

NFU MUTUAL GENDER PAY GAP REPORT 2018

We are committed to reducing our Gender Pay Gap and ensuring we have a balanced workforce. This is part of our Strategic Objective to be a Great Place to Work.



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From 2018, all UK companies with over 250 employees are required to report on their Gender Pay Gap. This measures the difference between the average pay of all men and women in a company.

It is important to understand that Gender Pay is not the same as Equal Pay.

Equal Pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value.

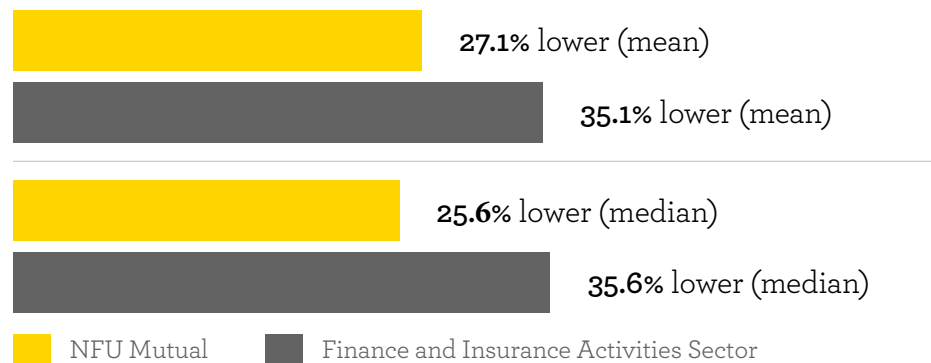
The Gender Pay Gap shows the difference in average pay between all men and women in a workplace.

The Gender Pay Gap must be calculated based on pay data as at April 2017.

OUR GENDER PAY GAP RESULTS

NFU Mutual's Gender Pay Gap results compare positively with the data published for the Finance and Insurance Activities Sector by the Office of National Statistics (ONS) in 2017¹, as shown below.

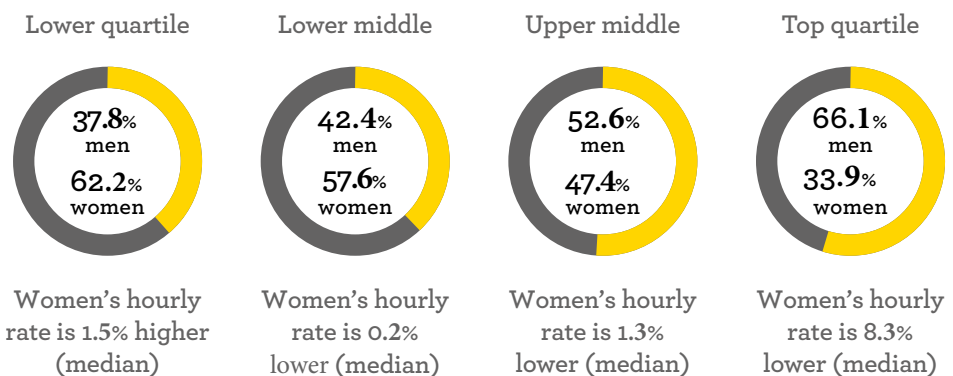
Women's hourly rate



Much of NFU Mutual's Gender Pay Gap can be attributed to the structure of the workforce. There are more male employees working in more senior roles, hence more highly paid within the Company.

Pay Quartiles

The pay quartiles represent how many men and women are in each quarter of our payroll.



¹ <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/annualsurveyofhoursandearningsashegenderpaygaptables>

OUR BONUS RECEIVER RESULTS

These numbers show how many men and women at NFU Mutual were paid a bonus for the year to April 2017, expressed as a percentage of the workforce at April 2017:

Employees receiving a bonus in 2017



All NFU Mutual employees are eligible for a bonus payment, under either the Group Bonus Scheme or a role specific scheme, and this is clearly demonstrated by the Bonus Receiver percentages shown above (new joiners between December 2015 and April 2016 would not have been eligible to receive bonus in April 2016 in accordance with the scheme rules).

OUR BONUS PAY GAP RESULTS

The Bonus Pay Gap calculation is based on bonuses paid in the 12 months to April 2017. Women's bonus pay is 55.5% lower (mean) and 56.7% lower (median).

The Bonus Pay Gap is larger than the Gender Pay Gap, because 24.5% of female employees are employed on a part time basis, compared with only 3% of male employees. Bonus payments at NFU Mutual are calculated as a percentage of total annual pay. Therefore where an employee works part time, their bonus will be based on their part time annual salary, resulting in a lower payment than those working full time. Because we have more women working part time than men, there is a Bonus Pay Gap even though the basis for awarding bonus is identical.





WORKING AT NFU MUTUAL

NFU Mutual has an inclusive culture that recognises and supports individual differences, and the Company strives to enable all employees to develop to their full potential through equal access to a range of career development initiatives.

Our approach to Recruitment and Selection is to be fair, consistent, objective and professional. We use a range of assessment tools to ensure our approach to Recruitment and Selection is objective, and based entirely on merit, including verbal and numerical aptitude testing and independent leadership assessments. In 2017, 42% of our Recruitment website applicants were female, and 53% of available positions were filled by women.

Read about why NFU Mutual is a great place to work here: nfumutual.co.uk/careers/



I confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Trisha Jones, HR Director, NFU Mutual

If you would like this document in large print, braille or audio, please contact us.

Update 4 April 2019: Please note that following a review of the information included within this report, some amendments have been made to the published data. They are not considered material and do not change the conclusions of this report in terms of the Gender Pay Gap and Gender Pay Bonus Gap, nor do these amendments change the stated reasons which have contributed to the Pay and Bonus gap.