

# 2020 GENDER PAY GAP REPORT

AAT is committed to diversity and equality at every level. Over half of our staff are female, as are two-thirds of our members and student members, and our executive team is 57% female as of September 2020.

We were the first accountancy body to sign up to the Women in Finance Charter in May 2017, and since then the number of women in the most senior levels (Exec + 1) has risen from 30% to 42% by 2020. We also strongly support flexible working practices and initiatives – the entire business has been working remotely since March due to the ongoing coronavirus (Covid-19) pandemic and we have supported requests to work outside standard working hours, enabling employees’ work-life balance.

Nevertheless, we recognise that there’s more to do. As a medium sized organisation, small changes have a big impact on our pay results, and a lower representation of females in senior positions and higher proportion of females in more entry level positions has led to an increase in our gender pay gap. However, we have had a 3% increase in the number of females in the upper quartile.

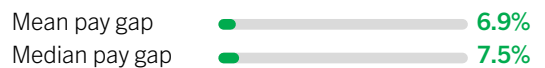
Our Equality, Diversity and Inclusion employee champions have produced a strategy to increase inclusivity within our working environment, and will be working closely with the Head of Responsible Business and Policy, which is a new role within AAT. AAT continues to be a member of the Employers Network for Equality and Inclusion, who support us with annual unconscious bias training for all colleagues. Together, we’ll continue to work to ensure that AAT is a fair, diverse and inclusive organisation.

## Headline gender pay gap figures

The gender pay gap is defined as the difference between the mean or median hourly rate of pay that male and female colleagues receive.

The mean pay gap is the difference between average hourly earnings of men and women. The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from highest to lowest, and picks the middle-most salary.

The figures are provided below and are based on hourly rate of pay as at April 2020 paid at the snapshot date of 5 April 2020.



## Bonuses

We have an organisation-wide bonus which everyone is eligible to receive, if the majority of targets are met. All eligible staff receive the same amount; however, it’s pro-rated for part-time workers and for those who joined throughout the year with a minimum of three months in post.



## Proportion of male and female colleagues receiving a bonus (performance award) payment

Anyone who was underperforming didn’t receive a bonus, and as mentioned above any colleagues with less than three months’ service at the end of the financial year didn’t receive a bonus. Both of these factors impact on the percentage of males and females who received a bonus.



# Pay quartiles

The table below shows the gender split when we order hourly rate of pay from highest to lowest and group into four equal quartiles.

Quartile	Male	Female	Total
Lower	25 40%	37 60%	62
Lower middle	34 54%	29 46%	63
Upper middle	33 52%	30 48%	63
Upper	35 56%	25 44%	63

# Why our gap has changed

AAT is a medium-size organisation and as such small changes have a big impact on our pay gap results. Between April 2019 and April 2020 there are five fewer males in the lower quartile and five more females; there are four more males in the upper middle quartile and four fewer females. This has contributed to an increase of 1.4% in our mean pay gap and 3.5% of our median pay gap. We have a job evaluation process which ensures that we have equal pay for equal work value, but it's the lower representation of females in senior positions and higher proportion of females in more entry level positions which has increased our gap. Despite the small increase, it's important to note that there's a 2% reduction of males in the upper quarter and a 3% increase of females. This is due to the appointment of females in senior positions and in roles where AAT pays in accordance with the private sector.

# Our next steps

- We recognise that improvements can be made to reduce our gender pay gap. Our Equality, Diversity and Inclusion champions are made up of employees throughout the organisation, and produced a strategy to engage greater inclusivity within our working environment. This strategy is under consistent review to ensure this is achieved.
- We have recently appointed a Head of Responsible Business and Policy, who's accountable for Responsible Business activity. This includes partnering with the EDI group and developing a decision making framework.
- AAT remain committed to flexible working practices and initiatives. The entire business has been working remotely since 17 March and we recognise the need to support changing circumstances as a result of the Covid-19 pandemic. We have also supported requests to work outside of the standard working hours to enable work-life balance.
- In May 2017 AAT were the first accountancy body to sign up to the Women in Finance Charter and at that time we had 30% female representation in the most senior levels at AAT (Exec + 1 level). At 13 September 2018 we had 35%, this rose to 40% in September 2019 and in September 2020 we are delighted to confirm that this has increased to 42%.
- The gender split on our Executive team has gone from 50/50 in September 2019 to 57% female representation in September 2020. We continue to be members of the Employers Network for Equality and Inclusion and they have supported us with unconscious bias training for all colleagues which is delivered on an annual basis.

### Declaration

I confirm that our data has been calculated according to the requirements of the **Equality Act 2010** (Gender Pay Gap Information) Regulations 2017.



**Olivia Hill**  
Chief HR Officer, AAT  
21 October 2020