

Man Group

Diversity & Inclusion Report

March 2018



INTRODUCTION

At Man Group, we believe in diversity because it is the right thing to do, because it makes us a better place to work and it makes us a better business. The following report includes Man Group's gender pay statistics and an overview of our diversity and inclusion initiatives. We are reporting on our commitment to diversity and inclusion in order to present our efforts, and assess and monitor the progress of our strategy in this area. We will be publishing this report on an annual basis.

Man Group is committed to diversity and inclusion, and has introduced a number of initiatives in recent years. We continue to research new and innovative ways to improve diversity at the firm. There is no doubt that a 'lack of pipeline' of candidates, or simply a less diverse pool of potential candidates is a problem in our industry. While this may be a reason for limited diversity, it's not an excuse. We believe that we can, and should, take steps to address the 'pipeline' issue proactively, and many of our diversity and inclusion initiatives are already focused on this challenge. In order to increase our efforts in this area, we are launching *Paving the Way* in 2018, a dedicated campaign to promote and drive our efforts to ensure a more diverse pipeline of candidates at all levels, both at Man Group and within the financial services and technology industries more broadly.

Our gender pay statistics are also included in this report. While we do not see disparities of pay between individuals performing similar roles, the figures clearly illustrate a lack of gender diversity in front office investment management roles and in senior roles across Man Group where compensation is highest. This is something we are already very conscious of, and taking steps to address. This is both the right thing to do and formally mandated by our Board.

We know it will take time to improve diversity statistics at Man Group and across our industry, but we have confidence in our existing initiatives and in our research process into new initiatives, and believe we will be able to effect positive change in the coming years. We are not resigned to blaming our lack of diversity on the nature of



the current candidate pool, and we are committed to making every effort to enable change over both the long- and short-term through recruitment, development and retention of diverse talent.

Furthermore, I am personally committed to ensuring that there is not a gender imbalance when it comes to compensation. I am aware of the research which indicates an unequal approach to how pay is negotiated and decided, and recognise it's about more than just boosting our diversity statistics. Alongside our ongoing diversity initiatives, we have a compensation monitoring process in place, led by our senior management executive team, which reviews pay across the firm globally to ensure that it is fair and proportionate. It is extremely important that our workforce has confidence in this process and in our commitment to fostering a purely meritocratic environment.

It is our responsibility to take action and address diversity in all its forms, including gender, sexual orientation, ethnicity and disability, as proactively as we can. Above all, the primary driver is the clear evidence that diversity makes Man Group a better place to work and hence a better business. Nothing should get in the way of us hiring the best people. In turn, this will enable us to deliver better results for our clients and shareholders; it may not be easy, but every day we succeed at difficult challenges and this is another where we will succeed.

Luke Ellis
Chief Executive Officer, Man Group

GENDER PAY STATISTICS

Man Group welcomes the requirement for employers in the UK to calculate and publish their gender pay gap, a measure designed to show the difference between the average earnings of men and women across an organisation.

The firm makes extensive efforts to ensure that men and women performing similar roles are paid the same. The gender pay gap figures reported by Man Group demonstrate the 'diversity gap' across our organisation and our industry, and we are aware that we need to make progress in this area. In particular, these figures highlight the lower representation of women in front office investment management roles and at senior levels within Man Group, which are typically the higher paid positions. For front office investment management roles, the variable performance-related bonus is highly correlated with fund performance and the delivery of results for clients. Our bonus pay gap therefore also reflects the lower female representation in this area.

We recognise that in order to attract and retain the best talent we must take further action, through

the initiatives articulated in this report, to drive better gender diversity, particularly in senior and front office roles.

We are pleased to report a positive trajectory in relation to gender diversity at the firm, including an increase in the proportion of women in senior management roles, rising from 16% in 2016 to 20% in 2017. We have hired three female returners into full time roles since the launch of our returner programme in 2016 and we had a 66% female intake for our 2017 graduate programmes across investment management, finance and operations.

We recognise that there is further to go and that it is our responsibility to address these issues. In 2018, Man Group is launching *Paving the Way*, a dedicated campaign to drive pipeline diversity and pave the way for under-represented groups across the firm and the financial and technology industries more broadly. We believe it is our responsibility to address factors which lead to a lack of diversity in our workforce, and this campaign represents a firm wide commitment to do so robustly and vocally.

