to our 24/7 Employee Assistance Programme, Mental Health First Aiders, the Thrive app, with tools to support feelings of anxiety and stress, plus additional consultations on nutrition and bereavement. Employees can also take one extra day off annually to focus on their mental wellbeing.



# Focus on gender



**We are committed to addressing the gender pay and bonus gaps and recognise that achieving meaningful change requires systemic action. Below, we outline the steps we have taken across the employee lifecycle – from recruitment to development and retention.**

A key priority is increasing representation in leadership and client-facing roles, alongside normalising flexible and part-time working for all genders. These measures are essential to creating an inclusive culture where career progression and work-life balance are accessible to everyone, and the gaps are closed over time.

## Strategy

A key action within our three-year D&I strategy has been our work to improve gender representation at senior levels. In 2025, we partnered with an external consultancy to identify targeted interventions to accelerate progress, particularly around gender and ethnicity. Ahead of this session, we conducted a comprehensive internal data review, applying gender and ethnicity lens across the entire employee lifecycle. This analysis surfaced two critical focus areas:

- Gender imbalance in entry-level recruitment (graduates, interns, and apprentices) may limit the future pipeline of female leadership talent.
- Fewer meaningful career conversations, inconsistent feedback, and recognition gaps, may contribute to lower promotion rates and retention challenges for women at senior levels in particular.

To assess understanding and feedback around these topics, we ran senior listening circles with ExCo -1 and -2 leaders later in 2025 to explore solutions for retention and advancement. Additionally, we mandated gender-balanced shortlists for our summer internship programme in 2025 to strengthen the pipeline of female talent from the outset.

By the end of year one of our Strategy implementation, over 90% of our actions for the financial year were fully completed or are now ongoing as business as usual.

### The talent journey – recruitment

As part of our strategic commitments, we recently reviewed our recruitment process with an inclusion lens. This assessment covered our policies, practices, and training. Key actions taken include:

- **Inclusive job adverts:** Job advertisements are reviewed for inclusive language.
- **Removing barriers:** We have eliminated minimum years of experience requirements and now only include degrees or qualifications where essential for the role. This change aims to increase applications from women, who research shows are less likely to apply unless they meet most listed criteria.
- **Flexible working advertising:** Vacancies in Central Functions are now advertised as part-time, job-share, or full-time, with managers considering flexible working requests individually.
- **Balanced shortlists and panels:** We aim for gender-balanced shortlists in both direct recruitment and through agencies, and ensure interview panels are diverse wherever possible.
- **Skills-based assessment:** Where possible, we use skills assessments at interview to prioritise transferable skills over qualifications or sector-specific experience.
- **Accessibility commitments:** We are a proud Disability Confident Committed Employer and our applications clearly state our commitment to an accessible recruitment process, including providing adjustments as needed.
- **“Recruiting the Close Brothers Way”:** Our mandatory training for hiring managers reinforces inclusive hiring practices.

We are proud to attract and recruit a diverse pool of talent. Internal candidate data also shows women are more likely to pursue internal moves or secondments, including those that become permanent.

### Progression, promotion and retention

Managers receive dedicated training to make fair, unbiased decisions. Inclusive Performance Reviews and Developing Inclusive Colleagues trainings are provided, and performance management framework uses clear criteria evaluating both technical skills and behaviours to ensure consistency and minimise subjectivity. There is a mandatory D&I objective for all managers.

We further review performance ratings and compensation awards through a demographic lens to identify areas for improvement.

We are proud that our internal analysis shows a significant proportion of women who are pregnant or on maternity leave successfully achieve promotions, internal moves,

or secondments – during pregnancy, while on leave, or shortly after returning. To support this, we provide managers with guidance on supporting colleagues through maternity leave, and our Working Parents and Carers Network runs a Maternity Allyship programme. We also have support in place for colleagues undergoing fertility treatment or pregnancy loss. In 2025, we signed the Miscarriage Association’s Pregnancy Loss Pledge, reinforcing our commitment to compassionate policies.

A key driver of progression is our cross-company mentoring programmes in partnership with Moving Ahead. Women and minority groups are paired with senior leaders for guidance and advice. We were proud to receive the 2025 “Most Dynamic Organisation” award from Moving Ahead, reflecting our commitment to driving systemic change. Our nine-year partnership includes a feature film showcasing our programmes.

