

## **Gender Pay Gap Report 2023**

### **1. Introduction**

Gender Pay Gap Reporting<sup>1</sup> 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.

We are focussed and committed on reducing our gender pay gap and are starting to see the benefits of some of our initiatives and there continues to be more to do. This year the mean gender pay gap at SNEL has slightly reduced sitting at 53.2% this year (53.6 last year). Whilst this is a small step in the right direction, we are pleased to see a more significant drop in our median pay gap from 51.9% to 48.4% this year. From a purely statistical lens, the median pay gap is considered a more accurate measure of a firm’s gap as it is not skewed by the extremes in hourly pay. Looking at the median data, we also saw a meaningful reduction in our median bonus gap from 69% to 64%.

### **2. Key Metrics**

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

<b>Mean Gender Pay Gap</b>	
<b>2022</b>	<b>2023</b>
53.6%	53.2%

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

<b>Median Gender Pay Gap</b>	
<b>2022</b>	<b>2023</b>
51.9%	48.4%

2.3 The difference in mean bonus pay of men and women:

<b>Mean Bonus Gender Pay Gap</b>	
<b>2022</b>	<b>2023</b>
71.5%	73.1%

2.4 The difference in median bonus pay of men and women:

<b>Median Bonus Gender Pay Gap</b>	
<b>2022</b>	<b>2023</b>
69%	64%

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<sup>1</sup> 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.

The proportion of men and women who received a bonus has broadly remained static:

	Proportion receiving any bonus	
	2022	2023
Male	93%	92%
Female	90%	89%

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

2023	Q4	Q3	Q2	Q1
Male	60%	63%	79%	94%
Female	40%	37%	21%	6%

2022	Q4	Q3	Q2	Q1
Male	56%	68%	84%	94%
Female	44%	32%	16%	6%

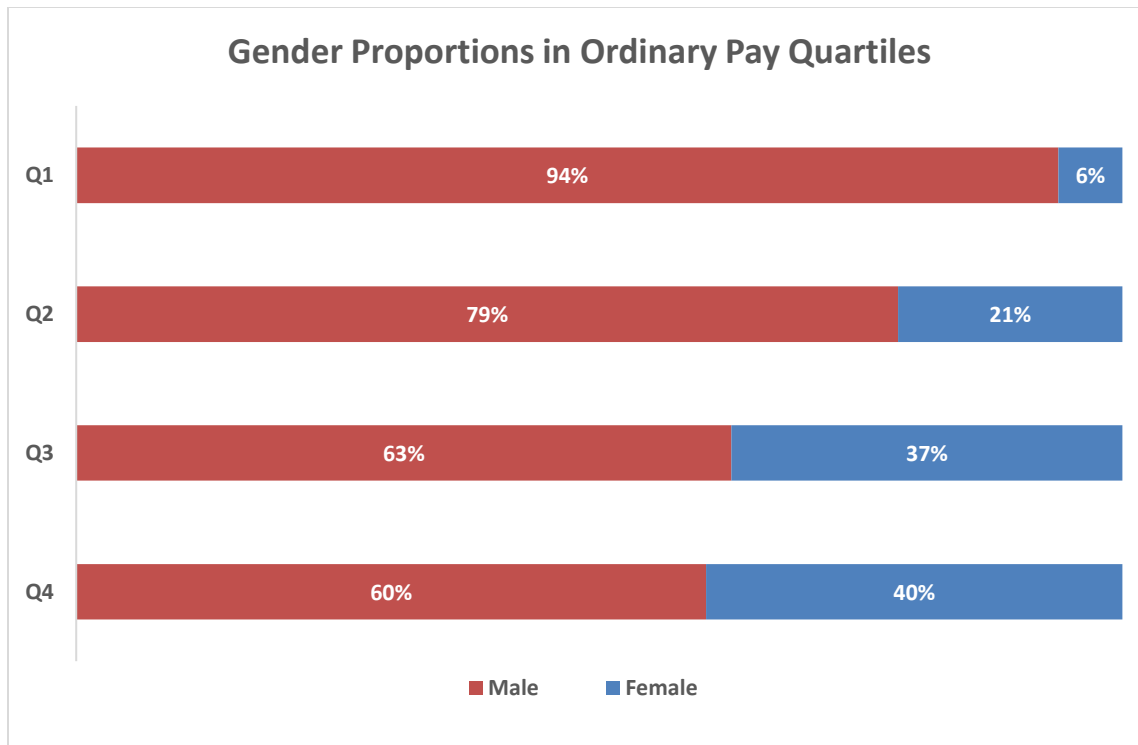
### 3. Underlying causes of gender pay gap

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. It is also 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 2023.

Whilst the overall reported gender pay gap has only slightly decreased at the mean level, we are encouraged by this as well as seeing a consistent decline within the median data sets. In addition, we are pleased that we have increased the representation of women in both the middle quartiles (Q2 and Q3) and maintained the number of women in the top quartile (Q1) for Ordinary Pay. Within Q2, the increase from 16% to 21% since last year is a significant shift and a continued step in the right direction. We believe this demonstrates that the positive action we have put in place is making a positive impact on our report and brings us closer to our target of 35% representation of people who identify as female within the firm by the end of 2024 (please be reminded that this report only covers the period up to 5 April 2023). We are also encouraged by the continued balance of genders in the lower quartile for Ordinary Pay.

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 4 employees, we have one female member. The highest earners within the Company are largely represented by men. In addition, over the last few years, our data has been impacted by some exceptional arrangements linked to acquisition activity, which we will see fall away from 2023, giving us a more realistic picture of annual compensation internally.

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. As a result, the policy has supported a reduction in the loss of earnings previously experienced during a maternity leave period; however, based on the regulation, these female employees must be removed from the data. In the 2022/23 period, we had nine female employees on maternity leave and that therefore, have to be excluded from the data. Of these nine, 4 employees are in senior positions of Director or Managing Director.

#### **4. Action taken and next steps**

SNEL remains committed to tackling the gender pay gap and although we are seeing 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. We continue to focus on our internal behaviours and values to ensure we are creating and maintaining the most positive culture possible. Our Competency and Behavioural Framework has been developed further to create a quantitative assessment to help provide more meaningful development and promotion conversations for employees.
2. Our training offering has focused on more inclusive and adaptive management skills to ensure our managers are able to support all their team members. Including topics such as “Being Authentic”, “Confidence and Presence” and “Resilience”
3. We have launched our formal Diversity Strategy and continue to work with the Board and our Senior Managers collectively to deliver against our 4 pillars: Measurement and Accountability; It Starts from the Top; Celebrating Diversity and Diverse Recruitment. To assist in our Awareness targets we are proud to have launched SNEL’s first Employee Network for Diversity and Inclusion and look forward to seeing the results this will bring.

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 are committed to working towards a 35% representation of people who identify as female in senior and experienced roles by the end of 2024 and continue to expand our Diverse Recruitment efforts to align with this goal.

Our report now shows that of the 103 females within the organisation, 26% of them are within the top 2 pay quartiles, this is an increase from 22% last year.

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

A handwritten signature in black ink, reading "Eithne O'Leary". The signature is written in a cursive style with a large initial 'E' and 'O'.

4<sup>th</sup> April 2024