

Travelers Management Limited

# *Gender Pay Gap Report*



## Legislation Overview

Employers in the United Kingdom with more than 250 employees are required to publish: (1) the difference between the mean and median hourly rates of pay and bonus pay paid to male and female employees; (2) the proportion of male and female employees receiving a bonus payment; and (3) the proportion of male and female employees in each hourly pay quartile.

 **600+**

Travelers Management Limited, a UK entity, has approximately 600 employees in the United Kingdom. Its data for 2018 is provided in this report.



## Diversity and Inclusion as a Business Imperative

At Travelers, our greatest asset is our people. We recognise that preparing for the future requires that we not only maintain, but also extend, our talent advantage. In that regard, diversity and inclusion is a business imperative for us. Our efforts are aimed at attracting, retaining and promoting the best talent from the broadest possible pool of talent. Diverse experiences and viewpoints yield greater insights and better outcomes, raising the bar on individual and team performance. Our diverse and inclusive workforce today will be an important factor in our success tomorrow.



“ Our compensation processes and controls, which include multiple levels of review and approval, are designed to help ensure that we compensate employees equitably and free of bias. ”

## Understanding the Numbers

Travelers is committed to a merit-based culture, and its compensation programme is designed to drive that type of culture. Paying our employees equitably is the foundation of our merit-based culture. Our long-standing pay-for-performance philosophy differentiates awards based on individual and company performance, regardless of gender. Our compensation processes and controls, which include multiple levels of review and approval, are designed to help ensure that we compensate employees equitably and free of bias.

The information required to be disclosed by the legislation compares all female employees as a group to all male employees as a group. It is important to highlight that these required figures do not measure pay equity. As the required disclosures do not account for differences in pay by level, location, job function or job performance, these disclosures do not measure whether employees are receiving equal pay for equal work. Based in part on the processes and factors described above, we are confident that our pay practices result in equitable pay for our employees, regardless of gender.

The figures that we are required to disclose in this report reflect the fact that there are more men than women working in higher-level positions, where hourly rates and bonuses are higher and bonuses are more common. They also reflect our ongoing efforts to provide a flexible work environment and offer part-time options, where hourly rates tend to be lower and bonus awards are typically lower and less common. These flexible arrangements are more frequently exercised by women than men, particularly as they return from maternity leave.

The figures also take into account all forms of bonuses, including equity awards, which are typically provided to those in more senior-level roles and take three years to vest. When these awards are exercised, they are included in the bonus calculations, meaning that most of the equity awards included in this year's calculation were awarded three years ago, during a time when we had fewer women in leadership roles.

## Constantly Improving Our Culture

We value the diversity that exists among our workforce, our business partners, our customers and our communities. In order to increase female representation in higher-level positions in the United Kingdom, we have undertaken a number of initiatives. These include requiring a diverse slate of qualified candidates for all higher-level positions; requiring diverse interview panels for mid- to senior-level positions, which include a broad group of interviewers with varying experience and perspectives; and requiring training for employees involved in the hiring process to help them recognise and minimise potential blind spots with respect to unconscious bias.

We also participate in industry diversity and inclusion initiatives. For example, to further enhance our inclusive recruitment and employment practices, we were an early adopter of the Clear Assured inclusive talent management assessment tool, developed by The Clear Company. We are also a member of Inclusion@Lloyd's and a signatory to the Lloyd's Diversity and Inclusion Charter.

We believe that paying our employees fairly and fostering an inclusive environment where all employees can develop and thrive is not only important to our future success but also integral to our corporate citizenship efforts.



## Constantly Improving Our Culture

We are continually working to build upon our diverse and inclusive culture, and since 2012, the percentage of women in senior-level positions at Travelers in the United Kingdom has increased more than 60 per cent.

Some of the steps we have taken include:

- Adding a manager performance objective about inclusive leadership to purposefully foster a work environment where all employees are included and appreciated.
- Requiring all employees — at all levels and in all functions — to participate in a dynamic, interactive diversity education programme to understand how to appreciate and leverage differences for shared success.
- Creating diversity networks, which are voluntary organisations led by a team of employees dedicated to fostering a diverse and inclusive work environment. In particular, the Women’s Diversity Network aims to assist in fostering the retention, development and success of women in the company.
- Becoming the first insurance company to achieve The Clear Assured bronze standard from The Clear Company for inclusive best practices.
- Becoming one of the first organisations to sign the industry’s [Inclusive Behaviours in Insurance Pledge](#).
- Piloting a new Conversations for Inclusive Leadership – Bias programme, aimed at recognising the existence of unconscious bias and exploring and understanding types of bias and their impact. This programme will be further rolled out to leadership teams in 2019.
- Creating the 18-month Travelers Female Leaders Development Programme to provide additional support to high-performing women.
- Serving as programme sponsor of the 2018 Business Insurance Women to Watch EMEA Awards, which focuses on identifying and recognising top-talent females in the insurance industry.
- Hosting a workshop with our senior leadership team about the importance of language in building a positive workplace culture. In 2019, we’ll expand this workshop to all employees.

