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# Our gender pay gap report for 2017

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The Government introduced Gender Pay Gap reporting to increase awareness of the issue and improve pay equality between men and women. For the UK as a whole the gap has been reducing over the past ten years but remains in favour of men. Organisations with over 250 employees are required to upload data every year to the Government's Gender Pay Gap Reporting website and to publish it on their own websites. As a partnership we are required to report on our non-partner population and this is shown in the employee information presented below. We have also separately presented our salaried membership information and combined information below.

## Our Gender Pay Gap

The figures show the mean and median gender pay and gender bonus gaps for our employees and salaried members as at 5 April 2017.

The gender pay gaps are based on effective hourly rates as at 5 April 2017. The gender bonus gaps and proportions receiving a bonus are based on bonuses received by those employees and salaried members in the 12 months to 31 March 2017.

<b>Employees</b>	<i>Mean</i>	<i>Median</i>
<i>Pay Gap</i>	22.9%	24.4%
<i>Bonus Gap</i>	51.6%	56.8%
	<i>Female</i>	<i>Male</i>
<i>Proportion receiving a bonus</i>	63.7%	77.3%

<b>Salaried Members</b>	<i>Mean</i>	<i>Median</i>
<i>Pay Gap</i>	16.3%	9.2%
<i>Bonus Gap</i>	33.1%	29.9%
	<i>Female</i>	<i>Male</i>
<i>Proportion receiving a bonus</i>	94.1%	93.4%

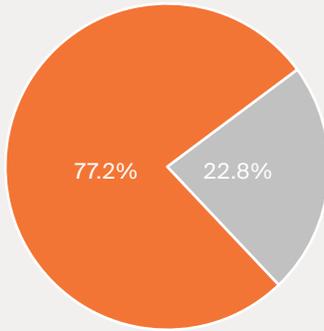
  

<b>Combined</b>	<i>Mean</i>	<i>Median</i>
<i>Pay Gap</i>	30.6%	31.7%
<i>Bonus Gap</i>	70.3%	80.0%
	<i>Female</i>	<i>Male</i>
<i>Proportion receiving a bonus</i>	68.5%	83.6%

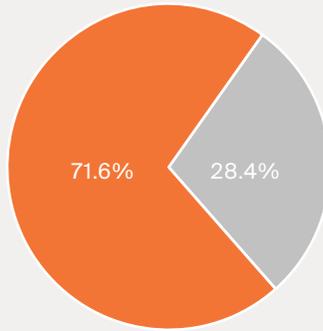
The pie charts show the proportions of our female and male employees in each pay band quartile.

