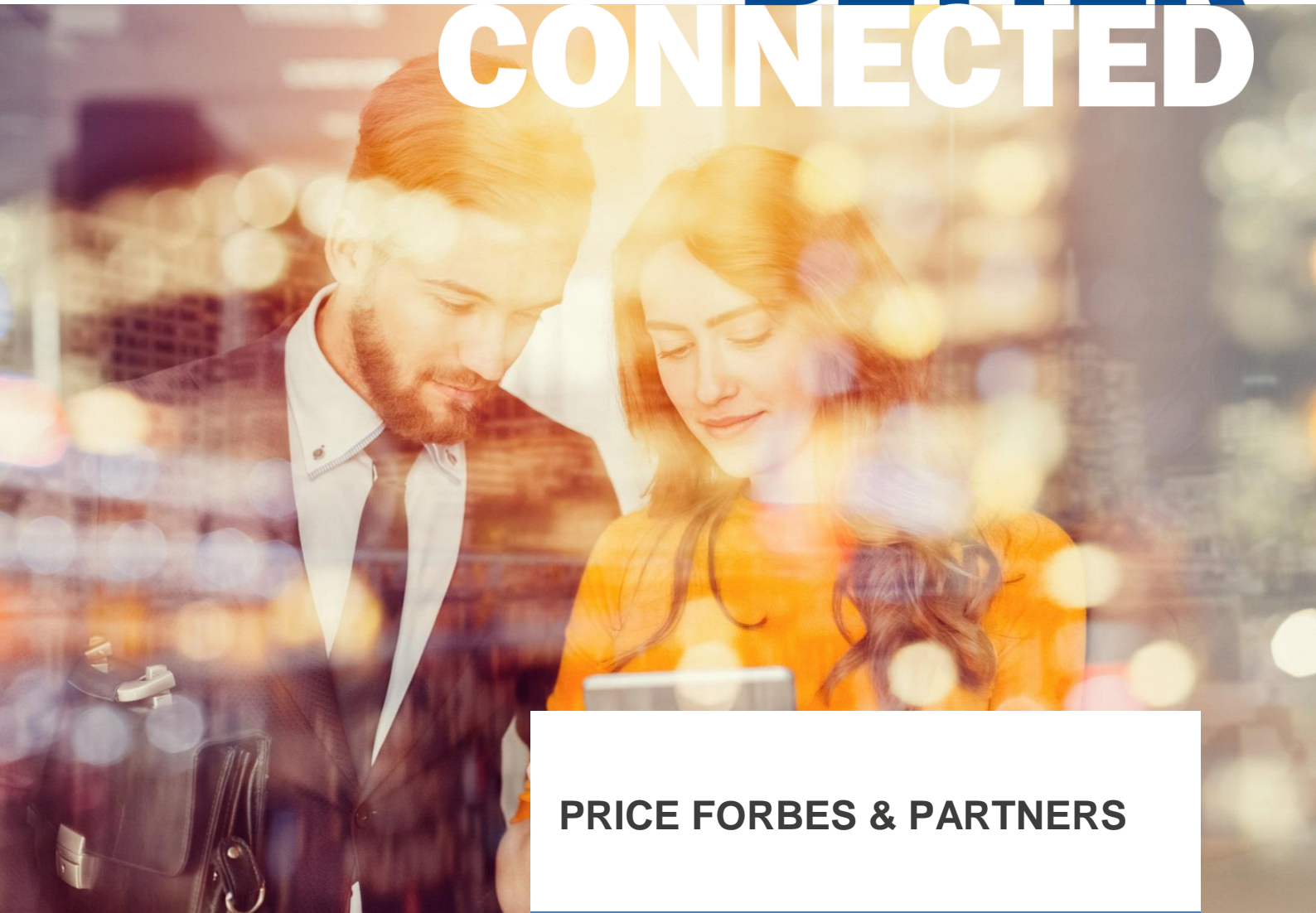




PRICE FORBES

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PRICE FORBES & PARTNERS

GENDER PAY GAP REPORT 2018

APRIL 2019

Price Forbes is an independent specialist global wholesale insurance broker with offices in Bermuda, Brussels, Chile, Dubai, London, Malaysia and South Africa.

We have had over 11 successive years of growth, placing risks for large national corporations, SMEs, start-ups and, in particular, non-standard risks for large multinational companies. Our team of experts works closely with clients ensuring they are aligned with the best markets, people and products available to achieve the right solution.

UNDERSTANDING THE GENDER PAY GAP

Under new legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap data annually.

A gender pay gap is a measure of the difference in the average pay of all men and all women in an organisation, regardless of the roles they do. **It is not the same as an equal pay comparison**, which directly compares the pay of two or more people carrying out the same jobs, similar jobs or work of equal value.

Employers are required to publish the overall mean and median gender pay gaps, the difference in mean and median bonus payments paid to men and women, the proportion of male and female employees that received a bonus, and the gender distribution across the pay quartiles.

The calculations make use of two types of averages:

- A *mean* average involves adding up all the numbers and dividing the result by how many numbers were on the list. This average places the same value on every number and therefore can be easily distorted by a small number of very high or low earners.
- A *median* average involves listing all of the numbers in numerical order and taking the middle number. This indicates what the 'typical' situation is, as extremes of low and high pay do not affect the median.

