

Gender pay gap report

CFC Underwriting Limited
2018



Introduction

At CFC, we are committed to building a culture that promotes equality of opportunity, inclusion and mutual respect. We believe that a diverse workforce is crucial to enhancing performance and the long-term success of our business.

In this report (snapshot as at 5th April 2018), we provide our gender pay gap report information, comment on the key reasons behind it, and outline the actions being taken to close the gap.

The vast majority of organisations do have a gender pay gap, and we are pleased to say that our gap compares favourably with the data published by other businesses, including those of our peers within the insurance industry.

However, we continually strive to be an employer of choice, and are committed to taking actions to address the gender pay gap.

We confirm that the data provided in this report is accurate and in line with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



A handwritten signature in black ink, appearing to read 'Dave Walsh'.

Dave Walsh
Founder & CEO



A handwritten signature in black ink, appearing to read 'Peter Samuel'.

Peter Samuel
HR Director

Gender pay gap reporting

All UK employers with 250 or more employees are required to report their gender pay gap under The Gender Pay Gap Reporting Regulations 2017. The figures in this report are based on the calculations set out in the Regulations and must be reported every year.

About the gender pay gap:

The gender pay gap is the difference in pay/bonus earnings for all men and all women within the Company.

- The **mean** gap number represents the difference in **average** pay between all male and all female employees.
- The **median** gap number represents the difference in pay between the **middle point** of all male employees, and the **middle point** of pay for all female employees.

Gender pay gap reporting does not measure equal pay (relating to what men and women are paid for performing equal work).

The principle of equal pay is a legal UK requirement and CFC is committed to meeting its equal pay obligations, and to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, disability or gender reassignment.

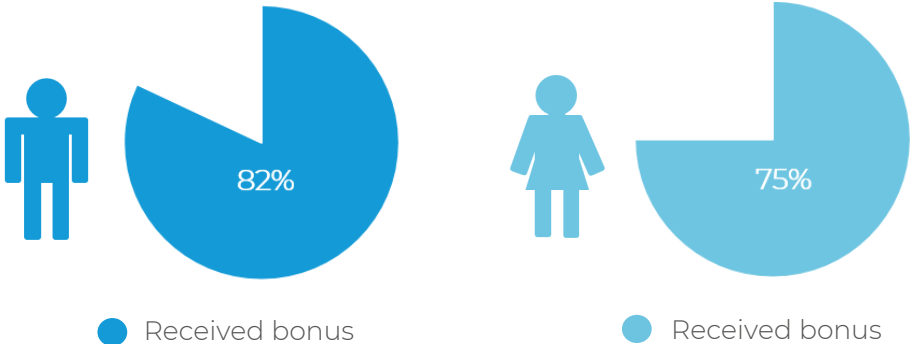
Our numbers

Mean and median pay and bonus gap

	Mean	Median
Gender pay gap	17.3%	10.4%
Gender bonus gap	59.9%	16.7%

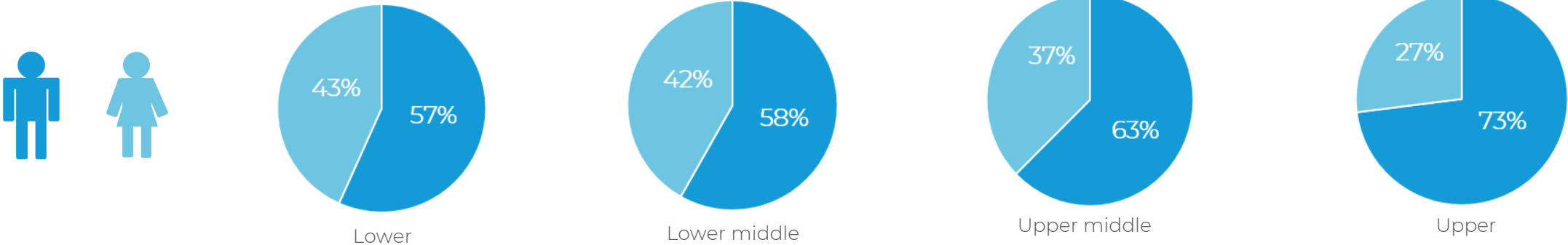
reporting period 2017-18 (snapshot as at 5th April 2018)

Proportion of employees who received a bonus



The Company has a single bonus scheme which is open to all its employees. In each year, some employees will join after the cut-off date for bonus eligibility.

Male and female employees by pay quartile band



Our findings

We are pleased to say that we have a smaller gender pay gap than many other organisations including those within the insurance industry, but we recognise that our data shows we have work to do in order to close the gender pay and bonus gap and to redress the gender imbalance.

Gender pay gap drivers

- We have a 17.3% mean and 10.4% median gender pay gap.
- We have a lower representation of females in our upper salary quartile because we employ more men in senior management and executive roles. Our data shows a 27% female and 73% male representation in the upper quartile which is a key driver to our gender pay gap.
- We have no female representation at executive level, and this also has a significant impact on our gender pay gap.

Bonus pay gap drivers

- We have a 59.9% mean and 16.7% median bonus pay gap.
- The gap relates to the structure of our bonus scheme, where bonus potential is highest for those employed within executive and senior management level roles. The higher number of men in these roles, and no female representation at executive level is a key driver for the gap.
- The structure of our bonus scheme also means that junior level roles have a lower bonus potential than more senior roles in the upper middle and upper salary quartile (which command higher bonuses) and where there is higher male representation.

Closing the gap

What we have done already

Investment in new senior roles and female talent during 2018

- We appointed our first Marketing Director (Katherine Nellums) to strengthen our senior operational management team.
- We made some exciting new management level appointments with female talent across all areas of the business which included two Compliance Managers, Marketing Manager, Events Manager, Recruitment Manager, Learning & Development Manager and a Claims Operations Manager.

Reviewing our family friendly policies and benefits

- This resulted in improvements to our enhanced pay component for both maternity and paternity policies and benefits.

Investing in our in-house recruitment capabilities to improve our hiring practices and approach to hiring new and diverse talent

- Updating and improving our recruitment policy and practices for both internal and external recruitment.
- Improving our recruitment processes and ability to attract new talent and with a focus on building a diverse workforce at CFC.



What we are doing in 2019

We will be delivering new initiatives to improve our ability to attract, develop and retain a diverse workforce and redress the gender imbalance

Leadership development

- We are investing in a management training programme to support individuals moving into and developing within team management roles.
- CFC is committed to developing more females into senior roles and participating in the Lloyd's Advance Programme that is focused on women in leadership roles within the insurance market.

Career progression

- We are committed to supporting the professional growth and career development of our employees, and committed to developing more females into key and senior roles across the organisation.

Recruitment

- We will continue to focus on diversity and achieving a gender balance when hiring new talent. We are asking our recruiters to target a 50/50 gender split of candidates for all open positions.

Employee benefits

- We will continue to review our family friendly policies and staff benefits to further improve our employee value proposition.

Mentoring programme

- Re-launching our internal mentoring programme to support people reach their full career potential and drive more female representation into key and senior roles at CFC.