

4<sup>th</sup> April 2018

**Talbot Underwriting Ltd**  
**2017 Gender Pay Gap Statement**

At Talbot Underwriting Ltd (Talbot) we are committed to an inclusive, fair and respectful workplace. That commitment includes being transparent about our gender pay gap.

We are confident that men and women are paid equally for doing equivalent jobs across our business. However, Talbot will continue to ensure our policies and processes are fair to all employees. This includes an annual review of our remuneration policy by our Remuneration Committee. We employ tools and practices that enable us to benchmark our total remuneration objectively against our chosen markets/peer group to ensure that our package is fair and competitive in the market.

We work hard to develop, recognise and reward the contribution of all our employees. In this competitive market for talent, we strive to attract highly motivated people, keep them engaged and help them achieve their career aspirations.

We strongly believe both a stimulating work environment and consideration of the “whole” employee inspires our workforce. Talbot has benefits and policies in place for employees that protect their family, encourage an appropriate work life balance and provide opportunities to give back to their community.

We appoint people to roles based entirely on merit and regardless of age, race, gender, marital status, sexual orientation, disability or religion and belief. However we do recognise that some groups are under-represented in our business. We will continue to work hard to ensure that equal opportunities are available to all groups.

**Statutory Disclosures**

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”.

**Pay and Bonus Gap**

The table below shows our mean and median hourly gender pay gap as at 5 April 2017, and in the 12 months reference period to 5 April 2017 for bonus.

	Mean	Median
Gender pay gap	35%	28%
Gender bonus pay gap	78%	47%

Our analysis of our gender pay gap and gender bonus gap shows that they are largely driven by the fact that we have significantly more men than women in senior higher paid roles within the business (e.g. only 15% of the first pay quartile of our employees are women and only 28% in the second quartile). This gender split is not untypical in the long-established Lloyd’s market.

### Employees receiving a bonus

	Men	Women
Percentage of employees receiving bonus	96%	91%

This shows a 5% difference between the number of men and women who received a bonus related to the 2016 performance year. The reason for this difference was that more women hired in the period were not eligible to receive a bonus as they joined the business too late in the year to qualify for consideration. We are confident as a business that men and women have an equal opportunity to participate in the bonus scheme and earn a bonus.

### Pay Quartiles

The chart below illustrates the gender distribution across Talbot for the four pay quartiles. The overall pay gap is heavily influenced by the gap in the first quartile.

Pay Quartiles	Percentage of female employees	Percentage of male employees	Gender Pay Gap Mean percentage per quartile
First Quartile	15%	85%	21%
Second Quartile	28%	72%	-2%
Third Quartile	47%	53%	8%
Fourth Quartile	44%	56%	-1%

We recognise the social and commercial benefits of having a truly diverse workforce and remain committed to equal opportunities. We will be monitoring the effect our initiatives are having and course correcting if the impact is not significant.

Meaningful change takes time. Our aim is to achieve gender equality across our organisation.

Finally we confirm that the data reported is accurate.



Peter Bilby  
 Global Head of Insurance and Chief Executive Officer



Dominic Scarlett  
 Group Director of Human Resources