

Gender Pay Gap *Report 2019*



This report details our
April 2018 to April 2019
results and focus areas to
ensure gender equality.



1ST CENTRAL is a business name used by First Central Insurance Management Ltd which is authorised and regulated by the Financial Conduct Authority.



Welcome to our Gender Pay Gap Report 2019



Introduction & commitment

We're committed to creating an inclusive workplace culture where everyone can reach their full potential. The transparency and accountability that gender pay gap reporting brings is crucial in driving greater equality in the workplace.

When it comes to progression and opportunity at 1ST CENTRAL, we're proud that ability is the only factor. And although we do have a gender pay gap, we're focused on making the right strides to eradicate it.

"Here at 1ST CENTRAL, we're firm believers that talent comes in all shapes, sizes and colours, and as a result, is a key driver to our success."

"We continue to focus on improving the gender balance across the company, as we believe that everyone should have the opportunity to fulfil their potential; achieving greater gender balance across 1ST CENTRAL will help us and our people succeed."

"Our goal is for 1ST CENTRAL to continue to be a workplace where everyone knows they can thrive; helping colleagues lay and build upon the foundations for a long and prosperous career."

Jo McGowan
HR Director

What is the gender pay gap?

As part of new legislation that came into effect in April 2017, all UK-based companies employing over 250 people must report their gender pay gap.

Gender pay gap

The gender pay gap is a measure of the difference between the average earnings of both males and females across a company.

The gender pay gap is not the same as unequal pay.

Equal pay

Equal pay is about men and women receiving the same wage for the same job, or for work of equal value.

At 1ST CENTRAL, equal pay isn't just a legal requirement, it's also a moral issue. We believe that everyone should be paid equally for positions across the business, regardless of gender.

It's important to us that salary and broader remuneration is benchmarked against the position itself, reflecting market rates, as well as the value the role brings to our business.

"We believe that everyone should be paid equally for positions across the business, regardless of gender."



How is our gender pay gap calculated?

Mean gender pay gap

The mean gender pay gap is calculated by adding together the total hourly rate for all females, then dividing that figure by the total number of female colleagues. The same is then done for all male colleagues. The mean gender pay gap shows the difference in the average hourly rate between the two.

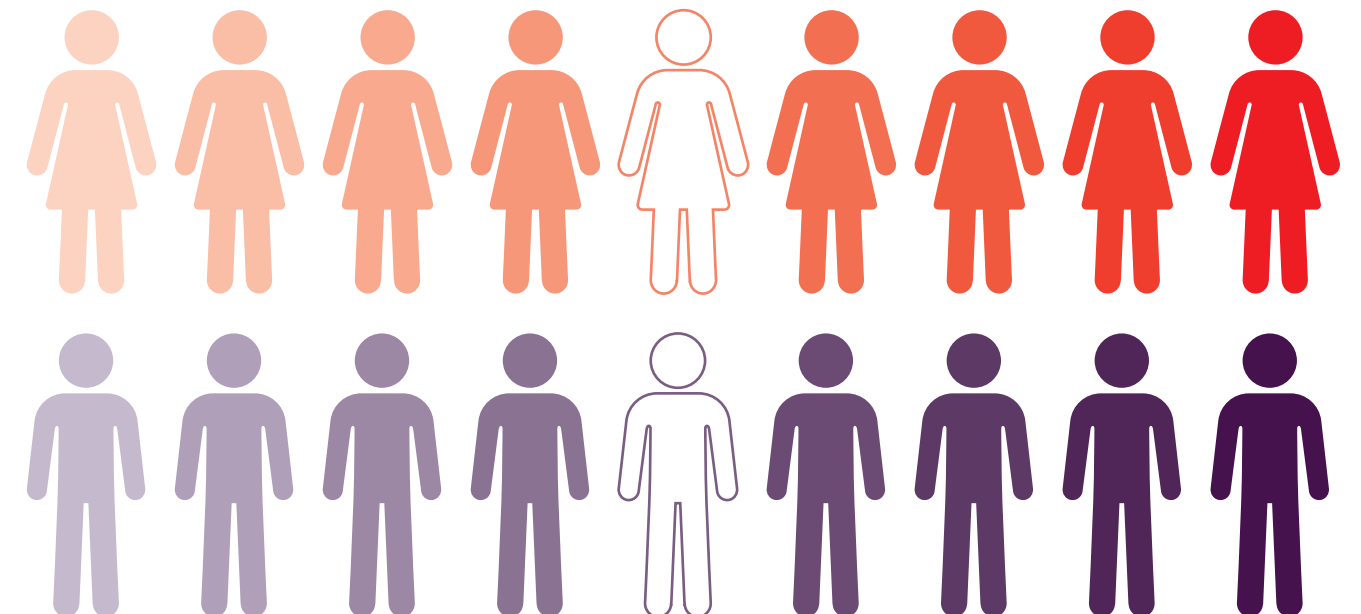
Median gender pay gap

If all colleagues were lined up into male and female lines in order of pay, from lowest to highest, the median pay gap compares the pay of the female in the middle and the male in the middle of each line.

