

Travelers Management Limited Gender Pay Gap Report



Legislation Overview

Under new legislation that came into effect in April 2017, employers in the United Kingdom with more than 250 employees are required to publish the difference between the mean and median hourly rates of pay and bonus pay paid to male and female employees, along with the proportion of male and female employees receiving a bonus payment and the proportion of male and female employees in each hourly pay quartile.

 **600+**

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



Appreciating Differences at Travelers

At Travelers, our greatest asset is our people. We recognise that building for the future requires that we maintain our talent advantage. In that regard, diversity and inclusion is a business imperative for us. Our efforts are aimed at attracting and retaining 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.

Gender Pay Gap – 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 or any other protected classification. 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 pay gap figures required by the legislation compare 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.

When we take those relevant factors into account, our analysis shows that Travelers Management Limited pays its employees equitably, 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 that we have a higher proportion of women than men who work part-time, where hourly rates tend to be lower and bonus awards are typically lower and less common.

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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 selection process that is focused on removing unconscious bias from the hiring process. 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 a leading auditor of inclusivity best practices in the United Kingdom. We are also a member of Inclusion@Lloyd's and a signatory to the Lloyd's Diversity and Inclusion Charter. While more work remains to be done, we have already seen progress. Since 2012, the percentage of women in leadership positions at Travelers in the United Kingdom has increased 50 percent.

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We are continually working to build upon our diverse and inclusive culture. Some of the steps we have taken include:



Inclusive Leadership Performance Objective

In recognition that all managers have a responsibility to assist in building a diverse company and an inclusive culture, in 2017 we added an Inclusive Leadership objective to all managers' performance objectives. The Inclusive Leadership objective will purposefully foster a work environment where all employees are included and appreciated, and will help to attract, retain, engage and develop employees from all cultures and backgrounds.



Appreciating Differences Diversity Training

We require 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.



Diversity Speaks

We host a series of events for all employees called Diversity Speaks. The events are held with the mission of cultivating a culture that embraces the power of difference, a culture where all individuality is honoured and diverse perspectives benefit all employees. The events feature a combination of employee and external guest speakers who share personal stories and provide different experiences and viewpoints.



Diversity Networks

We created 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.

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.

Required Gender Pay Gap Disclosure for Travelers Management Limited

The required data for Travelers Management Limited is shown here.

Below are the mean and median gender pay gaps based on hourly rates of pay¹ (as of 5 April 2017) and all types of bonus pay² (during the 12-month period prior to 5 April 2017).

Difference Between Men and Women

Hourly pay

30.8%
(Mean)

20.3%
(Median)

Bonus pay

68.8%
(Mean)

28.1%
(Median)

The following charts show the proportion of men and women receiving a bonus payment (during the 12-month period prior to 5 April 2017).

Men



■ Received bonus pay
■ Did not receive bonus pay

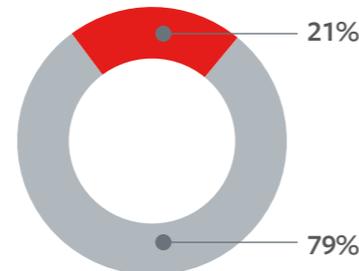
Women



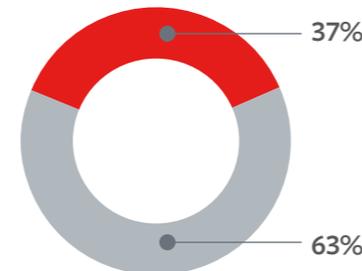
■ Received bonus pay
■ Did not receive bonus pay

The following charts show the proportion of men and women in each hourly pay quartile (as of 5 April 2017).

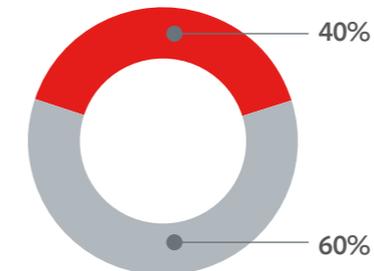
Upper quartile



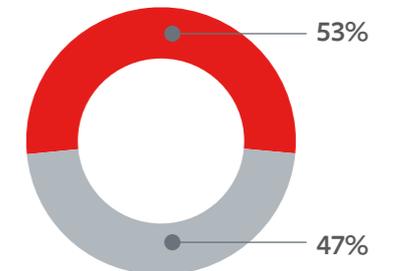
Upper middle quartile



Lower middle quartile



Lower quartile



■ Women ■ Men

I confirm that the information in this report is accurate.



Alasdair Bishop
Director, Travelers Management Limited

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

² 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.