### Employees

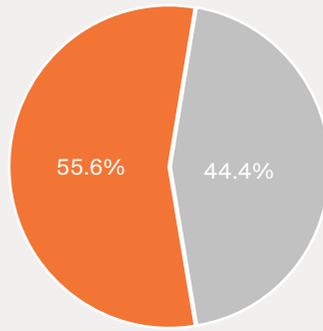
Lower Quartile



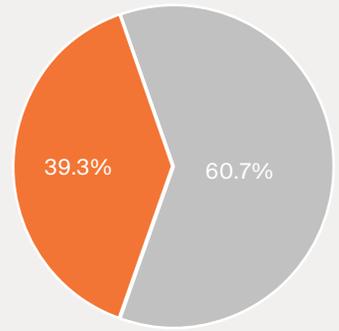
Lower-Middle Quartile



Upper-Middle Quartile

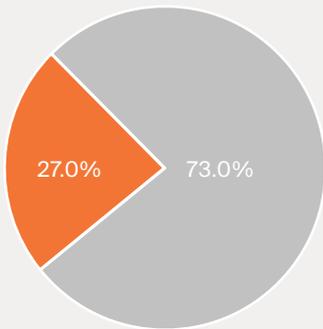


Upper Quartile

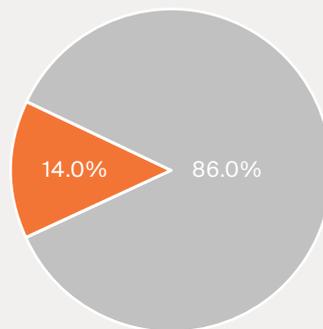


### Salaried Members

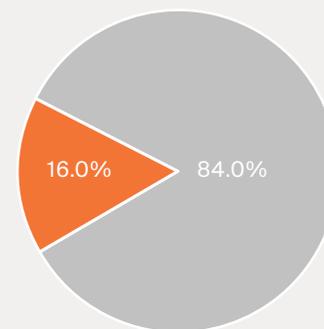
Lower Quartile



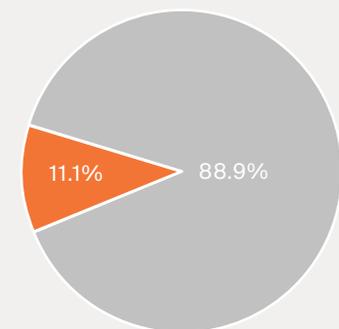
Lower-Middle Quartile



Upper-Middle Quartile

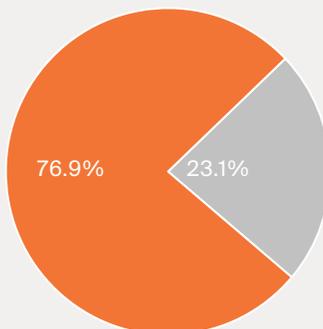


Upper Quartile

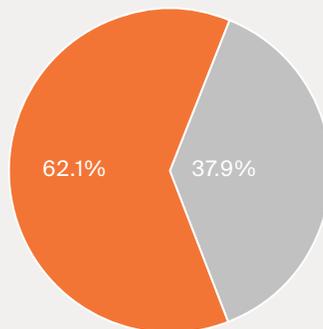


### Combined

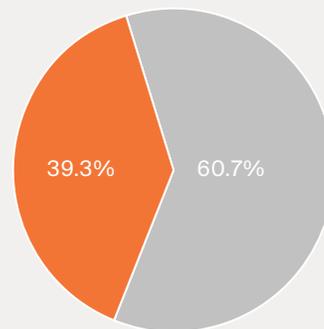
Lower Quartile



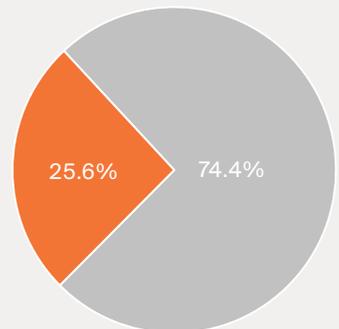
Lower-Middle Quartile



Upper-Middle Quartile



Upper Quartile



female

male

## What do the figures mean?

The gender pay gap shows the difference in the average pay between women and men. This is different from equal pay which refers to paying a woman and a man the same amount for similar work. We are a meritocracy and we are confident that we pay equal salaries to all employees in jobs of a similar nature and at the same level of seniority. Each year, as part of our salary review and bonus distribution processes, we externally benchmark our remuneration packages for all roles in the business. We also undertake internal equal pay audits annually to ensure that we are paying men and women in similar roles equally.

We have a lower representation of females than males in high-earning and senior positions. We believe this is an issue across the real estate advisory sector and, together with the fact we have more women than men in administrative and support roles, it drives our overall Mean Pay and Bonus Gaps.

This is reflected in our mean pay gap quartile analysis which shows that our female and male employees and salaried members earn similar levels in the first three quartiles while men earn more than women in the upper quartile.

<i>Mean Pay Gap</i>	<i>Lower</i>	<i>Lower-Middle</i>	<i>Upper-Middle</i>	<i>Upper</i>
<i>Employees</i>	- 5.3%	3.5%	0.7%	7.7%
<i>Salaried Members</i>	3.6%	-2.8%	0.5%	13.9%
<i>Combined</i>	-1.7%	1.6%	1.0%	12.4%

The picture differs slightly with our gender bonus gap. In the middle two quartiles, men and women earn similar levels, while men earn higher bonuses in the lower and upper quartiles.

<i>Mean Bonus Gap</i>	<i>Lower</i>	<i>Lower-Middle</i>	<i>Upper-Middle</i>	<i>Upper</i>
<i>Employees</i>	16.5%	- 3.1%	4.5%	18.8%
<i>Salaried Members</i>	23.5%	0.1%	-1.8%	11.2%
<i>Combined</i>	16.1%	8.2%	7.2%	30.4%

All our employees and salaried members are eligible to receive a bonus if they have been with Knight Frank for the full duration of our financial year which ends on 31 March. The proportions of women and men at 5 April 2017 who did not receive a bonus in the 12 months ended 31 March 2017 reflect the number of new joiners in the year who were not eligible for a bonus.

