



COMMITMENT TO DIVERSITY & INCLUSION

A diverse workforce and inclusive workplace are core to Chaucer's values and integral to our culture and strategy. They provides us with better views and insights into our customers' needs, helps us make better decisions and enable us to deliver superior solutions.

John Fowle, CUO & CEO Chaucer

CHAUCER'S MEAN AND MEDIAN GENDER PAY GAP

Chaucer's mean gender pay gap is **39.5%** being the difference in average hourly rates of pay that male and female employees receive. The mean UK National gender pay gap is **17.4%*** and the mean gender pay gap for the Financial and insurance activities sector is **35.1%***

Chaucer's median pay gap is **33.0%** being the difference in the midpoints of the ranges of hourly rates of pay for men and women by ordering rates of pay by lowest to highest and comparing the middle value. The median UK National gender pay gap is **18.4%*** and the median gender pay gap for the Financial and insurance activities sector is **35.6%***

Source: 2017 Annual Survey of Hours and Earnings, Office for National Statistics

MEAN
39.5%
MEDIAN
33.0%

CHAUCER'S MEAN AND MEDIAN GENDER BONUS GAP

Chaucer's mean gender bonus gap is **72.1%** being the difference in average bonus pay male and female employees receive.

Chaucer's median bonus gap is **34.9%** being the difference in midpoints of the ranges of bonus pay received by men and women.

The Chaucer bonus awards are paid based on the Chaucer's performance and individual staff performance. Bonus awards are made irrespective of gender.

MEAN
72.1%
MEDIAN
34.9%

WHAT IS DRIVING OUR GENDER PAY GAP?

It's not unequal pay that's driving our gap because we regularly review all employees' pay and our pay policies to ensure we offer equal pay for equal work, regardless of gender.

The underrepresentation of women in the workforce, plus even higher levels of gender imbalance in senior roles is a challenge facing the country, the financial services industry and Chaucer. This is the main reason the gender pay gap exists. We know we need to do much more work to get this right.

WHAT ARE WE DOING TO REDUCE OUR GENDER PAY GAP?

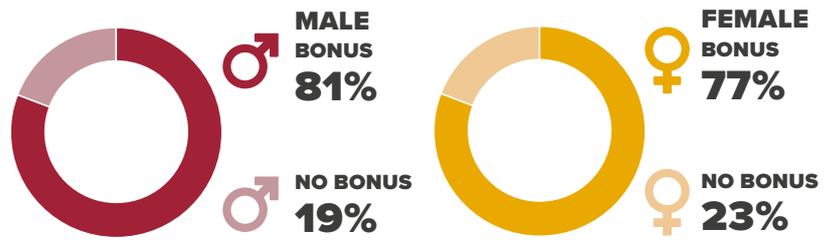
We are taking a number of steps to improve gender equality including:

- continued development of gender inclusive policies to help build a more inclusive workplace culture
- even greater inclusivity in our attraction, hiring and promotion practices
- a focus on career progression through coaching, mentoring, training and supporting our working families, embracing flexible working through our "Better Ways of Working" programme and building inclusive management and leadership skills
- introducing better ways of monitoring of our progress in ensuring equal opportunity in all aspects of employment

PROPORTION OF MALES AND FEMALES RECEIVING A BONUS

The chart shows that **23%** of women and **19%** of men did not receive a bonus in the year up to April 2017. However, this is because the data includes a number of fixed term contractors who are not part of the bonus scheme, and a number of new joiners who joined after the end of the performance year.

All permanent employees are eligible for a bonus in the year up to April 2017, 100% of women who were eligible received a bonus.



PAY QUARTILES IN CHAUCER

There is roughly equal balance of male and female employees in the lowest pay quartile although the gap widens in the lower middle quartile. The proportion of male and female employees in the upper middle quartile reflects the gender split within Chaucer. However, there is a much higher proportion of males in the upper quartile.

UPPER QUARTILE



UPPER MIDDLE QUARTILE



LOWER MIDDLE QUARTILE

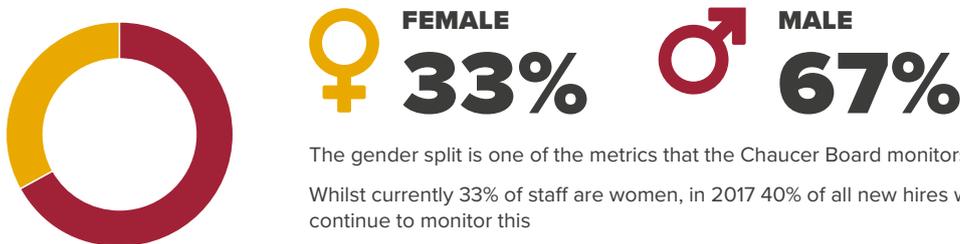


LOWER QUARTILE



■ MALE ■ FEMALE

CHAUCER'S UK EMPLOYEES



The gender split is one of the metrics that the Chaucer Board monitors annually.

Whilst currently 33% of staff are women, in 2017 40% of all new hires were women which is a positive step and we will continue to monitor this.

GENDER PAY GAP REPORTING

Commencing April 2017, gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

Employers are required to report the statistics on both their internal website, and to the Government using the HMRC gender pay gap reporting service. All information can be found by visiting <https://gender-pay-gap.service.gov.uk/Viewing>

The mean and median gender pay gap is based on hourly rates of pay as at 5th April 2017. The mean and median gender bonus gap considers bonus pay received in the 12 months leading up to 5th April 2017.

Gender pay gap reporting is intended to measure the difference between men and women's earnings in an organisation irrespective of roles and seniority. This is different to equal pay, which is the legal obligation for employers to give men and women equal pay for equal work. At Chaucer men and women are paid equally and fairly for the work that they do.

FURTHER INFORMATION ON GENDER PAY GAP REPORTING AND EQUAL PAY:

Government Gender Pay Gap Reporting : <https://gender-pay-gap.service.gov.uk/Viewing>

Equality Act 2010: <https://www.legislation.gov.uk/ukpga/2010/15/contents>