

Gender Pay Gap Report 2022

1. Introduction

Gender Pay Gap Reporting¹ involves carrying out six calculations that show the difference between the average earnings of men and women in our organisation; it does not involve publishing individual employee data. Gender Pay Gap reporting is different to Equal Pay, which deals with pay differences between men and women who carry out the same jobs, similar jobs or jobs of equal value. The Gender Pay Gap however, shows the differences in the average pay between men and women in different roles throughout the organisation.

We are confident that at Stifel Nicolaus Europe Limited (“SNEL”), men and women are paid equally for doing the same job and any differences which cannot be explained by reasons such as performance or experience will be appropriately adjusted.

Although we have implemented a number of positive initiatives, there is still much more to do. This year the mean gender pay gap at SNEL has sadly increased from 48.9% last year to 53.6% this year. The median pay gap has also increased from 47.4% to 51.9% this year.

2. Key Metrics

2.1 The difference in the mean pay of full-pay men and women

Mean Gender Pay Gap
53.6%

2.2 The difference in the median pay of full-pay men and women

Median Gender Pay Gap
51.9%

2.3 The difference in mean bonus pay of men and women

Mean Bonus Gender Pay Gap
71.5%

2.4 The difference in median bonus pay of men and women

¹ Stifel Nicolaus Europe Limited (SNEL) calculates the gender pay gap by using our existing HR and payroll records on an annual basis. All employees can confirm and update their records if they choose to by contacting Human Resources at any point throughout the year.

Median Bonus Gender Pay Gap
69%

The proportion of men and women who received a bonus

	Proportion receiving any bonus
Male	93%
Female	90%

2.5 The proportion of full-pay men and women in each of four quartile pay bands

	Q4	Q3	Q2	Q1
Male	56%	68%	84%	94%
Female	44%	32%	16%	6%

3. Underlying causes of gender pay gap

It is important to note that as gender pay gaps are based on averages taken across the entire business, they do not take into account factors such as the job type or seniority within the position.

Whilst we are disappointed that our overall reported gender pay gap has increased, we are pleased to see that we have continued to increase in the number of women in the top quartile for Ordinary Pay. This has increased from 5% to 6% since last year; whilst only marginal, it is a continued step in the right direction. We still have areas that require improvement to make and hope that the positive action we are taking will bring us closer to our target of 30% representation of people who identify as female in senior roles by the end of 2022 (please be reminded that this report only covers the period up to 5 April 2022). We are also encouraged by the continued balance of genders in the 3rd and 4th quartile for Ordinary Pay as we are hopeful this will support more female talent to progress through the organisation.

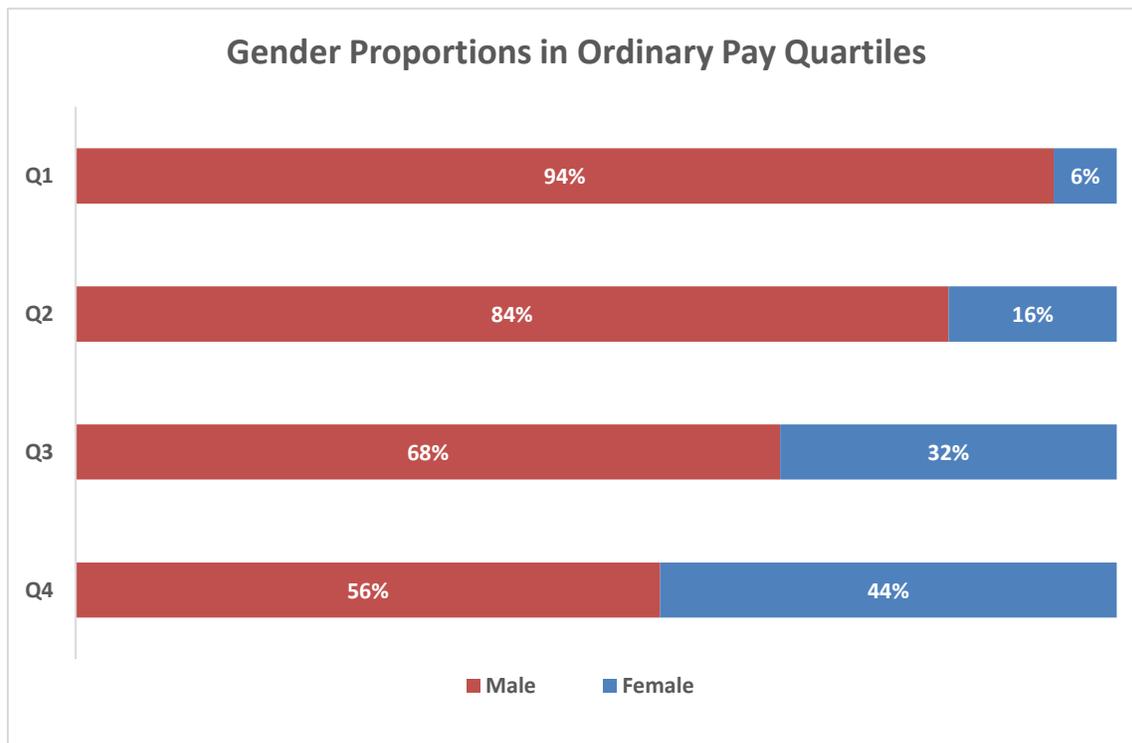
The higher proportion of men in senior roles is reflective of the financial services industry. With the higher pay structures and bonuses that are earned at these more senior levels, our pay gap is more clearly identified. Of our executive team of 3 employees, we have one female member. The highest earners within the Company are largely represented by men.

