

Gender Pay Gap Report

2024

Rothschild & Co is committed to providing an inclusive and supportive environment where diversity and different perspectives are valued and respected. The three core pillars of our Diversity, Inclusion & Balance (DI&B) strategy remain unchanged. We are focused on the attraction and recruitment; development and retention; and progression of high calibre individuals that bring diverse perspectives and experiences to our business and clients.

To support our commitment, the Global Diversity, Inclusion & Balance Committee, have identified the following priorities:

- To embed the critical skills and behaviours that encourage a diverse, inclusive and balanced culture
- To increase diversity in our recruitment
- To sponsor initiatives that directly impact retention & promotion
- To maintain strong governance, measurement and transparency to fully embed the principles of balance, diversity and inclusion into our business operations.

Below is a summary of some of the key activity and initiatives in support of these priorities.

Embed the critical skills and behaviours that encourage a diverse, inclusive and balanced culture.

Rothschild & Co is committed to retaining high-potential, team-oriented and self-motivated individuals and provides all colleagues with training and development opportunities to maximise performance and deepen the skills required to meet business goals and progress in their careers. In 2023, Rothschild & Co delivered a number of structured training programmes providing a mix of networking and learning opportunities, from technical training to understanding more about the Group to developing personal and managerial effectiveness.

In recognition that a culture of inclusion is a critical driver of day-to-day experiences and our ability to increase the retention of colleagues, Rothschild & Co continues to expand the Inclusion Curriculum. Since its launch in 2021, 64% of global colleagues have attended one or more workshops in this curriculum. In an employee survey in 2023, the majority of respondents rated progress towards creating a more diverse and inclusive workplace positively and referred to the importance of this training to that effort.

There are three core programmes in the Inclusion Curriculum. Whilst the content is complementary there are also differences, given the additional expectations we have of those more senior to create inclusive team cultures. After a successful pilot, the Inclusive Leadership Academy for Managing Directors was launched in 2023. This modular programme focuses on a leader's role in creating the conditions for high performance and how to unlock the value of different perspectives, backgrounds and views in teams.

To ensure that the Inclusion Curriculum is achieving its objectives and to amplify its effectiveness, its key themes feed into the Rothschild & Co's employee evaluation process. This includes a specific question on the personal contribution to a diverse and inclusive workplace, to drive reflection and reinforce the expectation that inclusive behaviour is core to Rothschild & Co's culture. This focus is also reflected in the promotion criteria and selection process for Managing Directors and Partners.

In addition to this broader focus on culture, Rothschild & Co continues to invest specifically in our women leaders. Initiatives include:

- The SHINE programme, which underpins the commitment to the retention and career progression of women to more senior leadership positions. The two-day workshop is designed to empower, maximise potential

and drive personal impact. Over 70% of women at Assistant Director and above have completed Shine since it launched in 2018.

- The Womens Leaders Forum convenes the senior most women of the Group to strengthen networks and provide leadership and direction on key topics for R&Co, leading to measurable change. The forum includes senior male leaders as allies to the change effort.

Employee networks are critical in strengthening our Diversity, Inclusion & Balance strategy as they help to inform, raise awareness and encourage a culture of belonging. Examples are the Family Network, the Women's Network, the LGBT+ Network and the EMbrace Network (ethnic minority network). Each network provides the opportunity for connection and education, contributing to Rothschild & Co's position as a diverse and inclusive place of work. The network groups are sponsored by the Global Diversity, Inclusion & Balance Committee to amplify their voice, strengthen collaboration and increase geographic reach of the networks' initiatives.

Rothschild & Co is committed to safeguarding and enhancing the health and wellbeing of all employees and providing a sound framework to support employees and ensure their wellbeing in life and at work in today's demanding work environment.

Whilst Rothschild & Co recognises that policies alone do not drive change, they remain an important element of our strategy. Several policies developed and driven locally are aimed at promoting work-life balance and increasing retention, performance and productivity, including Rothschild & Co's Flexible Working Policy and Agile Working Charter. These policies allow for discussions around accommodating adaptable work schedules and applying a more flexible approach to work. Several policies are supportive of occasions where employees need to be away from the office while still retaining them in their role, such as for a period of sabbatical leave, to care for dependents or to take compassionate leave.

Rothschild & Co is committed to continually reviewing its policies and people processes to ensure they remain free from bias. Recognising the importance of a culture that supports the policies it implements, the UK Family Network advocated for working parents by publishing an internal series featuring colleagues' stories to promote awareness and understanding of these policies in practice.

Increase Diversity in Recruitment. Impact retention and progression.

