

2019 GENDER PAY GAP REPORT

AAT has a strong commitment to equality and diversity both inside our organisation and within our wider membership. Approximately half our staff are female, which is also true of around two in three AAT members and of AAT student members.

We have demonstrated our pledge to seeking gender equality in our workforce through a number of initiatives, including being the first accountancy body to sign the Women in Finance Charter back in November 2016. Under the terms of the Charter, AAT has a target of 40% females in senior management positions by March 2022. We are delighted to confirm that we have now achieved our target of 40% female representation at senior management level and we also have a 50/50 gender split on our Executive Team. We are also signatories to the Tech Talent Charter, which seeks to address the gender imbalance within the technology sector.

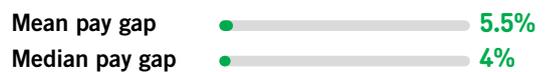
AAT also regularly seeks to set an example in the areas of fair and equal pay for our 130,000 members worldwide – a significant proportion of whom run their own businesses. To date, we have lobbied MPs in calling for gender pay reporting to go much further in order to ensure companies take action, while we published a report, *Making the Finance Sector Add up for Women*, to outline ways in which employers and employees could collectively tackle the gender pay gap. We regularly celebrate the achievements of our female members through our various communications.

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 lowest to highest, and picks the middle-most salary.

These figures are provided below and are based on hourly rate of pay as at April 2019 paid at the snapshot date of 5 April 2019, as per legal requirements in this area.



Bonuses

At AAT we have an organisation wide bonus which everyone is eligible to receive, if the majority of our targets are met. The organisation wide bonus is the same financial amount for all staff, however it is pro-rated for part time workers and for those who joined throughout the year with a minimum of 3 months in post.

Due to the change in the financial year end, an extended bonus period from 12 to 15 months, and bonus payments being paid in June rather than April as they have in previous years, no bonuses were paid in the pay period. This has resulted in a 0% bonus gap.



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

AAT pays bonuses to employees who perform to (at least) the expected standard as agreed during the annual performance appraisal process. In addition and as per the above, colleagues with less than three months service at the end of the financial year are ineligible for a bonus. Both of these factors impact on the percentage of males and females who received a bonus.

As per the above, no bonuses were paid in the pay period.



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	30 48.4%	32 51.6%	62
Lower middle	31 49.2%	32 50.8%	63
Upper middle	29 46%	34 54.0%	63
Upper	37 58.7%	26 41.3%	63

How we wish to encourage others

As mentioned at the outset of this report, AAT does not only wish to improve equality and diversity for its own workforce, but is keen to set an example, and encourage organisations represented by our members to take action. Ways in which we will seek to support this over the coming year include:

- Our Public Affairs team continues to champion change in this area, including calls to reduce the gender pay gap reporting thresholds to companies employing more than 50 members of staff (instead of the current 250 level).
- We are encouraging AAT members to seek involvement in AAT's Member Assembly, which represents AAT's breadth and diversity, and gives them a voice on public policy issues such as gender pay, along with sector concerns.
- We will use our various content channels to share success stories from our female members, and showcasing the positive impact they are having on the accounting industry, as part of our focus on AAT's 40th anniversary.

Our next steps

- We recognise that, while we have made some strides forward, there are still improvements that can be made to our own gender pay gap. Our Equality, Diversity and Inclusion champions, made up of employees throughout the organisation, produced a strategy to engage greater inclusivity within our working environment. This includes celebrating different events and initiatives, including International Women's Day and Mental Health Awareness Week.
- AAT is committed to flexible working practices and initiatives such as Shared Parental Leave. We understand that changing working patterns leads to happier and more productive employees, and currently over 50% of our workforce benefit from working flexibly
- More broadly, we are passionately committed to staff wellbeing, with regular yoga sessions taking place on site, while we regularly run workshops to help educate staff in areas such as nutrition, managing money and maintaining a healthy lifestyle.

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