We hope that the deterioration noted in the 2022 report is an anomaly based on a few mitigating factors. It is important to note that the regulations require us to report a year behind and that the data affecting our results relates to an employee population as of 5 April 2022.

During the 2021/22 period, our workforce increased by 102 people (compared to the 2021 report), the gender split was 70:30 in favour of men and of these new hires 21 were males in senior positions (Director

and MD). Whilst we do not want to underplay the importance of the gender pay reporting, a number of these hires are considered diverse hires of another category.

The chart below illustrates the make-up of our 4 quartile bands and further demonstrates the continued challenge for our Company and society more generally, to encourage more women into senior positions.



We recognise that women are more likely to have had career breaks from work that have affected their career progression. In recognition of this, SNEL was successfully able to review our maternity leave benefits and after unanimous support from the Board, increased the occupational maternity pay policy in August 2022. We hope that this change in policy will reduce any loss of earnings during a maternity leave period and will assist in encouraging female employees to return to their roles and continue to develop their careers. We are committed to helping all of our employees develop and have relaunched the SNEL’s mentoring programme after a successful pilot. Early signs show a strong female take up. We hope to see this engagement continue to develop, as we believe it is a great support for female employees to carve a path to success.

4. Action taken and next steps

SNEL remains committed to tackling the gender pay gap and although we had started to see some positive progress, we recognise this is a long road and will continue to take time to achieve in full.

We have continued to embrace the hybrid-working model and have seen the positive impact this flexibility has; whilst some competitors have returned to full office working, we believe allowing at least a day from home continues to provide benefit for our staff and their families.

SNEL recognises that our employees are the most valuable asset we have and as we continue to grow our business we remain fully committed to fostering, cultivating and maintaining a culture of diversity, equity

and inclusion. We have already made some important steps in this and are excited to continue working on our longstanding goals:

1. Throughout Q1 and Q2 of 2022, gathered feedback from our employees, and developed the start of a more structured and transparent path for career development and success at SNEL. Complemented by the Competency Framework, we extended this further to launch defined Values and Behaviours that we will be holding each employee, including senior management, accountable to.
2. Following a significant investment in the training budget, we started to release training courses aimed at all levels across the business; focussing on the soft skills needed for individuals to develop themselves, or to equipped managers to successfully develop their employees.
3. We continued our Celebrate Diversity initiative, selecting certain key celebrations to highlight and create awareness of, with the aim of building a more inclusive environment and celebrating our differences. This included bringing in topical and impactful outside speakers. We are committed to continuing this and building upon the framework.

In terms of progress against our specific goals, SNEL continues to participate in the Women in Finance Charter, which is a commitment by HM Treasury and signatory firms to work together to build a more balanced and fair industry. The Women in Finance Charter is focused on gender diversity and with that in mind we aim to develop the actions and initiatives that improve diversity, but which also create a truly inclusive workplace culture, where opportunities for development and progression are accessible to all and respect is embedded in all our interactions.

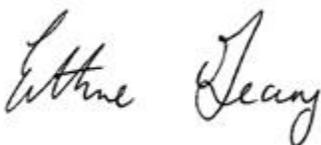
- We had committed to aim for a 50/50 gender split for our graduate programme. For 2022 we again saw just under 30% of female applications. It is positive that our application rate did not fall and we continue to partner with charities and specialist recruitment organisations in order to improve this further, hoping to see a positive impact in next year's report.
- We successfully amended SNEL's maternity policy to be more in line with our peers and hope to move this on further with internal networks and useful material packs to assist our employees starting or returning from family leave (including Maternity, Shared Parental or Adoption leave).
- We continue to work towards a 30% representation of people who identify as female in senior roles by the end of 2022. Our report now shows 22% of females in the top 2 pay quartiles, which we intend to continue building upon.

SNEL is confident that men and women are paid equally for doing the same job. We are committed to a fair and transparent pay structure within the organisation and will continue to monitor our total reward packages to ensure equitable treatment is maintained.

On behalf of Stifel Nicolaus Europe Limited, I confirm the report to be accurate.

Eithne O'Leary

President of SNEL



4th April 2023

6th April 2021 – 5th April 2022