



Gender Pay Report

IFS UK - April 2023

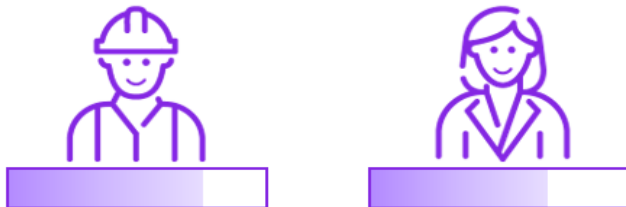


Gender pay gap regulations require UK employers with more than 250 employees to publish their gender pay gap. This report was prepared using salaries based on a snapshot of December 2022.

The regulations require us to report on the following:

- Mean and median difference between male and female employees (gender pay gap). This is the difference in the hourly rate of pay of all male and female employees irrespective of their role.
- Mean and median gender bonus gap.
- Proportion of females and males receiving bonus payments.
- Proportion of females and males in each quartile pay bands (these are pay bands as defined in the legislation).

GENDER GAP



2022 Gender Pay Gap* report

(Total UK population)



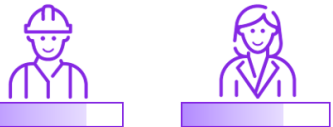
624 Employees at snapshot date



220 Female



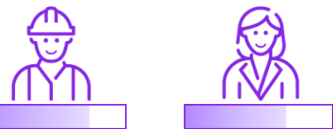
404 Male



2021 Ordinary pay gap

Mean (Average)

Median



2022 Ordinary pay gap

Mean (Average)

Median



Proportion of Women and Men receiving a bonus in 12 months preceding 5 April 23



2022
Female 88% of all females
Male 88% of all males



2021
Female 64.9%
Male 56.7%



2022 Bonus pay gap

Mean (Average)

Median



2021 Bonus pay gap

Mean (Average)

Median

* Gender pay gap is a measure that shows the difference in average pay between men and women. Because different jobs are paid differently and the number of women performing these jobs varies, a gender pay gap may exist. This is different from equal pay.

2022 Gender Pay Gap* report

(IFS UK Ltd)

* Gender pay gap is a measure that shows the difference in average pay between men and women. Because different jobs are paid differently and the number of women performing these jobs varies, a gender pay gap may exist. This is different from equal pay.



253

Employees at snapshot date



82

Female



171

Male



Proportion of Women and Men receiving a bonus in 12 months preceding 5 April 23



2022
Female 82%
Male 88%



2021
Female 64.9%
Male 56.7%



2021 Ordinary pay gap

Mean (Average)

Median



2022 Ordinary pay gap

Mean (Average)

Median



2022 Bonus pay gap

Mean (Average)

Median



2021 Bonus pay gap

Mean (Average)

Median

2022 Gender Pay Gap* report

(IFS World Operations)

* Gender pay gap is a measure that shows the difference in average pay between men and women. Because different jobs are paid differently and the number of women performing these jobs varies, a gender pay gap may exist. This is different from equal pay.



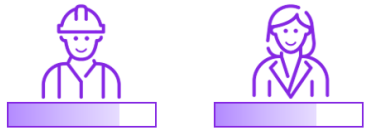
371 Employees at snapshot date



138 Female



233 Male



2021 Ordinary pay gap

Mean (Average)

Median



2022 Ordinary pay gap

Mean (Average)

Median



Proportion of Women and Men receiving a bonus in 12 months preceding 5 April 23



2022
Female 91%
Male 88%



2021
Female 64.9%
Male 56.7%



2022 Bonus pay gap

Mean (Average)

Median



2021 Bonus pay gap

Mean (Average)

Median

Key Findings

At IFS UK (IFS UK Ltd and IFS World Operations), the mean gender pay gap is 20% and the median is 18%. This represents a significant improvement compared with the 2020 report when the mean was 25.6% and the median was 21.7%.

We are conscious that there is still a gap. Therefore, this remains a key focus area for the Company. The % of females in the workforce has increased from 34% to 35% worldwide, year on year and the % of female managers has grown from 28.1% to 28.26%, which represents modest progress. In the UK, at the end of December 2022, the % of female managers stood at 34%.

The % of female managers is much higher in, for example, the marketing function (67%) than sales (25%). In response we have refreshed our staff referrals policy to help overcome any homogeneity in the social and professional networks of hiring managers, ensuring more balanced gender representation across the whole business.