Additionally, programmes by Learning and Development consider gender lens and mid-level and junior programmes operate an open application process, which over the years has led to a drastic increase in female representation.

Flexible working options and enhanced parental leave policies are enabling women to balance career progression with personal responsibilities. In 2025, we strengthened our policies to better support gender equality and to strengthen our brand:

- Increased maternity and adoption leave from 18 to 22 weeks at full pay
- Introduced two weeks paid leave for fertility treatment and recovery (applicable to both partners)
- Introduced two weeks paid leave for all forms of pregnancy loss (also applicable to both partners)

91% of colleagues feel included at work. We regularly review employee lifecycle data including employee engagement scores through a D&I lens, identify key areas for improvement, and act upon them.

As signatories to the Women in Finance Charter, we have committed to increasing female representation in leadership roles. We significantly exceed the FTSE Women Leaders Review’s target of 40% female representation at the Board level. We remain focused on increasing female representation in executive and senior management roles and setting clear pathways for progression.

Our latest engagement survey showed that 91% of colleagues feel included at work. Monitoring and measuring impact remain integral to our strategy. We continue to review employee lifecycle data through a D&I lens, identify key areas for improvement, and act upon them, including detailed analysis by gender.

As signatories to the Women in Finance Charter, we have committed to measurable goals, including increasing female representation in leadership roles. We significantly exceed the FTSE Women Leaders Review’s target of 40% female representation at the Board level. We remain focused on increasing female representation in executive and senior management roles and setting clear pathways for progression.

## Flexibility

Most of our roles can be carried out on a hybrid basis, and our systems and technology enable creative, flexible solutions that support a healthy work-life balance, including appropriate work-from-home setups.

In addition to actively promoting flexible working arrangements, part-time roles, and job shares in our recruitment process, there are live examples of job shares across Close Brothers, with employee testimonials available on our website.

Our Working Parents and Carers Network runs popular “Bring Your Child to Work” days, which have received excellent feedback from colleagues, including:

*“It was such a great event! I really enjoyed attending and seeing the young adults interact and become more confident over the course of their time in the office.”*

The network also hosts monthly “Working Dads” and “Carer Catch-Ups” to provide informal peer-to-peer support. For International Men’s Day in 2025, a group of working fathers hosted an informative panel event about balancing fatherhood and work.

We partner with Bright Horizons to provide Back-Up Care, including ad-hoc nursery places, school holiday cover, in-home childcare and adult care for dependents. Shared parental leave is available and actively encouraged for male colleagues in particular.

Over 80% of formal flexible working requests in our Banking division are received from women, with most approved unless that would have detrimental impact on performance, or we are unable to reorganise work among existing staff. Currently, 9% of our colleagues work part-time, demonstrating our commitment to retaining talent through flexibility.

Employees have also shared positive feedback externally, including comments on Glassdoor such as:



**An inclusive, flexible culture that has allowed [me] to thrive both in my role and at home as a mum of two young children.”**

**Close Brothers colleague**



## Fairness

Our Reward team regularly reviews salary data to ensure colleagues in similar roles are paid fairly and in line with market benchmarks. We conduct an annual group-wide pay audit, applying a gender and ethnicity lens to assess pay awards and performance ratings. Roles are benchmarked internally and externally, and we remain committed to paying the Living Wage.

To complement this, our internal learning platform offers over 100 courses designed to help employees in lower-paid roles develop transferable skills and progress their careers.

Recognising that women in lower-paid roles often face additional barriers linked to race/ethnicity, disability, or caregiving responsibilities, we offer mentoring opportunities to address these challenges. For example, our partnership with Moving Ahead pairs women and minority groups with senior leaders for tailored guidance and access to professional networks. These programmes also foster allyship and awareness of intersectional barriers across industries.

We have removed unnecessary qualification requirements to improve social mobility and ensure fair access to roles. Progress against our gender balance targets (40–45% of senior management by July 2027) is reviewed regularly by the Board and contributes to the vesting of our Long-Term Incentive Plan for Executives.

By focusing on fair pay, career pathways and intersectional challenges, we aim to ensure all women – and particularly in lower-paid roles – have the resources and opportunities to succeed.



