

Knight Frank

2018 Gender Pay Gap Report

BALANCING OUR BUSINESS



A message from our Senior Partner & Group Chairman



In April 2017 Knight Frank reported on its gender pay gap for the first time. This highlighted that, whilst Knight Frank ensures everyone is paid fairly for doing the same role, we do have a disparity between the number of men and women employed at more senior levels within the firm which is an industry-wide issue.

I am pleased to report that for 2018 we have seen our gender pay gaps and gender bonus gaps reduce for both Knight Frank Services Company and our Salaried Members. Whilst it is gradual progress, it shows that we are moving in the right direction.

At Group Executive Board level we have had a strategic debate facilitated by external consultants on our Business Balance, with gender at the forefront. This has now become a business imperative with a full set of clear objectives. It will, however, take time. We are mindful that the real estate industry has historically attracted more men than women and the pipeline of new graduates available to join the firm from the traditional universities still remains around 30:70 female to male.

We are committed to improving the balance of our business by changing how we recruit, develop and prepare women for promotion. The first steps have already been taken to roll out a Business Balance programme to the leaders of our business and over the next six months we will cascade this to all Department Heads within the firm.

At Knight Frank we are committed to attracting and recruiting individuals from more diverse talent pools from outside the real estate sector and to finding exceptional people to join us. We are also committed to giving our female employees more development opportunities and to re-engaging with those who have left Knight Frank for career breaks or a change of career. This includes a more flexible approach to career management for women and for others to ensure people are better equipped to be promoted through the business to achieve their career aspirations at the right time for them.

We are committed to ensuring the Business Balance of Knight Frank remains a strategic priority for the firm, bringing about real change for everyone with the recruitment, development and retention of women a key element. I firmly believe that this will make Knight Frank an even better place to work and will offer real benefit to us all, as well as to our clients.

Whilst we remain in the forefront of change in balancing the industry and Knight Frank, it will take a number of years. We will continue to work with Changing the Face of Property, RICS and other relevant bodies to maintain the momentum for change.

A handwritten signature in black ink, appearing to read 'Alistair Elliott', with a horizontal line underneath.

Alistair Elliott

Senior Partner & Group Chairman

What we are doing to better balance our business



CX121
Be Exceptional

KFX

Inclusivity Initiatives

All areas of Business Balance are vital to Knight Frank. Our Respect Diversity & Inclusion initiative that has been in existence for many years is now developing globally and Jane Hollinshead, a consultant specialising in balancing businesses, has recently joined our UK RD&I Group to challenge our strategy and to help drive further initiatives in this area.

We have held a strategic review at Group Executive Board level on Business Balance facilitated by the 20First consultancy with Gender at its forefront and this has set the right level of accountability at Knight Frank. With the cascading of the Business Balance programme to every level of Department Head across our UK business, we are preparing ourselves for a different level of diversity in the future. Some of the objectives from our 'Business Balance' initiative are as follows:

- Train all business heads on the benefits of balancing the business and on how to recruit and manage balanced teams.
- Engage our Alumni more effectively.
- As part of our CX121 and KFX initiatives, recruit more diverse talent currently working outside the real estate industry by expanding our diverse recruitment events and continuing to hold our recruitment team and recruitment agencies accountable for gender balanced shortlists. We have also introduced gender-balanced boards to enhance diversity and help fast-track the firm's young talent.
- Keep our working parents' benefits continually under review and showcase them internally to our people to get even better engagement in their uptake.
- Continually review our working parents' policies to ensure they remain industry-leading.
- Review ways of working to support flexibility – we have already introduced core hours in parts of the business and we will be reviewing the implementation of broader agile, mobile and flexible working arrangements for all.
- Evolve our learning and development and promotion strategies to allow our women to meet their career aspirations at the right time for them.

What we are doing to better balance our business



Attracting more women to Knight Frank

Over the past year we have been hosting regular Recruitment Events for diverse candidates from different industries to get a better balance of women into roles traditionally held by men. Since October 2018 we have had 197 people attend these events, with 47% of all attendees women. To date we have successfully recruited for 18 roles from our recruitment events, 56% of these positions filled by women.