Setting aside the moral imperative to act, and the widely reported correlation between diverse teams and improved business performance, improving the gender diversity of our people manager ratios also carries direct financial benefit to IFS. In 2021 IFS pushed for and secured an ESG margin ratchet on our term loan refinancing, a leading-edge provision for debt instruments at the time. We are required to report the results of our two targets (female managers and data breaches) to lenders on annual basis to achieve a margin reduction. The target for % of female managers increases each year. This brings focus and attention to an important organisational development goal.

Within IFS UK we have a higher-than-average number of women as part of our workforce at 35% vs the market average of around 23% in our sector. Bonuses are offered across many levels within the organisation (except for roles such as graduate/entry level positions) maintaining a high level of roles being in receipt of a bonus based on both business and personal performance.

Addressing the gender pay gap



Communication

- We have developed and launched an annual calendar of D&I events
- Our updated Code of Conduct includes sections on cultural diversity and discrimination and harassment
- Annual celebration of International Women's Day, highlighting inspirational women in the business and thought leadership from senior leaders.



Career Development

- Global management training was rolled out in 2022, covering diversity and equality, development opportunities and delegate responsibilities to help stakeholders further progress in the business
- In 2022, we launched a mentoring toolkit to support the development of regional and functional mentoring programmes
- In 2023, a reverse mentoring toolkit will be made available



Recruitment

- We created standardised job descriptions which have been tested for gender bias
- We analyse disclosed gender statistics for roles
- We are ensuring gender balanced cohorts on our Young Professionals and Graduates recruitment schemes
- Our recruitment teams hold a 'recruitment power hour', dedicated to finding strong female candidates for open positions



Inclusion and Diversity

- In addition to Diversity, Equity and Inclusion making up our approach to ESG, we have developed a stand-alone strategy to drive continuous improvement
- Our global target on female managers impacts the UK population
- We have launched two Employee Resource Groups: Global IFS Women and LGBTQ+@IFS
- We encourage the use of pronouns in email signatures
- We continue to spotlight talented employees and ensure diversity training standards are maintained

Diversity & Inclusion Roadmap

- We have updated our D&I strategy for 2023 to align all diversity initiatives to 5 core areas: *Employee Representation, Employee Experience, Talent Lifecycle, Leadership Involvement and External Influence.*
- We continue to mandate diversity in recruitment practices by advocating unconscious bias training, interview best practice (including diverse hiring panels, and gender decoding job descriptions), use of diversity focused job boards and improving diversity data collection from applicants.
- We continue to develop policies that enable a more supportive work environment, such as those relating to flexible working, maternity leave and transitioning. We will roll out future manager training targeting female individual contributors who wish to move into people management, alongside our existing high potential mentoring program. In 2023 we will also launch a reverse mentoring toolkit to help all employees develop a more open-minded and innovative approach to their work.
- We have incorporated additional diversity questions into our employee engagement survey. In the UK, the latest pulse survey showed engagement scores for **People of all cultures and backgrounds are respected and valued here** and **The company is committed to diversity and inclusion** as 9.2 and 9.0 respectively. The eNPS score for each question was +79 and +70 respectively. The responses, and associated comments continue to inform our roadmap for future initiatives.



A few words from Stephen Keys - Chief Talent and Sustainability Officer



At IFS, we believe the knowledge, skills, and abilities of every individual must be respected and valued, regardless of gender, gender identity, ethnicity, religion, disability, sexual orientation, or age.

IFS maintains an equality and diversity statement setting out the position of IFS regarding diversity and equality in the workplace. This has been incorporated into our recruitment platforms and onboarding for new employees. We disclose a Key Performance Indicator on gender diversity for 'People Managers' against an increased year on year target, which is also linked to our term loan refinancing.

IFS is committed to properly factor diversity equity and inclusion into our business strategy. The primary gender diversity levers we focus on at IFS are recruitment (embedding diversity principles into all hiring processes), retention (ensuring a fair and equitable workplace for everyone) and development (realising the potential of our existing workforce).

The gender pay gap is a complex issue with no easy solutions. We have made a start by implementing pay transparency policies and practices, providing regular pay gap reporting, and rolling out unconscious bias training throughout the business. In addition, we have implemented a range of diversity initiatives, many of which are highlighted in this document, which we believe can help promote a more inclusive and equitable workplace and ensure that all employees have equal advancement opportunities.

We believe we can do more and strive to do better.

Trust. Collaboration. Agility