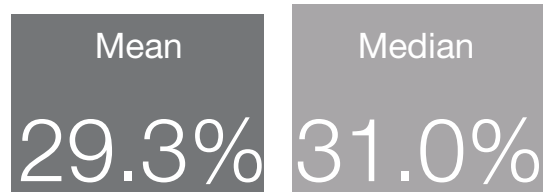
## Gender pay gap figures

The gender pay gap compares the average hourly earnings of men and women across the organisation, regardless of role. We are confident that employees performing the same role are paid equally. Within the same salary band, the gap reduces to 2.54%, reflecting differences in role responsibilities.

- **Mean gender pay gap:** measures the difference between the average hourly pay of men and women across the organisation. This year, the mean gap has reduced from 33.7% to 29.3%.
- **Median gender pay gap:** represents the percentage difference between the midpoint of men's pay and the midpoint of women's pay when all employees' pay is ranked from lowest to highest. This year, the median gap has reduced from 34.4% to 31%.

The chart on the right illustrates the gender distribution across four equal pay quartiles, ranked from highest to lowest hourly rate. The gender pay gap is primarily driven by the lower representation of women in client-facing and senior roles across the group. To address this, our ambition is to achieve 40-45% female representation within our senior manager population by 31 July 2027. As highlighted earlier in the report, we have a range of initiatives designed to strengthen gender balance in senior management and across all levels of the organisation.

## Group-wide gender pay gap



## Proportion of men and women in each pay quartile



**Please note:** All figures relate to Close Brothers Group as a whole. Breakdown of figures for the Banking division and Winterflood Securities are provided in the appendix.

## Gender bonus gap figures

The gender bonus gap compares average variable pay between men and women. Higher base salaries are often linked to greater bonus opportunities, which underscores the importance of achieving gender balance across all levels and roles. Additionally, factors that influence bonus pro-rata are part-time working patterns, extended periods of sick leave, maternity leave or shared parental leave. This year, both the mean and median bonus gaps have reduced compared to last year.

All colleagues within the group are eligible to receive a bonus, unless they joined the company after a certain point in the annual compensation review cycle, or there has been unsatisfactory performance or behaviours that fall below expectations have been demonstrated.

We are confident that performance is measured fairly, and we analyse ratings by gender alongside other demographics, to ensure equitable treatment of all employees.

As shared in this report, we are committed to addressing imbalances and will continue to work on improving female representation in client-facing roles and the gender balance of those working part-time.

Our job share, part-time and flexible working advertising in recruitment is an example of practical action we have taken to improve representation through attracting and recruiting people of all gender identities into roles with flexible working arrangements.

## Summary statement

Through a combination of targeted actions within our D&I strategy and long-term commitments, we are strongly positioned to make meaningful and sustainable progress. Our goal is to attract, develop, and retain the best diverse talent while maintaining an inclusive culture where everyone can thrive.

We will continue to focus on improving gender representation at all levels and across job roles, while promoting flexible working options for both men and women.

Our commitment to reducing the gender pay and bonus gaps remains strong, and we will keep driving initiatives that support fairness, equity, and opportunity for all.

Our gender bonus gap is higher than the gender pay gap. There are two main reasons for this.

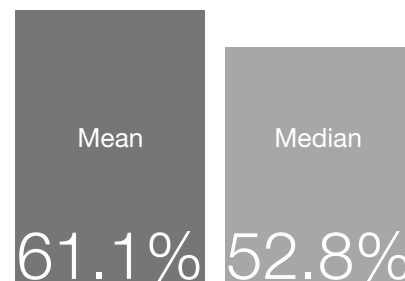
♂ 76% of client-facing (front office) roles are filled by men

Due to market driven factors, variable remuneration for client-facing roles is generally higher than support function and non-client facing roles.

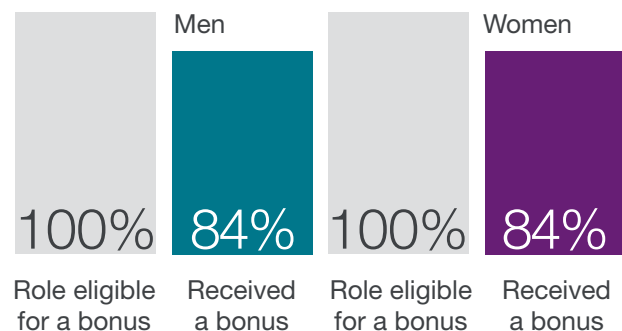
♀ 85% of part-time roles are filled by women

Part-time employees receive a pro-rated bonus compared to a full-time employee performing the same role.