We have also continued working with Daisy Chain, a portal for people wishing to return to work after a career break on a flexible basis, to further improve the numbers of women in our business.

Early careers

We are enhancing the way in which we recruit for our Early Careers programmes by using systems like Rare that support us recruiting the highest achieving students whatever educational establishment they come from. This year we have welcomed our most diverse intake of Graduates. Enhancing our non-cognate intake of graduates and increasing the number of diverse apprentices will lead to a more balanced business in the future.

We are also working with Changing the Face of Property and RICS to diversify the young people considering real estate as a career. This includes a new Schools programme about to be launched as well as continuing to exhibit at Skills London and careers adviser exhibitions to promote real estate as a career.

Since its inception, Changing the Face of Property has placed 166 apprentices across the 10 member firms. At Knight Frank, since 2014 we have welcomed 25 of those apprentices to the firm, which is significantly above the average.

Industry Initiatives

Knight Frank has been a leading member of Changing the Face of Property since its creation in 2012. This year Knight Frank will lead an initiative on Inclusivity that will support the entire industry in putting 'Business Balance' at the top of the agenda. The key objective of Changing the Face of Property is to become "an industry for opportunity for all" and all member firms are committed to a three year membership and strategy focusing on gender, emerging talent and wellbeing.

rare

DIVERSITY
RECRUITMENT
EXCELLENCE

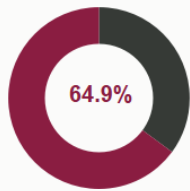
CHANGING THE FACE OF
property

2018 Gender Pay Gap: Our Figures

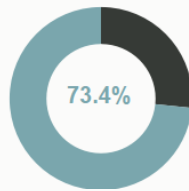
STATUTORY DISCLOSURE – KNIGHT FRANK SERVICES COMPANY

	MEAN		MEDIAN	
	2018	2017	2018	2017
Pay Gap	20.9%	22.9%	22.3%	24.4%
Bonus Gap	47.9%	51.8%	54.6%	56.8%