LOWEST PAID

THE MEDIAN

HIGHEST PAID



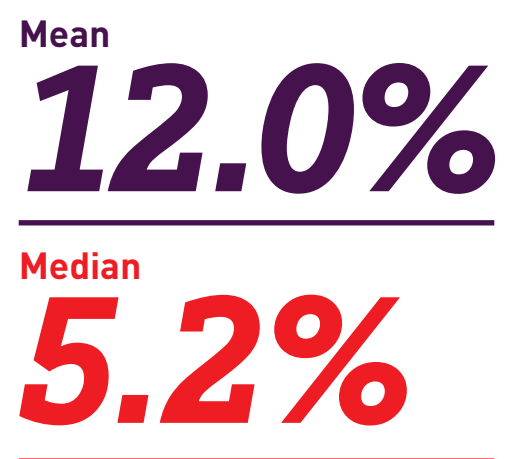
Our numbers

Gender pay gap

At 1ST CENTRAL our gender pay gap currently sits at 12%.

This is below average for the Financial Services industry (32.7%), according to the Office for National Statistics in October 2019.

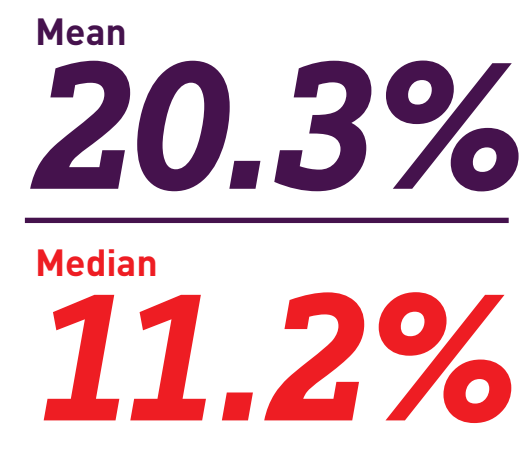
Whilst this has increased from last year, we maintain committed to recruiting, developing and rewarding females within our company and have a number of programmes in place to support this.



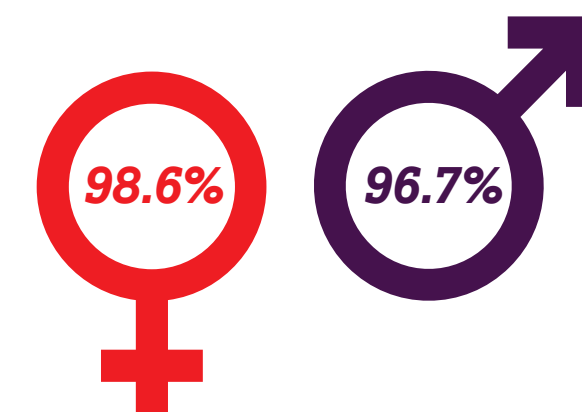
Gender bonus gap

The gender bonus gap is defined as the difference between the mean or median annual bonus figure that male and female colleagues received in the year to 5th April 2019.

During this period, 1.9% more females received a bonus than males, with a mean bonus pay gap of 20.3%, which is significantly below the Financial Services average of 67%.



Percentage of males and females receiving a bonus



Why do we have a gender pay gap?

Whilst we're aware that we still have a gender pay gap, we're confident that equal pay is not the driver of this.

Our salary benchmarking process measures the relative value of all roles within our business, thereby striving to eliminate any gender bias in our pay structure.

We're committed to conducting annual pay reviews, taking swift and corrective action to address any inequality that is highlighted, and we're therefore confident that everyone is rewarded equally for equivalent roles across our business.



Upper Quartile

64.0%

36.0%

Upper Mid Quartile

65.9%

34.1%

Lower Mid Quartile

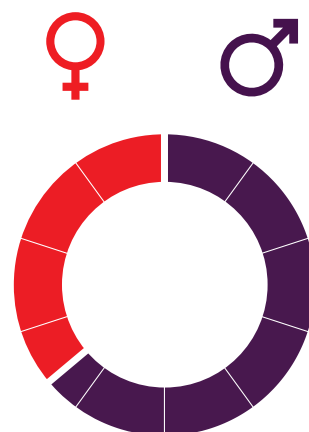
50.0%

50.0%

Lower Quartile

56.2%

43.8%



Higher proportion of males in senior positions

We believe that our gender pay and bonus gap reflect the gender profile of our workforce; the number of males at 1ST CENTRAL is greater (59%) than the number of females (41%), and our pay quartiles reflect this.

As a result, we have a larger proportion of males (63.5%) in more senior positions that typically attract higher salaries.

Last year we promoted two female Heads of Departments into Director positions and we continue to provide structured development and support to our female leaders across First Central (the group).

