

# 2019 Gender pay gap report

CFC Underwriting Limited

We're on a mission to radically simplify the way business insurance is bought and sold.



# Introduction

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

In this report (snapshot as of 5<sup>th</sup> April 2019), we provide analysis of our gender pay gap information and comment on the key reasons behind it, outlining the actions being taken to close the gap.

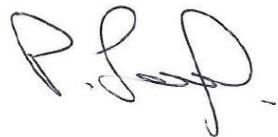
The vast majority of organisations do have a gender pay gap, and we are pleased to say that our 2019 gap compares favourably with the data published by other employers, including those of our peers within the insurance industry.

This is our second year of reporting and we remain committed to taking actions that address the gender pay gap.

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



**Dave Walsh**  
Founder & CEO



**Pete Samuel**  
HR Director

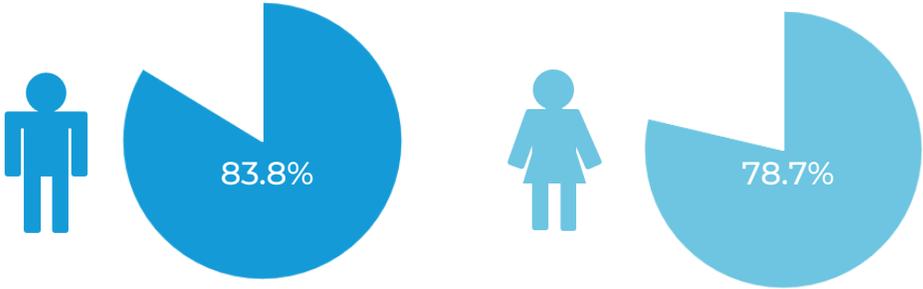
# Our numbers

## Mean and median pay and bonus gap

	Mean	Median
Gender pay gap	20.3%	18.2%
Gender bonus gap	60.0%	25.0%

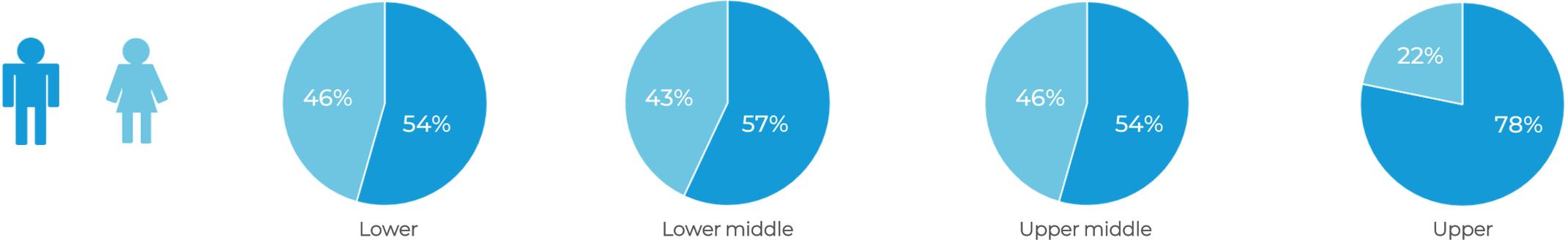
reporting period 2018-19 (snapshot as at 5th April 2019)

## Proportion of employees who received a bonus



CFC operates a single annual performance bonus plan. This is open to all of our employees. In each year, some employees will join after the cut-off date for bonus pay eligibility.

## Male and female pay quartiles



# Our findings

Whilst we are pleased to report a smaller pay gap than many other employers within our sector, we acknowledge there is work to do in closing the gender pay gap. We have more men than women in senior higher paid roles and we know that it will take some time to redress the gender balance at the top. Women now make up 33% of our senior positions and 41% of our overall workforce.

We saw an increase in female representation in our upper middle pay quartile (up from 37% to 46%). We improved our family friendly policies to drive more diversity in hiring and retain people. We continue to target a 50:50 gender split of applicants for open positions. This is important for specialist IT roles that have been historically male dominated, where we want to encourage more women to apply.

## Gender pay gap

- Our mean gender pay gap increased 3% (from 17.3% last year) to 20.3%. In 2018-19 we made several key senior appointments of men at ExCo and C-level to support our long-term plan, which had a negative impact on our gender pay gap.
- We still have a lower representation of females in our *upper salary* quartile where we employ more men in senior higher paid roles. This is reflected in 22% female and 78% male representation. We have more to do to increase the number of women in our senior higher paid roles, and also within Information Technology where women currently represent 25% of our IT headcount.

## Bonus pay gap

- The higher representation of men in our most senior roles with higher variable pay is the key driver for our bonus gap. We have six executive directors with no current female representation on the Board level. Recruitment of women for our most senior roles has been a challenge, where bonus pay is highest and remains a challenge for our organisation and the insurance industry.
- The structure of our bonus plan also means that junior level roles have a lower bonus potential than our most senior roles. Like many organisations in our sector, we have to pay higher performance bonuses to recruit senior roles that have a higher representation of men.

# Closing the gap

## What we have done already

### Leadership development programme

- We have invested significantly in leadership development for our entire leadership and management team. This included first line managers, team leaders, practice leaders, the ExCo and executive directors.

### Lloyd's Advance Programme (2019)

- We are proud to have participated in the first Lloyd's Advance Programme (for women in leadership roles) and will continue to support the programme ongoing.

### Improving family friendly policies

- We improved our family friendly policies in 2019, extending the period of full pay for women on maternity leave from 18 weeks to six months.

### Recruitment and diversity

- We expanded the size of our in-house recruitment team to bolster our capabilities to attract talent and drive more diversity into our hiring processes. Women now make up 41% of our workforce.

### Mentoring programme

- We re-launched our internal mentoring programme to support people at all levels of our business to reach their full potential and develop into key and senior roles.

### Culture: dress for your day

- We introduced a smart casual dress code (dress for your day) which allows our people to express their diversity and personality more in the workplace.



## What we are doing

### Investing in leadership development

- We continue to invest in our leadership and management team through our partnership with Franklin Covey, a global leadership development specialist.
- We believe this programme supports women developing into in leadership roles at CFC and supports our succession planning for our most senior roles.

### Professional training and development

- We continue to promote personal and professional development at CFC and fund 100% of professional qualifications costs for our eligible employees.

### Improving recruitment processes

- Through our talent acquisition team, we continue to focus on diversity in our hiring processes and new ways to attract diverse talent into the business.
- We continue to target a 50:50 gender split for applications when hiring, and are investing in interviews skills training for hiring managers. We are also looking at ways of eliminating unconscious bias from our hiring and selection processes.

### Evolving our employee benefits offering

- CFC will continue to review its family friendly policies and approach to flexible and agile working to further evolve our employee value proposition.
- We continue to focus on promoting a healthy work-life balance for our people and providing regular mental health and well-being workshops for our people.

# 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.