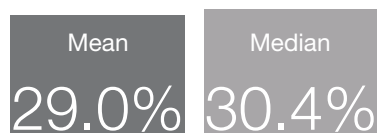
## Group-wide gender bonus gap



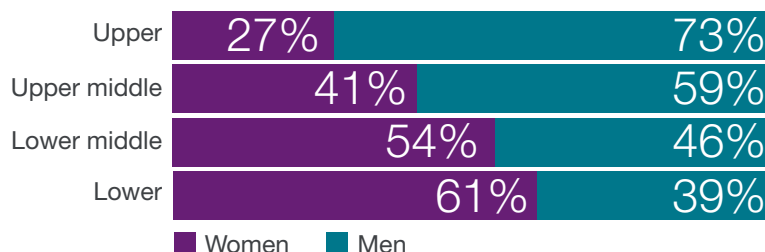
## Proportion of men and women receiving a bonus



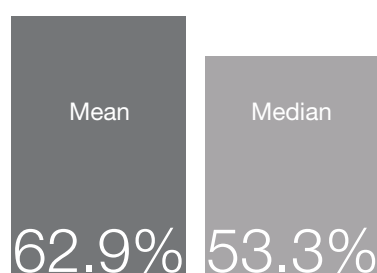
## Appendix: Close Brothers Banking division



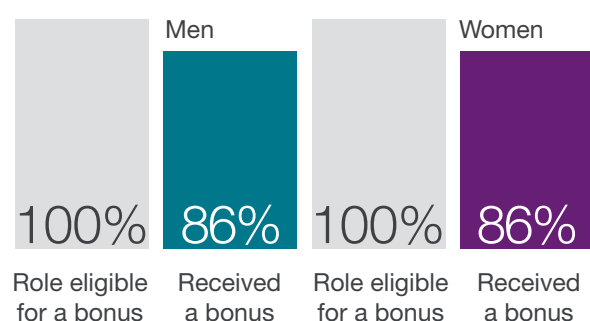
Gender pay gap figures



Proportion of men and women in each quartile band

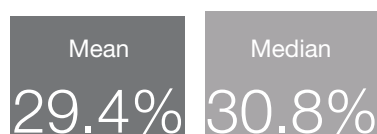


Gender bonus pay gap figures

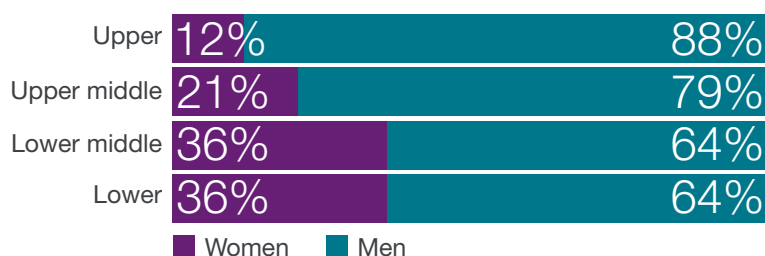


Equal proportion of men and women received a bonus

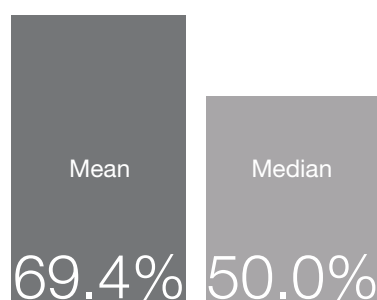
## Appendix: Winterflood Securities



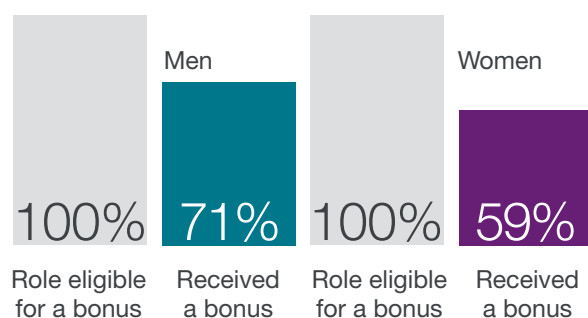
Gender pay gap figures



Proportion of men and women in each quartile band



Gender bonus pay gap figures



Proportion of men and women receiving a bonus



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