HOURLY RATE

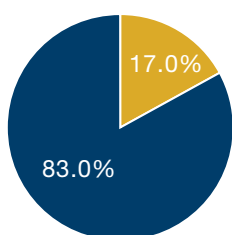
Median gender pay gap	27.5%
Mean gender pay gap	21.4%

BONUS PAY

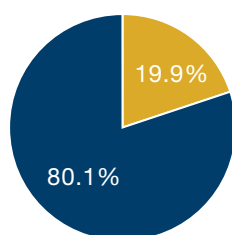
Median bonus gap	57.7%
Mean bonus gap	67.0%
Female employees receiving a bonus	86.1%
Male employees receiving a bonus	84.3%

PAY DISTRIBUTION

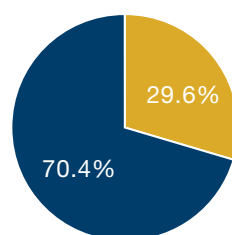
Upper quartile



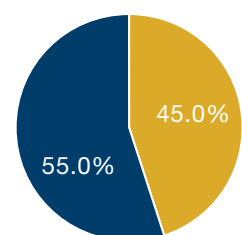
Upper middle quartile



Lower middle quartile



Lower quartile



Female Male

OUR *PAVING THE WAY* CAMPAIGN

We are launching *Paving the Way* in 2018, our campaign to promote and improve diversity at Man Group. The campaign is designed to address the 'lack of pipeline' challenge, referring to the diversity of the pool of available candidates across all groups that may consider themselves to be in a minority or atypical profiles for our industry. We hope our campaign will enhance diversity across the firm over time, especially in senior and front office roles, and also support diversity within the financial services and technology industries more broadly.

Paving the Way encompasses the initiatives outlined in this report, focused on long- and short-term recruitment, as well as retention through enabling internal progression. The campaign additionally emphasises our enhanced focus on these issues, including research into new and innovative ways to foster better diversity. We have already seen some positive results from the efforts we have made in this area and we hope we can continue to drive positive change through our *Paving the Way* campaign.



“ It is our responsibility to ensure we are engaging in activities that drive real diversity and inclusion, and everyone has a role to play. Our goal is that lack of diversity becomes an irrelevant issue for the next generation, that they no longer need to talk about. We have a long way to go, but we will do everything we can to make a positive difference at Man Group, paving the way not just for gender diversity, but for everyone who considers themselves to be different. This won't change overnight, but this is our time to act, to make a difference and to hold ourselves and the industry accountable. ”



Robyn Grew
Chief Administrative Officer & General Counsel, Man Group

OUR INITIATIVES – *WHAT WE ARE DOING ABOUT IT*

We focus on external and internal initiatives, partnerships and programmes that help us to attract and develop talent from more diverse backgrounds and to encourage diversity and inclusion.

RETENTION – *FOSTERING AN OPTIMAL ENVIRONMENT FOR DIVERSITY*

We seek to attract and retain the best people, and foster a meritocratic environment, where everyone has the opportunity and support to reach their full potential.

Drive

Drive is our global internal diversity and inclusion network, run by our employees and sponsored by the senior management team. Drive is designed to inform, support and inspire our people. The network's mission is to advance Man Group's efforts in promoting inclusion and valuing diversity in all its forms, including gender, sexual orientation, ethnicity and disability. Its activities include events, training, resources and peer engagement across the firm. We also conduct diversity training at the senior management level. We believe that through creating a collaborative, supportive environment, where diversity is celebrated and individuals are empowered to achieve their potential, we can ultimately deliver the best solutions for our clients.

Flexible working

We offer flexible working arrangements for all staff and we welcome applications from candidates who wish to work flexibly. Flexible working helps ensure that we support employees with balancing their external commitments, and with working in the way they find most effective. There are no restrictions on the reasons for requesting flexible working.

Mentoring

We run various mentoring programmes to help people at Man Group achieve their potential. Our female mentoring programme actively identifies high-potential women within the firm, pairing them with mentors from Man Group's Executive Committee to support their professional development, share expertise and act as a senior sounding-board. We also run tailored mentoring for apprentices and those undertaking returnships at the firm following a career break, as well as for under-represented groups including the LGBTQ community, those with disabilities and ethnic minorities.

Carer support

We have a policy in place to support our employees with their family commitments, including caring responsibilities such as parental leave and child care.