The following findings are based on all employee data as at 5th April 2018, containing 413 employees (30% females and 70% males).

PRICE FORBES HOURLY PAY RATE GAP



Our mean hourly rates are currently favouring male employees by 55% and we are aware this is significantly above the national mean of 17% (according to the Office of National Statistics 2018).

Similarly, the median hourly rates are currently favouring male employees by 53%, again significantly higher than the national median of 18%.

This is due to the high percentage of men employed by Price Forbes (currently 72% of the workforce is male). There is also an over representation of male employees in the top two pay quartiles, set out on page 5.

Difference between men and women		
Fixed hourly pay rate gap	Mean	Median
	55.14%	52.67%

When we consider a year-on-year comparison between 2017 and 2018, we see a positive trend in the form of a narrower hourly pay gap at the median, with a marginal increase at the mean.

Median gender pay rate gap	2018	2017	 <p>-4%</p>
	52.67%	57.00%	
Mean gender pay rate gap	2018	2017	 <p>2%</p>
	55.14%	53.00%	

PRICE FORBES BONUS GAP & BONUS PARTICIPATION

The bonus gap at Price Forbes is currently favouring male employees at the mean by 62% and at the median by 73%. However, an equal proportion of male and female employees are receiving a bonus, although the men who receive a bonus tend to be receiving larger payments on average compared with the women who receive a bonus.

An analysis shows that the higher proportion of men in senior roles is a key driver of our bonus pay gap (see 'Gender distribution by pay quartiles' on page 5). A second factor is the take up of part-time working opportunities by men and women. We are proud of the flexible working opportunities we offer to men and women at all levels of our organisation, enabling them to balance their work and other commitments. Whilst many men are taking up the opportunity to work flexibly, the majority of part-time opportunities are taken up by women. Employees who work reduced hours receive pro-rata bonuses reflecting the hours they work and this in turn is reflected in our gender bonus gap.

Difference between men and women		
Bonus pay gap	Mean	Median
	62%	73%

Proportion of men & women receiving a bonus



87% received a bonus, 13% did not



87% received a bonus, 13% did not

When we compare 2018 with 2017, we see a positive trend in the form of a narrower median gender bonus gap (with a marginal increase at the mean) and, encouragingly, increased bonus participation for both males and females.

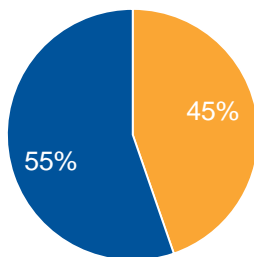
Median gender bonus pay gap	2018	2017	↓ -7%
	73.33%	80.00%	
Mean gender bonus pay gap	2018	2017	↑ 1%
	62.19%	61.00%	
Males receiving bonus	2018	2017	↑ 0.5%
	87.45%	87.00%	
Females receiving bonus	2018	2017	↑ 3.7%
	86.67%	83.00%	

PRICE FORBES GENDER DISTRIBUTION BY PAY QUARTILES

An analysis shows that our gender pay gap is largely driven by the higher proportion of men in senior roles, and conversely the higher proportion of women in more junior roles.

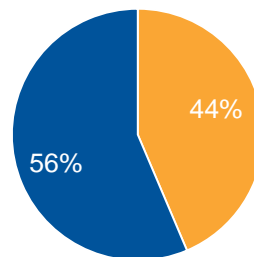
When we observe the distribution of female and male employees within the quartiles, as shown in the pie charts below, we can see that female employees are well represented in the first two quartiles and significantly under-represented across the top two pay quartiles. This is a good visual representation of the reasoning behind the findings on mean and median gender pay hourly rates and also bonus payments.

A(Q1)



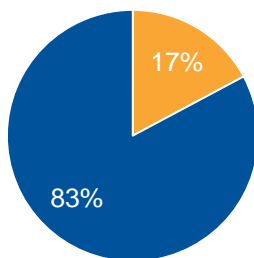
Female Male

B(Q2)



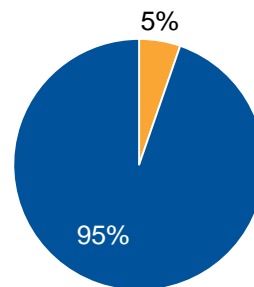
Female Male

C(Q3)



Female Male

D(Q4)



Female Male

WHAT ARE WE DOING ABOUT IT?

At Price Forbes we embrace and respect diversity in all its forms. We also recognise our gender pay gap is not where we would like it to be and we remain committed to doing what we can to address the issue.

- We continue to provide and enhance our flexible working policy, enabling both men and women to strive for a happy work life balance
- We offer Enhanced Maternity Pay
- We commit to the development of future senior female leaders throughout the business. In 2018, several female members of staff underwent the following training:
 - Extraordinary Leaders Programme
 - Women in Leadership Programme
 - LMA Academy Inspirational Leadership Programme
- Our recruitment strategy continues to be focused on hiring the best talent in the market, regardless of gender or any other characteristic. Our people come from many different types of backgrounds and we pride ourselves on their expertise and diversity.



James Masterton, Chief Executive Officer