

Gender Pay Gap Report 2017

At Foresters Friendly Society, as well as being committed to treating our policyholders fairly, we also consider it important to treat our employees fairly. Our Remuneration Policy aims to attract, motivate, support and retain high quality diverse talent with the necessary skills to achieve the Society's objectives, meet regulatory requirements and support the short, medium and long term interests of our policyholders and members.

We employ 65 staff, and aim to provide an industry competitive level of salary and a good working environment. At our 2015 High Court (Annual General Meeting) we agreed to move towards being an accredited Living Wage employer and achieved this in May 2017.

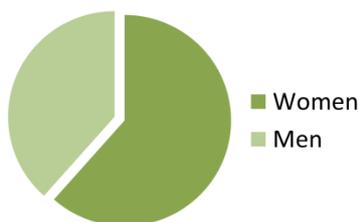
From April 2017, UK Regulation now requires larger firms employing 250 or more staff to publish information on comparative rates of pay between male and female employees. Unlike equal pay, which is equal pay for the same or similar work, this looks at all our employees and takes an average result regardless of job role. These larger firms are required to report:

- **Mean gender pay gap** – The difference between the average pay (using hourly rates) for men compared to women, divided by the average pay for men. The average pay for each gender group is calculated by adding up the hourly rates for each employees of that gender and dividing it by the number of employees of that gender.
- **Mean gender bonus gap** – The difference between the average bonus of men compared to women divided by the average bonus of men.
- **Median gender pay and gender bonus gap** – The difference between the midpoint of pay and bonus for men compared to the midpoint of pay and bonus for women, divided by the midpoint for men. The midpoint of pay and bonus for each gender group means that half of the employees of that gender group have an hourly rate of pay less than the midpoint and half of employees of that gender group have an hourly rate of pay more than the midpoint.
- **Proportions of male and female employees in each pay quartile** – The distribution of employees is calculated in quartiles, where each employee is ranked based on their hourly rate of pay and then they are split into four equally sized bands. The percentage of men versus women as a total of each band is then calculated.

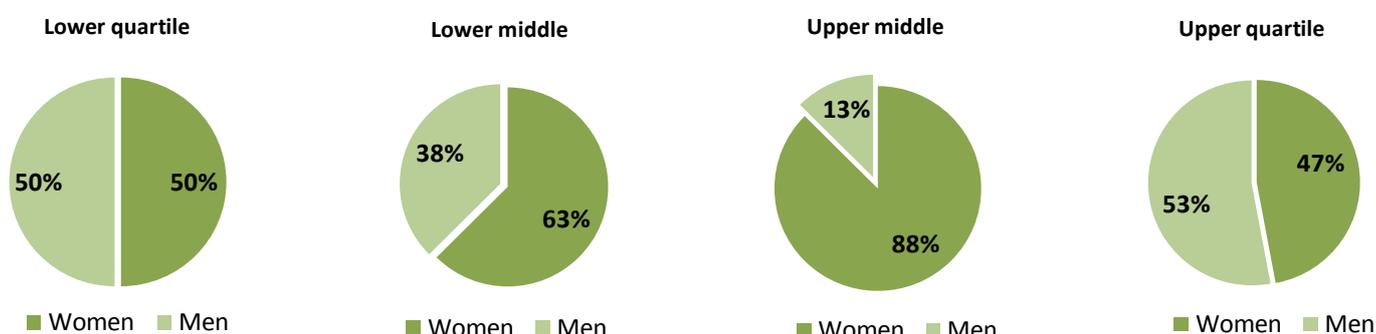
Although not required to publish data because we only employ 65 people, we welcome transparency around gender balance and treating employees fairly and have calculated this Gender Pay Gap Report with reference to a hourly rates of pay at a snapshot date of 5 April 2017. To calculate the hourly rate of pay we include an employee's normal salary along with any bonus earned for that period.

Employment Mix

We have a much higher number of women employees than men (40 of our employees are women and 25 are men).



For gender pay gap reporting, we have split our employees into four pay quartiles by hourly rate and show the balance of men and women in each quartile:



Gender Pay

	Mean	Median
Pay Gap	28.37%	-17.55%
Bonus Gap	20.27%	-77.61%

Our mean gender pay gap shows on average, men are paid 28.37% more than women. This is lower than the mean gender pay gap for the financial services sector (30.9%)¹ but it is still higher than the UK average for all industries (18.1% 2016)².

Our negative median gender pay shows that the mid point of hourly salary and bonus rates for our 40 female employees is higher than the mid point for our 25 male employees.

The table below shows the number of men and women who received a bonus during the year preceding 5 April 2017.

	Males	Females
Proportion of men and women getting a bonus	84.0%	92.5%

¹ House of Commons Library

² Office for National Statistics

Diversity Policy

The Board has adopted a Diversity Policy which embraces knowledge and understanding of relevant diverse geographies, Courts/Branches, people and their backgrounds, although it continues to maintain the principle that all appointments should be based on merit and the skills and experience that individual can bring, and take account the composition, skills and experience on the Board.

The Board will continue to take action to improve gender balance of the Board in line with the Diversity Policy.

In addition, the Board regularly reviews employment policies to ensure that they are family friendly.