

# ***Gender Pay Gap***

## Report 2020

*This report details our April 2019 to April 2020 results and focus areas to ensure gender equality.*



# Welcome to our **Gender Pay Gap Report 2020**



## **Introduction & commitment**

We're committed to creating an inclusive workplace 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, we're proud of our fair processes, and although we do have a gender pay gap, it's a key area of focus for us and we're implementing lots of positive changes.

“At 1<sup>ST</sup> CENTRAL, we truly believe that our talent is a key driver to our success. We continue to focus on improving gender balance across the company and we believe that everyone should have the opportunity to fulfil their potential. Our goal is for 1<sup>ST</sup> CENTRAL to be a workplace where everyone knows they can thrive; everyone can be their true authentic self and we help our colleagues lay and build upon the foundations for a prosperous career”

## **Jo McGowan**

HR Director

# Gender balance in 1<sup>ST</sup> Central

## Gender pay gap

At 1<sup>ST</sup> CENTRAL our gender pay gap currently sits below the industry average (37.7%) at 16.48%; and is lower than the UK average for all industries (17.3%), according to the Office for National Statistics in October 2019.

Mean

**16.48%**

Median

**7.62%**

## Gender bonus gap

During this reporting period we moved our annual bonus payments from 28th March to 28th April, meaning that these are outside of the reporting window for this year and will therefore be included in next year's report.

Due to this change, and the remainder of payments being one off payments for recognition or referring a friend for employment, this has led to our bonus pay gap appearing distorted at -153.43%.

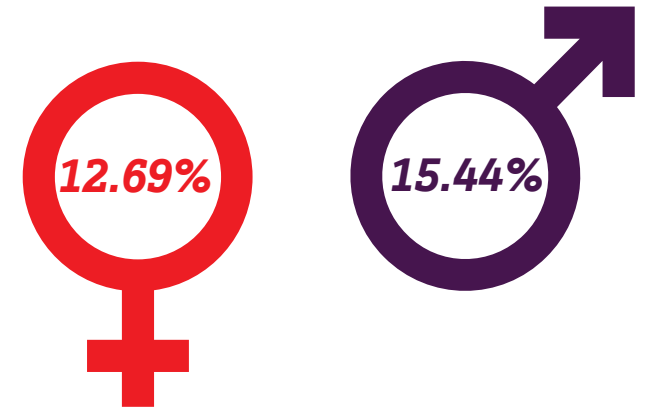
Mean

**-153.43%**

Median

**0%**

**The percentage of females vs males receiving a bonus**



# Understanding our gender pay gap

As we develop a greater understanding of our gender pay gap, we're confident that we're developing significant actions to reduce it. 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, and we're committed to utilising external benchmarks to ensure a fair and consistent process across our business.

Upper Quartile

**67.0%**

**33.0%**



Lower Mid Quartile

**49.0%**

**51.0%**



Upper Mid Quartile

**66.0%**

**34.0%**



Lower Quartile

**58.0%**

**42.0%**



### **Higher proportion of males in senior positions**

We believe that our gender pay gap reflects the gender profile of our workforce; the number of males at 1<sup>ST</sup> CENTRAL is greater than the number of females and our pay quartiles reflect this.

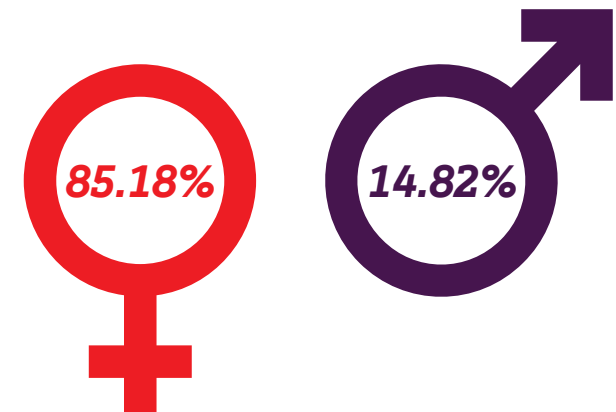
At FCIM we have a larger proportion of males (67%) in more senior positions that typically attract higher salaries. This is high on our agenda and we've recently committed to becoming signatories of HM Women in Finance Charter. We now have a formal target in place to achieve 25% of women in leadership roles across the whole Group by the end of 2021 and 30% by the end of 2023