Adjusting the gender balance across the pay quartiles is a structural change that will take time, particularly as the talent pool in our industry historically has had a disproportionate number of men. Nonetheless, we are committed to and invested in addressing these imbalances, and we feel confident that our diversity and inclusion programmes, among other initiatives, have created positive momentum in that regard.

“Since 2012, the percentage of women in senior-level positions at Travelers in the United Kingdom has increased more than **60 per cent.**”

## Required Gender Pay Gap Disclosure for Travelers Management Limited

The required data for Travelers Management Limited is shown here.

### Mean and median gender pay gaps:

Below are the mean and median gender pay gaps, which are based on hourly rates of pay<sup>1</sup> and all types of bonus pay<sup>2</sup>. The 2018 and 2017 hourly pay gap figures are based on the snapshot date of 5 April 2018 and 5 April 2017, respectively. The 2018 and 2017 bonus gap figures are based on the 12-month period prior to the respective snapshot dates.

The increase in the mean and median hourly pay gaps is primarily due to the fact that we hired more women than men into lower-level positions. It is important to note that due to our relatively small employee population, a slight change in staffing can significantly affect our reported figures. In addition, we awarded a special one-time bonus to employees in the lower pay quartiles, which created wider gaps in the mean and median bonus pay figures.

### Difference between men and women:

#### Mean hourly pay<sup>1</sup>

33.1%	30.8%
2018	2017

#### Median hourly pay<sup>1</sup>

24.8%	20.3%
2018	2017

#### Mean bonus Pay<sup>2</sup>

72.3%	68.8%
2018	2017

#### Median bonus pay<sup>2</sup>

45.7%	28.1%
2018	2017

<sup>1</sup> Hourly rate of pay includes all types of ordinary pay, including base salary and all forms of allowance.

<sup>2</sup> Bonus pay includes all types of pay that relate to performance and incentive, including annual cash bonuses, spot cash bonuses, vouchers and the gain on equity grants.

## Required Gender Pay Gap Disclosure for Travelers Management Limited

### Bonus pay<sup>2</sup> participation:

The following charts show the proportion of men and women receiving bonus pay<sup>2</sup> during the 12-month period prior to 5 April 2018 and during the 12-month period prior to 5 April 2017.

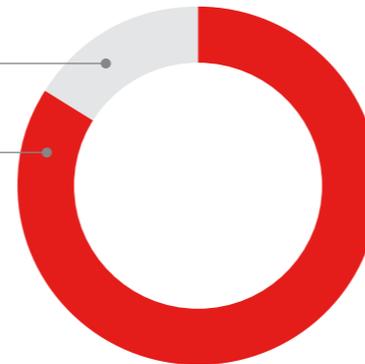
The proportion of women receiving a bonus was positively affected by the previously mentioned one-time bonus.

### Men

**2018**

16.1%

83.9%

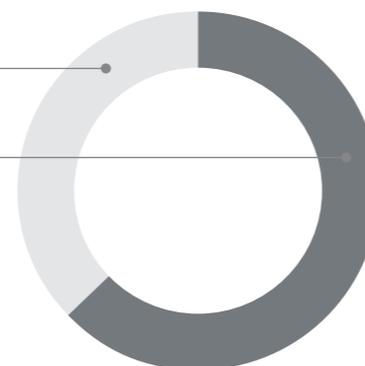


Received bonus pay  
Did not receive bonus pay

**2017**

37%

63%



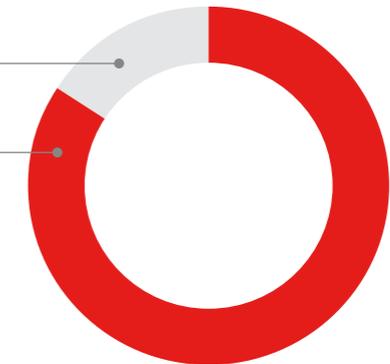
Received bonus pay  
Did not receive bonus pay

### Women

**2018**

15.8%

84.2%

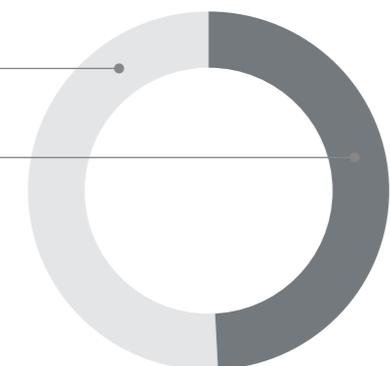


Received bonus pay  
Did not receive bonus pay

**2017**

50.8%

49.2%



Received bonus pay  
Did not receive bonus pay

<sup>1</sup> Hourly rate of pay includes all types of ordinary pay, including base salary and all forms of allowance.