Inclusive recruitment is a key initiative for all business divisions. Recognising that graduates, interns and apprentices play a crucial part in shaping the business from their first day and throughout their career with us, a focus remains on ensuring our recruitment strategy enables us to attract, hire and retain diverse professionals to build a robust pipeline of talent for the future. Related to this, we continued to expand our inclusive interview skills training for those actively involved in recruitment efforts.

Our Early Careers team regularly update the recruitment processes to attract a diverse talent pool and create a consistent and fair approach to selection. This year, the Early Careers team have continued to partner with student organisations in the UK such as SEO London, Bright Network, GTI, upReach and #10000blackinterns to broaden and diversify their candidate pool by participating in female specific and black talent recruitment events as well as running an insight programme with upReach for students from low-income households across the United Kingdom. Recognising a lack of gender diversity across the Investment Banking industry we are invested in building a pipeline of female talent and provide opportunities for students to explore their interest in the finance industry, find out more about Rothschild & Co and network with business leaders as it relates to female representation. At the 2023 Global Graduate level women represented 37% of the class in 2023, (an increase from 25% in 2022).

During 2023, in addition to our direct sourcing approach, Rothschild & Co launched its first ever Career Relaunch Programme. The initiative focused on bringing experienced professionals back into the workplace after a career break of 18 months or more. The programme provided Rothschild & Co with an opportunity to recruit from a largely untapped talent source of skilled professionals, many of whom had taken a non-linear path, with rich and diverse backgrounds. All participants were retained and extended with a plan to run the programme again in the next year.

Rothschild & Co remains committed to continuously increasing diversity in our recruitment as we understand the benefits to be gained, for both our clients and our teams. This ranges from having a rich diversity of background, thought and experience represented in our people. In 2023, 51% of direct hires were women.

Sponsorship is widely considered a critical success factor in career progression and retention, and it has become an integral part of our talent management strategy and an important step forward in creating a culture of sponsorship and advocacy. Since its launch in 2020, over 100 predominantly female colleagues have participated in the Global Sponsorship Programme. 58 participants, across 9 countries are currently paired with senior leaders across the firm. Whilst we continue to enhance this programme the objectives remain unchanged: to increase engagement with senior colleagues, to better understand their career aspirations, challenges and opportunities and ensure advocacy for them as they navigate their careers.

Talent identification and succession planning remains a key priority for all businesses and greater focus has been given to active talent management plans in 2023. Potential successors for some of the most senior roles in the firm have been supported in their development through coaching and leadership programmes allowing Rothschild & Co. to retain and plan for their future succession.

Managing performance is critical to the ongoing success of Rothschild & Co's people strategy. Feedback on individual performance is encouraged regularly throughout the year and performance is assessed formally at the end of every year to help develop an individual's career. In 2023, 100% of Group employees that were employed for the qualifying amount of time benefitted from a performance review which incorporated renewed focus on development planning and active career management. The Rothschild & Co career framework supports this process, reflects the Group's guiding principles and provides employees with a clear and consistent set of expectations across all divisions, geographies and career paths. The framework demonstrates expectations of individuals and managers, with an emphasis on inclusive behaviours at all levels.

Maintain strong governance, measurement and transparency.

To enhance governance and further integrate the diversity, inclusion and balance efforts into business operations membership of the Global Committee was refreshed and the role of members clarified and communicated to colleagues across the Group, as follows:

Each Committee member commits to:

1. Contribute and provide oversight to the Group's strategy;
2. Affect change through their leadership roles in their respective business areas as members of Management; Committees or equivalent, and;
3. Act as role models and allies for diversity, inclusion and balance.

The Global Diversity, Inclusion & Balance Committee reports directly to the Managing Partners of Rothschild & Co.

In addition, membership for Regional Committees for France, UK, US and Rest of Europe were refreshed and a new Committee representing APAC was formed. Each of these committees is chaired by members of the Global Committee to further foster connectivity and accountability whilst ensuring more local focus areas are prioritised.

Overall, we believe these changes will support our collective progress and lead to increased integration of DI&B activities into business operations, increased regional connectivity and autonomy for the implementation of the strategy, and greater transparency and awareness, across the Group.

These Committees are informed by the annual Balance & Inclusion Survey, which is a valuable source of information and ideas from colleagues globally. In 2023, 77% of colleagues contributed to the survey, a 22% increase from 2022. The overall results are encouraging and acknowledge progress being made. The ratings for both balance and inclusion items are broadly in line with those from 2022 which would indicate a degree of consistency and stability in the experiences of our colleagues on these important matters. The results continue to spotlight some areas where we need to increase our focus, which have informed the Committee's priorities.