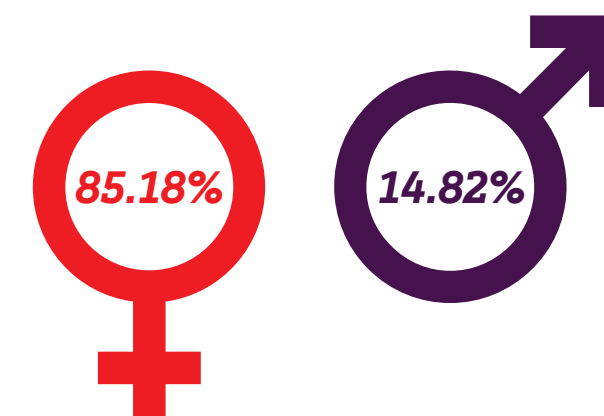
This male dominance in the higher quartile is consistent with the Financial Services industry, but we're making headway in further improving diversity through our leadership programme, ALP –Achieving Leadership Potential – and the continued development to our female population at all levels.

Higher proportion of women who work part-time

We promote flexible working to enable our people to work the hours that suit their lifestyle wherever possible, as we understand that 9-5 doesn't suit everyone.

10.92% of our colleagues work part-time, of which 85.18% are women.

Percentage of females to males working part-time through flexible working



Our next steps

Although our gender pay gap is below the industry average, we'll continue to galvanise change within the company. In order to achieve gender equality in the workplace, we remain focused on three key areas:



Attracting the right people

We realise that if we're to reach our full potential as a business, we need to attract the best talent and build a culture where everyone feels that their voice is heard, regardless of gender, age, race, ethnicity, disability, sexuality or background.

● Women in Finance Charter

We firmly believe that a diverse workforce gives us a range of different experiences, views and ideas, which improves our decision making, enhances our reputation and helps to attract and retain the right people. All of these things are key to our future success.

With that in mind, we've signed up to the HM Treasury Women in Finance Charter, which will cement our desire to support the development of female leaders within the company.

Developing and retaining our people

It's important to us that we not only attract the best people, but we're able to keep them too. We're proud to say that across the group, we have a retention rate of 84.6%, with more than 165 colleagues enjoying five or more years with us, 11 of which have been with us since our first year of business in 2008.

In our recent colleague survey, 71% of our colleagues stated that they plan to still be working for the company in three years' time.

We're always looking at new ways to help our people grow, which is why we place such a great emphasis on people development.



● Learn while you work

We know that if we want to continue to evolve, our people need to evolve with us, which is why we're proud supporters of our colleagues and encourage them to take on further qualifications.

In 2019 alone, we supported 163 colleagues in gaining access to further education, whether that was a day course or a year-long course. We make sure that no matter which department they work in, there are always opportunities for our people to continue to learn.

● Leadership Development

In 2018 we launched our leadership development programme for all colleagues, no matter where they are on their leadership journey. Achieving Leadership Potential (ALP) is a programme that will enable our people to enhance their own skills and behaviours in order to become an effective leader.

Since its launch, we've had an uptake of 43.75% female and 56.25% males. What's more, in our top tier of the programme, Elevating Leadership, we have almost a 50:50 split (53.84% to 46.16%), demonstrating our desire to increase the number of females in senior positions within the company.

Continuously evolving our culture

In order to galvanise change and close our gender pay gap, we need to continuously make changes to improve our culture for everyone. Over the years, we've introduced a number of initiatives to help create an inclusive culture where everyone can thrive.

● Flexible working

Each person has different needs, which is why we try and be as flexible as possible when it comes to working here; whether this involves working part-time, job shares compressed hours or any other flexible working arrangement. We believe that our colleagues should be able to have a working arrangement that works for them.

● Equality & diversity

We want our company to be a place where everyone feels comfortable to be themselves. That's why we're investing in our equality and diversity programme to put more measures in place to support the LGBT, ethnic and disabled communities within the company.

● Wellbeing

Wellbeing is high on our agenda, and to ensure we're doing what's best for our colleagues, we introduced a new Wellbeing team in 2019, to focus on creating a happier and healthier place to work. We also rolled out Mental Health First Aid training to a team of colleagues across the business.

● Reboarding

Returning to work after being away for a while can be a stressful experience. That's why we launched our Reboarding programme in September 2018. Whether it's returning after having a child or after a long period of sickness, we understand the range of emotions coming back to work can bring, and our programme (for the returner and managers) aims to ensure a smooth transition back to work, while being mindful of the juggling and balancing act required.

● Health Cash Plan

The health of our colleagues is important to us. Therefore, last year we introduced a new initiative that enables our colleagues to claim money back towards everyday healthcare costs, such as dental check-ups, eye sight tests and physiotherapy, as well as a one-off new child payment.

Declaration



"I confirm that our data is accurate and has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations"

John Kennedy, FCIM CEO