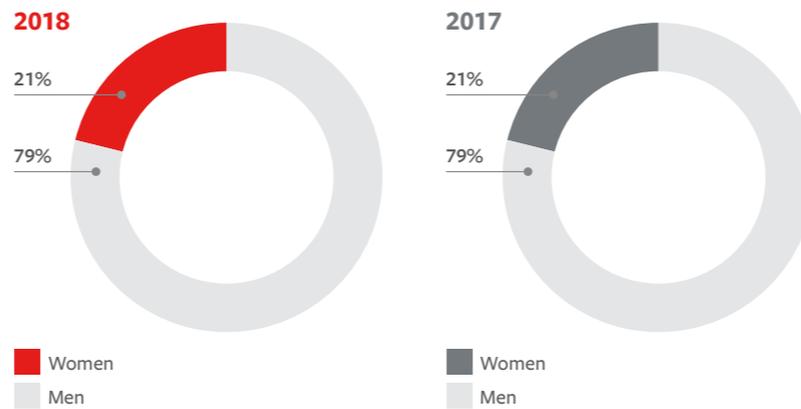
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## Required Gender Pay Gap Disclosure for Travelers Management Limited

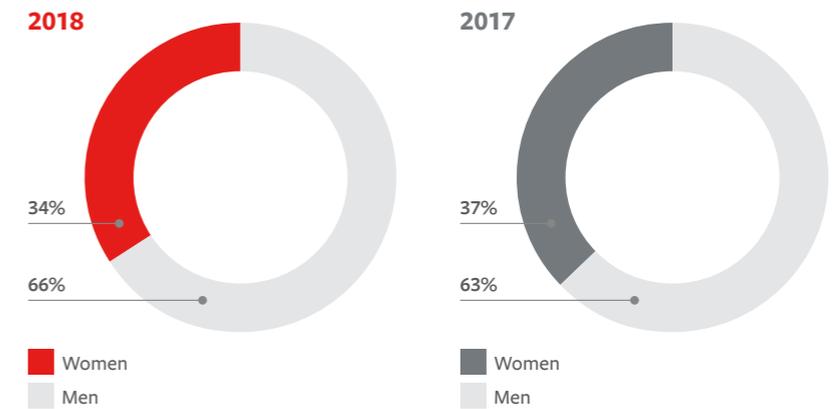
### Pay quartiles:

The following charts show the proportion of men and women in each hourly pay quartile. The 2018 figures are based on the 12-month period prior to 5 April 2018, and the 2017 figures are based on the 12-month period prior to 5 April 2017.

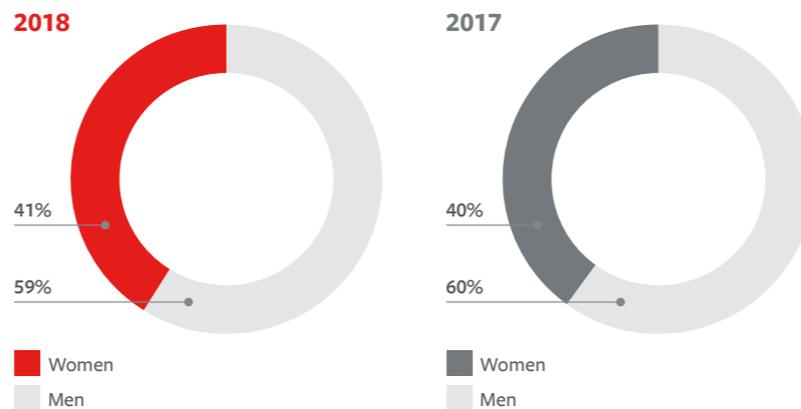
### Upper Quartile



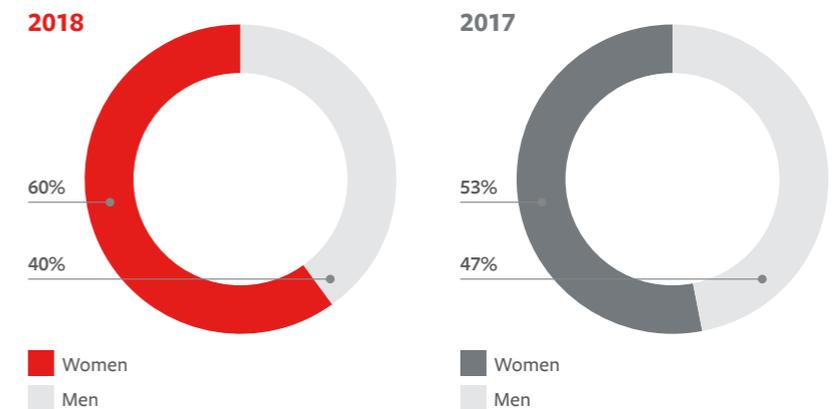
### Upper Middle Quartile



### Lower Middle Quartile



### Lower Quartile



I confirm that the information in this report is accurate.



Alasdair Bishop  
**Director, Travelers Management Limited**

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<sup>2</sup> Bonus pay includes all types of pay that relate to performance and incentive, including annual cash bonuses, spot cash bonuses, vouchers and the gain on equity grants.