## What are we doing about our gender pay gap?

Our new Five-Year Group Strategy was launched in early 2017 and it puts people at the heart of our ambitions. Attracting, retaining, developing and rewarding our people across a diverse and inclusive talent pool is one of the key goals of our strategy. We recognise that there is a lot to do to improve the balance of women and men in high-earning and senior positions in Knight Frank and we have set in train a number of initiatives to help progress this goal.

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### Industry Initiatives

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We are founding members of our industry's Changing the Face of Property initiative which was started in 2012 and which covers all aspects of diversity, including increasing gender balance across the profession. With a focus on emerging talent as well as specific projects aimed at promoting female professionals in real estate, the group has committed to objectives to encourage more females into the industry. Our professional body, the Royal Institution of Chartered Surveyors (RICS), is involved in these initiatives.

Changing the Face of Property promotes property as a career to more diverse young people through partnerships with schools, attendance at school-age career fairs as well as attending conferences for school careers counsellors.

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### Respect Diversity & Inclusion

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Launched in 2016, our RD&I initiative is aimed at enabling everyone at Knight Frank to be able to be themselves and be respected for being so.

It includes a Gender Group that aims to make equality in the workplace everyone's responsibility and to support women in developing their careers through networks, women's speaker series events and focused training on areas where women have asked for support and coaching, including networking and maximising personal impact.

Our Senior Partner has signed up to the Real Estate Balance 'CEO Commitments for Diversity' initiative.

Supporting Working Parents is another key area of our RD&I framework. This is focused on supporting parents during their maternity/paternity periods and as their children grow up. 58% of mothers returning to work at Knight Frank from maternity leave did so on agile working arrangements in 2016/17 and we will continue to work on how we can improve the overall 'mother returner' figures in the future. As part of this initiative we have joined 'The Daisy Chain' that links candidates to organisations like ours, where we are committed to supporting working parents back into the workplace.

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## Maternity Pay

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In 2015 we introduced an industry-leading maternity package whereby mothers with two years' service are paid in full for their first six months of their maternity leave.

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## Graduate Recruitment

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The majority of our graduates come to us from three of the leading universities for real estate degrees, which have student populations on real estate courses of 30% female and 70% male. Over the past three years 45% of our graduate recruits have been female compared with 40% in the three years prior to that. To further support this recruitment trend, we have removed face-to-face first stage interviews which can lead to bias, and replaced them with competency-based telephone interviews.

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## General Recruitment

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Our internal recruitment team considers all aspects of diversity when sourcing candidates. We also use recruitment agencies who commit to providing a more balanced candidate spread.

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## Career Development

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We have clear career development frameworks across our business for every level of position. We ensure that all staff receive a comprehensive appraisal and that it involves a quality conversation on career aspirations. We have recently launched a specific career development coaching programme to support individuals on how to achieve their aspirations.

Knight Frank is committed to improving gender diversity and it is a priority of our Group Executive Board. There is no doubting that there is a structural issue for the real estate sector to address and we are amongst the leading groups in our industry supporting initiatives to help bring about change. Whilst we will continue to lead change, it will take a number of years to redress the balance and we will work with RICS and other relevant bodies to do what we can to speed up the process.

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## Glossary of Terms

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### Mean Pay Gap

This is the percentage difference in the average hourly pay rate of employees as at 5 April 2017 and includes pay, car allowance and bonuses (including profit-sharing, productivity, performance incentives and commission) paid in that month.

### Median Pay Gap

This is the percentage difference in the mid-point hourly pay rate of employees as at 5 April 2017 and includes pay, car allowance and bonuses (including profit-sharing, productivity, performance incentives and commission) paid in that month.

### Mean Bonus Gap

This is the percentage difference in the average bonuses paid in the year from 1 April 2016 to 31 March 2017 to individuals who were employees as at 5 April 2017. Bonuses include profit-sharing, productivity, performance incentives and commission.

### Median Bonus Gap

This is the percentage difference in the mid-point of bonuses paid in the year from 1 April 2016 to 31 March 2017 to individuals who were employees as at 5 April 2017. Bonuses include profit-sharing, productivity, performance incentives and commission.

### Proportion receiving a Bonus

This is the percentage of the whole population of employees as at 5 April 2017 who received a bonus in the year from 1 April 2016 to 31 March 2017. Bonuses include profit-sharing, productivity, performance incentives and commission.

We confirm that Knight Frank's Gender Pay Gap calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



**Alistair Elliott**  
Senior Partner & Group Chairman



**Sally Chacatté**  
Group Head of HR



**John Diggins**  
Group Finance Director