In conclusion

We take a long-term view in all aspects of our business, and our focus on Diversity, Inclusion and Balance is in line with that. Whilst the impact of our efforts may take time to materialise, we remain committed to our strategy and are confident that these efforts, over time and in combination, will help accelerate our progress towards greater diversity, balance and a culture of inclusion in which all colleagues can professionally thrive. We remain resolute in our commitment and ambitious in our aspirations.

Our Women in Finance Charter commitments are:

- The firm's Managing Partners are responsible and accountable for gender, diversity and inclusion
- We set ourselves a target that 30% of our Assistant Directors and above should be women by the end of 2024
- We publish progress annually against this target in reports on our website
- As of 31 December 2023, 27.3% of our Assistant Directors and above globally were women, an improvement of 3.8% from 2019
- The pay of the senior executive team is linked to delivery against our Balance & Inclusion initiatives



Rothschild & Co promotes equal opportunity and inclusion throughout the group. Our approach to compensation remains gender, race, age, religion and belief, sexual orientation, gender identity, disability, and nationality neutral.

All permanent employees who have worked at NM Rothschild during the financial year are bonus eligible.

As part of our annual compensation process, we review compensation across the firm to ensure that we pay equally for equivalent roles, experience, and levels of contribution.

The gender pay gap that exists in NM Rothschild is not a result of unequal pay. It is a reflection of the higher proportion of men in senior, client facing and revenue generating roles.

We remain committed to increasing the number of women in senior roles and as detailed earlier, have a number of initiatives which aim to do this and which we are confident, over-time, will lead to a narrowing of the gap.

Progress on narrowing the gap will not be linear as improvements due to increased representation of women at senior levels can be obscured by other factors. For example, as a result of our sustained focus on recruitment, our recruitment strategy has continued to have a positive impact on both our hourly pay and bonus gaps this year, but the full impact is masked due to other changes. These include the vesting of deferred bonuses awarded to senior employees, who are subject to the greatest level of deferral and leavers within the reporting period.

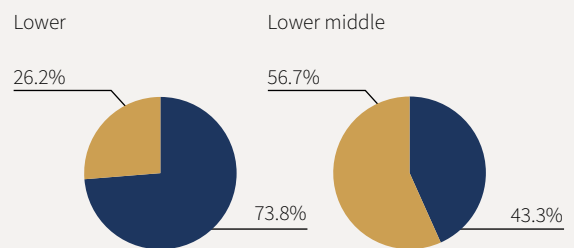
Similarly, our bonus gaps will remain volatile, due in part to the higher levels of bonus volatility for senior employees, most of whom are male. Our bonus gap will continue to be disproportionately affected by our results whilst we address the imbalance.

Hourly Pay and Bonus Gap

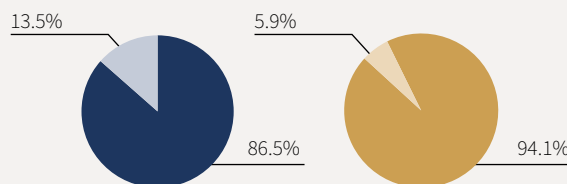
The table below shows the mean and median hourly gender pay and bonus gap between all men and women within NM Rothschild.

	Mean	Median
Hourly pay	48.9%	44.4%
Bonus	86.2%	80.1%

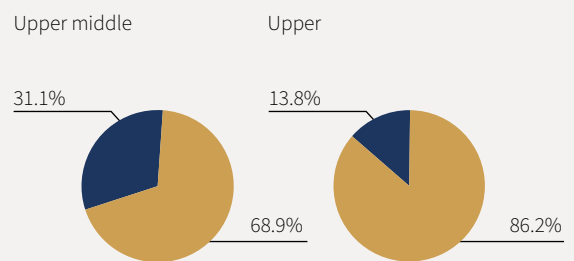
Pay Quartiles



Proportion of Employees Receiving a Bonus



Key
■ Women - bonus ■ Men - bonus
■ Women - no bonus ■ Men - no bonus



Key
■ Women ■ Men

This data illustrates the gender distribution at NM Rothschild across four equally sized quartiles, each containing fewer than 250 employees. This illustrates that NM Rothschild has more senior men in higher paying roles than women.

“ We believe that the initiatives we have in place are helping us progress towards the inclusive, balanced, and diverse working environment to which we aspire. The changes we are seeing are inspiring us to increase our efforts and accelerate our progress. ”

Paul Barry
Group Head of HR