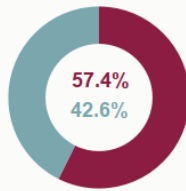
Female Bonus Receivers



Male Bonus Receivers



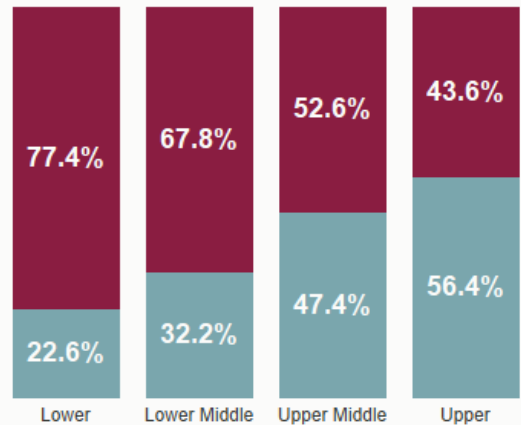
All Bonus Receivers



Female

Male

Gender Proportion in each Pay Band Quartile



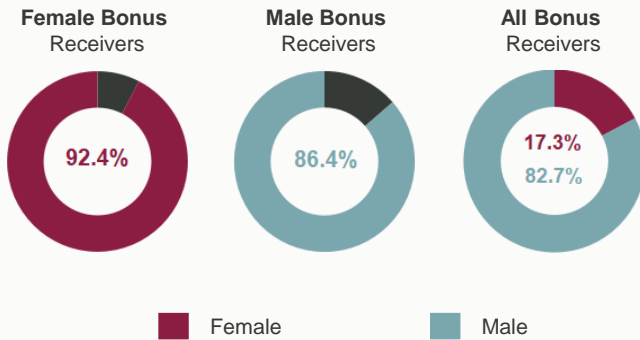
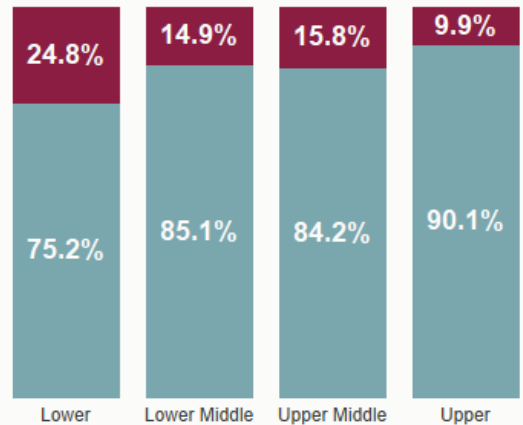
- Our mean gender pay gap improved by 2.0 percentage points
- Our median gender pay gap improved by 2.1 percentage points
- Our mean bonus gap improved by 3.9 percentage points
- Our median bonus gap improved by 2.2 percentage points
- The proportion of our female workforce in the upper quartile improved by 4.3 percentage points
- 30% of our top 20 earners were female in 2018 compared with 20% in 2017
- The proportion of women who got a bonus rose to 64.9%

2018 Gender Pay Gap: Our Figures

VOLUNTARY DISCLOSURE – SALARIED MEMBERS

	MEAN		MEDIAN	
	2018	2017	2018	2017
Pay Gap	12.8%	16.3%	9.9%	9.2%
Bonus Gap	29.9%	33.1%	33.9%	29.9%

Gender Proportion in each Pay Band Quartile



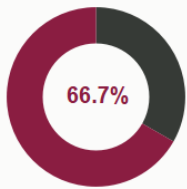
- Our mean gender pay gap improved by 3.5 percentage points
- Our median gender pay gap worsened by 0.7 of a percentage point
- Our mean bonus gap improved by 3.2 percentage points
- Our median bonus gap worsened by 4.0 percentage points
- The proportion of our female salaried members in the upper quartile worsened by 1.2 percentage points
- The proportion of women who got a bonus decreased marginally to 92.4%

2018 Gender Pay Gap: Our Figures

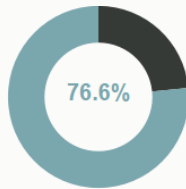
VOLUNTARY DISCLOSURE – ALL UK ENTITIES

	MEAN		MEDIAN	
	2018	2017	2018	2017
Pay Gap	28.8%	28.6%	32.6%	28.7%
Bonus Gap	62.4%	65.5%	69.0%	73.3%

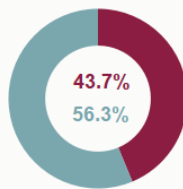
Female Bonus Receivers



Male Bonus Receivers



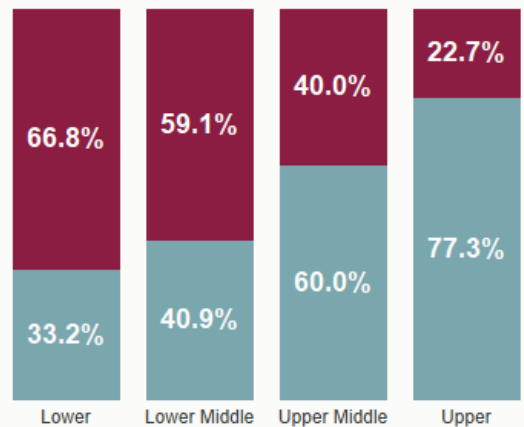
All Bonus Receivers



Female

Male

Gender Proportion in each Pay Band Quartile



- Our mean gender pay gap worsened by 0.2 of a percentage point
- Our median gender pay gap worsened by 3.9 percentage points
- Our mean bonus gap improved by 3.1 percentage points
- Our median bonus gap improved by 4.3 percentage points
- The proportion of our female workforce in the upper quartile worsened by 2.8 percentage points
- The proportion of women who got a bonus increased to 66.7%