Diversity & inclusion events

Through Drive, we run a global programme of diversity and inclusion events. These include regular 'lunch and learn' sessions, hosting external speakers on relevant diversity themes, such as LGBTQ equality, and celebrations of diversity, including our International Women's Day events.

The Man Charitable Trust

The Man Charitable Trust creates opportunities for positive change by giving grants to charitable organisations that promote literacy and numeracy. The Trust also provides opportunities for Man Group's employees to invest their time and expertise in charitable activities and support the causes that are important to them.



LONG TERM RECRUITMENT – ADDRESSING THE DIVERSITY PIPELINE

Our long term recruitment strategy is focused on paving the way for potential future candidates for the financial services and technology industries; our efforts here focus on those in full time education, from school age to university. There is evidence that certain groups self-select away from qualifications in subjects that may more naturally lead to a career in finance and/or technology.

NSPCC Number Day

Sponsored by Man AHL through The Man Charitable Trust, the NSPCC's annual Number Day is the largest nationwide numeracy event for children and young people in the UK. The initiative provides teachers with a wide range of fun, curriculum-focused activities which have been designed to promote enthusiastic attitudes towards numeracy, while encouraging schools to raise funds for the NSPCC.



www.nspcc.org.uk

Diversity-focused graduate engagement

We run recruitment events for under-represented groups in full time education, and work with targeted university networks to enable our success in this area.



Investment management training

Man Group is researching potential partnerships with universities, to launch an investment management 'conversion course' for potential candidates with non-traditional educational backgrounds looking to transition into investment management. We believe this will support our objective to further diversify the candidate pool, as more students with a variety of backgrounds are trained for a career in the industry.

European Girls' Mathematical Olympiad

We are proud to sponsor the UK team at the European Girls' Mathematical Olympiad, an annual international mathematics competition. The team is selected by the UK Mathematics Trust, a charity established in 1996 to advance the education of young people in mathematics.



www.ukmt.org.uk

The Young Women's Leadership Network

Man Group's employees in New York participate in various volunteering programmes with the Young Women's Leadership Network (YWLN), which aims to nurture the intellectual curiosity and creativity of young women by supporting its network of all-girl schools in order to maximise academic achievement, social-emotional wellbeing, and post-secondary success.



www.ywln.org

Summer access programme

We run a summer access programme, focused on school-age female students and those from non-traditional backgrounds, providing work experience during the school summer holidays with teams across Man Group.



SHORT TERM RECRUITMENT – IMPROVING DIVERSITY TODAY

Our recruitment efforts focus on reaching and attracting a diverse group of candidates. In addition to inclusive hiring practices, we engage in partnerships and programmes that provide access to and opportunities for under-represented groups.

Diversity-focused recruitment

Man Group has a diversity recruitment policy in place, which ensures that we have diverse interview panels and candidate lists for roles.



Apprenticeship programme

We run an apprenticeship programme in partnership with City Gateway, a London focused charity that works to transform the lives of children and young people impacted by social and economic disadvantage and exclusion. The apprenticeship offers candidates valuable work experience, which helps them develop their careers, and a number of apprentices have gone on to take up full time roles at Man Group.



www.citygateway.org.uk

MBTN Global (MBTN)

Through our partnership with MBTN, an organisation dedicated to accelerating diversity at UK companies, Man Group is connected with potential candidates in MBTN's global network of bright and high-achieving female and ethnic minority professionals.



www.mbtnglobal.com

Returner programme

Man Group operates a Returner programme, in partnership with Woman Returners, with the aim of tapping into the predominantly female talent pool of professionals seeking to return to work following a career break. We are confident that, with the right support, more highly-qualified women will return to work and progress to or take up senior roles.



www.womenreturners.com

Sponsors for Educational Opportunity (SEO) London

We partner with SEO London, an organisation which works with talented students from ethnic minority groups and disadvantaged backgrounds for career success. Through our partnership, young people supported by SEO London are able to access a range of opportunities across Man Group's talent programmes.



www.seo-london.org

Bright Network

Man Group works with Bright Network, a career network that helps us identify the brightest students from all backgrounds, who may be suitable for career opportunities at Man Group. Bright Network places particular emphasis on ensuring diversity within their cohort as part of their mission to help the smartest students get ahead in their careers.



www.brightnetwork.co.uk



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