

Gender pay

Employers with more than 250 UK based staff are required by law to publish data on the following:

- Gender pay gap (mean and median)
- Gender bonus gap (mean and median)
- Proportion of men and women in each quartile of the organisation's pay structure
- Proportion of men and women receiving bonuses

Gender pay gap is a UK comparison, across the pay of all men and all women regardless of their level or role. This is different from an equal pay gap, an individual measure comparing the pay of a man and a woman in the same or a similar role.

Although the Group falls below the current threshold of more than 250 staff in the UK, we have decided to publish our data. At ICG we have equal pay for equal work regardless of gender.

Pay gaps at ICG have fallen during the financial year and are now in line with market averages for the sector, while bonus gaps remain above average, reflecting the gender disparity in senior management and senior investment roles. The decline in the mean pay gap is caused by a higher proportion of women moving into more senior roles, as illustrated by the gender diversity KPI (see page 18).

	2019	2018	2017
Mean pay gap	28.9%	33.6%	39.8%
Mean bonus gap	78.3%	67.7%	81.7%

The Group is committed to addressing our gender pay gap with a number of initiatives underway to increase talent diversity and foster a culture of inclusivity through:

- Running unconscious bias training for managers and interviewers to ensure all our people are equally supported in their career progression
- Extending the reach of our search and selection activities to bring in the best talent regardless of demographic or background
- Pressing for balanced candidate short lists for all roles and are maximising diversity on our interview panels

We are delighted to have achieved balanced recruitment of senior management roles within the UK this year with women representing 50% of new recruits.

Benchmarking

Remuneration awards are benchmarked against the following peers in the major jurisdictions where the Group operates:

- Listed financial service companies
- Listed private equity firms
- Investment banks
- Listed asset managers
- Unlisted asset managers
- Unlisted private equity firms
- Other organisations as appropriate for the individual role

The Group carries out an extensive annual exercise to benchmark proposed salaries and deferred awards for all employees globally. This covers employees at all levels and shows how a particular employee is remunerated compared with their market and where appropriate, employees are benchmarked against the market on a global basis.

Our Executive Directors are compared to equivalent individuals at a wide range of public and private companies globally. While it is extremely challenging to obtain publicly available data on many private companies, we are able to gain insight into this area by commissioning bespoke research by leading external recruitment consultants and other independent providers of compensation data. Our most recent market wide review identified median pay and upper/lower quartile pay at a range of leading asset management and private equity firms, as well as listed financial services firms. The data gathered was used to create the banding ranges for the maximum, on target and minimum awards used for our Executive Directors.

The benchmarking exercise draws on a wide variety of sources including information from recognised independent market data providers, insight from dealing with recruitment consultants and other advisers, experience from our own recruitment and staff turnover, and our understanding of market competitors. In recent years ICG has commissioned two separate third party providers to undertake comprehensive reviews of the competitor landscape to benchmark our Executive Directors and to advise on the appropriateness of our publicly stated compensation target and cap over the medium term.

Due to the unique nature of the Group's business as a listed entity which competes for talent against other asset managers and listed and unlisted private equity employers as well as investment banks, it is necessary to obtain a wide range of comparison sets. Hence, while we do consider other listed financial service companies in our benchmarking, they are not the only relevant comparator.