### **Higher proportion of women who work part-time**

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

One downside of this is that those who opt for part-time working are often more likely to experience slower career progression than those who work full-time, which can impact remuneration. 8% of our employees work part-time, of which 6% are women. In order to address this, we've introduced a more flexible way of working for all colleagues, enabling them to be able to work from home for a percentage of time each week.

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



# *Our plan*

**Although our gender pay gap is below the industry and national average, we'll continue to galvanise change in order to achieve gender equality in the workplace. We're focusing on three key areas:**

## ***Attraction and recruitment***

We realise that if we're to reach our full potential, 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.

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. We therefore took the decision to sign up to HM's Women in Finance Charter in June 2020 and we've set ourselves some ambitious targets to increase the number of women in leadership roles, from 22.5% female currently, to 25% by the end of 2021 and 30% by the end of 2023.

## ***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 we have a retention rate of 95%, with 223 colleagues enjoying five or more years with us, seven of which have been with us since our first year of business in 2008. In our recent colleague survey, 94% of our colleagues stated that they plan to continue their career with 1<sup>ST</sup> CENTRAL.

# *Our plan* (continued)

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

## **1** *USBs*

We also run our 'Upgrading Skills and Behaviours (USB)' programme for all colleagues. This enables colleagues to maintain pace with the business by undertaking a range of 90-minute upskilling sessions to boost knowledge, confidence and skills.

## **2** *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 274 colleagues in gaining access to further education, whether that was a day course or a year-long course, while seven Apprenticeships were also started. We make sure that no matter which department they work in, there are always opportunities for our people to continue to learn.

## **3** *ALP*

In June 2018 we launched our new leadership development programme for all colleagues, no matter where they are on their leadership journey. Achieving Leadership Potential (ALP) is a programme that enables 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 50% female and 50% 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 1<sup>ST</sup> CENTRAL.

## **Continuously evolving our culture**

We have a number of initiatives to help create an inclusive culture where everyone can thrive, including:

- **Flexible working**

During 2019-2020 we introduced an even more flexible way of working across the company, enabling more autonomy for colleagues to balance their work and home lives.

- **Equality & diversity**

We're investing in our Diversity and Inclusion programme with a dedicated committee of volunteers as part of our YouFirst Diversity & Inclusion Pillar.

- **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 this year to focus on making 1<sup>ST</sup> CENTRAL a happier and healthier place to work.

- **Re-boarding**

Returning to work after being away for a while can be a stressful experience. That's why we launched our Re-boarding 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.

- **Leadership Lounges**

This year we have launched a series of leadership lounges, where our current leaders have virtually shared their career journeys with the rest of the organisation.

- **Mentoring**

We offer mentoring to all of our colleagues with a matching service to ensure the relationship is as productive as possible.

- **Dive In Festival 2020**

This year we've also invested in supporting the Dive In Festival, which is an annual celebration of diversity and inclusion within the Insurance industry. Virtual sessions have taken place for our colleagues to take part in.

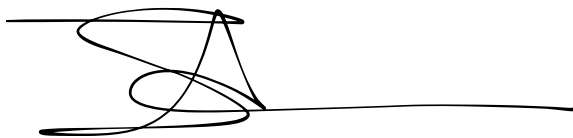


# Declaration



**“We’ll continuously promote diversity and inclusion and ensure that everyone is treated equally. We’ll continue to ensure that our policies and ways of working make our talented people feel empowered as we wholeheartedly believe that diversity is crucial to our future success.”**

**“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 2017.”**

A handwritten signature in black ink, consisting of a stylized 'J' and 'K' followed by a horizontal line.

***John Kennedy, FCIM***