

BRIT



Gender Pay Gap
Report 2017

SEEING THE DIFFERENCE **MAKES THE DIFFERENCE**

Introduction from Matthew Wilson, Group CEO at Brit Ltd

I am pleased to introduce Brit's first Gender Pay Gap report. Diversity and equal opportunity lie at the heart of Brit's culture, from how we engage with colleagues, partners and clients to how we approach strategy and business goals. We welcome the opportunity to publish this report and the move towards greater transparency and accountability in how companies pay men and women respectively.



As CEO of Brit I am proud of our culture and our way of doing things. I am confident that we are an organisation that does not just speak about diversity, but acts in a way that upholds our values. Embedded in our culture is breaking down barriers to foster an organisation which offers everyone the same opportunities.

In publishing our report we are aware that our gender pay gap needs to be reduced. Whilst we are fully confident that our pay is equal for men and women working in comparable roles, our gender pay gap highlights there are improvements to be made and myself and the Board have made a firm commitment to make this a core priority for the organisation.

This report's data is based on our UK employees, however our commitment is to all our people, irrespective of geographical location.

Our findings are laid out below.

Matthew Wilson, Group CEO

Brit Ltd's 2017 Gender Pay Gap Report

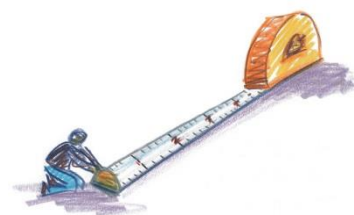
From April 2018, employers with 250 or more employees are required to publish a report showing the pay gap between male and female employees.

Brit welcomes this as a hugely important step in promoting equality and diversity across the group. We are an organisation that is committed to providing a transparent, fair and inclusive workplace that gives equal opportunities to everyone who works for us.

Our results are based on the statutory calculations issued by the UK government which we are required to publish and disclose, without exception, about our people.

We have reported a mean gender pay gap of just under 32%, which we understand is at a similar level to our industry peers.

While we are undertaking a range of initiatives to improve this, we are confident that, when comparing what male and female employees are paid when performing similar roles, we have no issue with equal pay. However, we have undertaken extensive work to understand what is driving our gender pay gap.



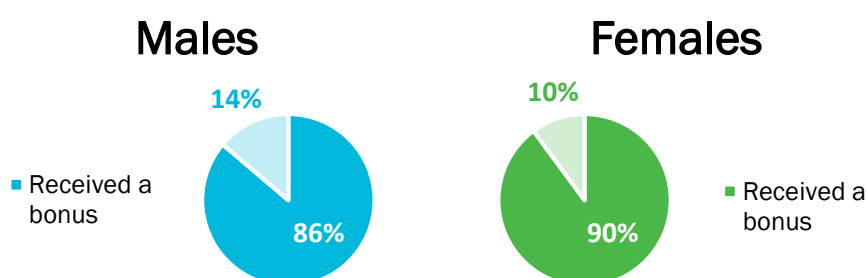
Data Reported to the Government Equalities Office

Our Gender Pay Gap:

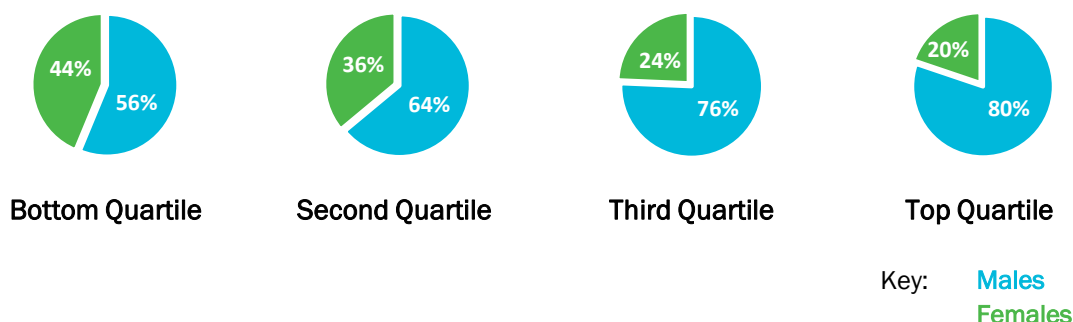
	Difference between men and women	
	Mean	Median
Pay gap in favour of men	31.7%	31.2%
Bonus gap in favour of men	64.1%	56.3%

The gender pay gap is calculated by comparing the mean and median hourly rates of men and women as at April each year. The gender bonus gap is calculated by comparing the mean and median bonus payments received by men and women over a 12 month period.

Proportion of males and females receiving a bonus payment:



Proportion of males and females in each pay quartile:



As with many organisations in financial services, we typically have more male employees in senior roles than female employees. This has, in turn, driven the gender pay gap seen in the numbers we have reported above.

As part of our review, we wanted to understand how our gender pay gap looked on a like-for-like basis, comparing those in similar roles. The most effective way for us to do this was to compare average salary across bonus range, which is deemed to be the best proxy for 'like for like' roles.

At Brit, when looking at our bonus range they contain a variety of roles across all Business Areas. Because of the diversity of roles within the ranges we would not expect to see matching average salaries, but our analysis indicates that roles with comparative seniority have a much smaller pay gap and in fact the gap favours women in two of the ranges. Of the ranges which favour men, three ranges have a gender pay gap of less than 4%.

Similarly, bonus payments to eligible individuals in the same ranges during our last compensation review show a much more positive picture than the required government statistics. The bonus gap favours women in three of the top four ranges. Indeed, in one range the gap is 24% in favour of women.

Summary

Whilst we were encouraged to find a far smaller, and in some cases reversed, gender pay gap when comparing roles of comparative seniority with regards to salary and bonus payments, we recognise there is still work to do to encourage and promote more women to senior roles.



We are already monitoring pay, bonus and career progression amongst our people to ensure that all employees, irrespective of gender, are actively supported in reaching their full potential on the basis of skill and personal development.

In addition to this we always benchmark the total compensation parameters of all our job roles against our peers. We are wholly focussed on valuing our talent and paying the market rate for the skills and expertise of the individual, irrespective of gender.

In 2017 we held our first 'Celebrate the Difference' Week which covered sessions on Resilience and Mindfulness, Unconscious Bias as a Barrier to Diversity and Inclusion and Driving Business Success through Inclusive Behaviour. The week's focus was on individuals making a personal difference both to themselves and others by working inclusively to understand the positives that arise from businesses who have diverse and inclusive employee populations.

We are also actively committed to a range of industry initiatives to improve diversity. Brit is part of the *Inclusion@Lloyd's Group*, has signed the *Diversity and Inclusion Charter* and is a member of *The Women's Insurance Network (TWIN)*.

We still strive to do more to reduce our gender pay gap and are already taking steps to do so by:

- Continuing to work with recruitment suppliers and hiring managers to always include diversity in our hiring processes, talent attraction and interview methodology.
- Ensuring robust procedures are in place to review talent and succession planning on a twice yearly basis and to identify opportunities and development for all employees irrespective of gender.
- Reporting annual pay and reward proposals at gender and job role level for executive review for all our people.
- Carrying out annual diversity reviews including equal pay audits.
- Providing flexible working opportunities for all our employees as well as enhanced company maternity/ paternity/parental/adoption leave.

We are committed to keeping you updated on our progress.

I confirm that the published information is accurate.

Matthew Wilson, Group CEO