

Xafinity Consulting Limited

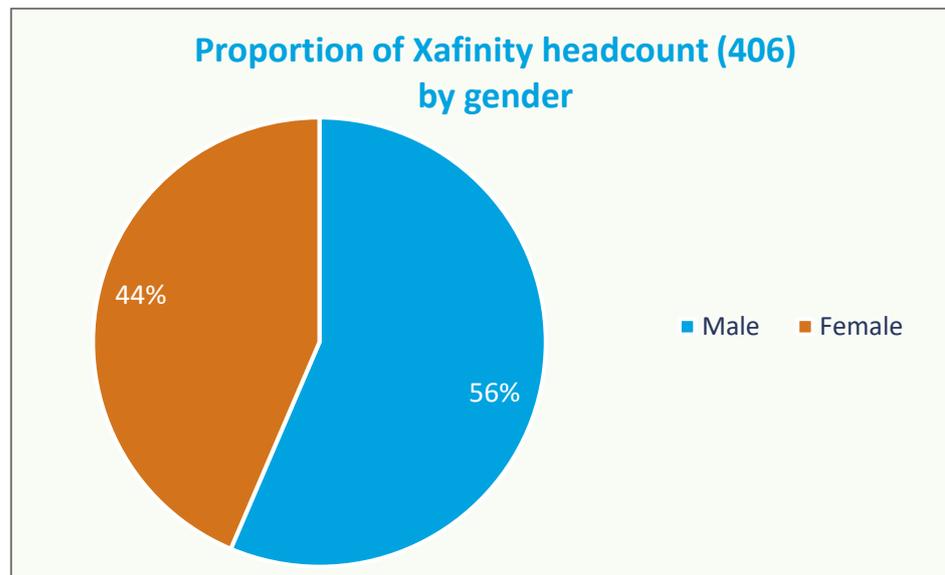
Gender Pay Gap Report

2017

With effect from 6 April 2017, legislation requires employers with 250 or more employees to publish certain statistics in relation to hourly pay and bonuses paid, broken down by gender.

Gender pay reporting shows the difference between earnings for men and women as a % of men’s earnings. The figure is intended to provide a high level indicator of earning power, show inequalities in the market and to apply pressure on employers to reduce any material gap. These figures are not the same as equal pay as gender pay reporting is impacted by the weighting of men and women at senior levels within a firm.

Proportion of Xafinity Employees by gender as at snapshot date of 5 April 2017



Gender Pay Gap (difference between male and female UK employees)

	Mean	Median
Hourly rate of pay	41.4%	29.7%

The mean hourly pay gap is the difference in the average hourly pay rate (sum of hourly rates divided by the number) for women compared with men across the organisation.

The median hourly rate is the middle value across all hourly rates. The median pay gap is the difference between the median rate for women compared with the median rate for men.

The calculations in this statement are based on a snapshot of hourly rates of pay on 5 April 2017 and bonuses paid in the 12 months up to 5 April 2017.

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Factors affecting hourly rate pay gap

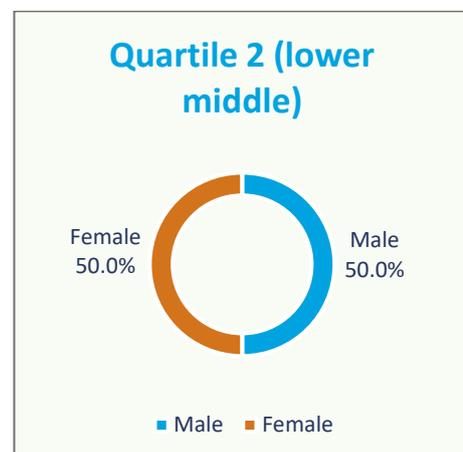
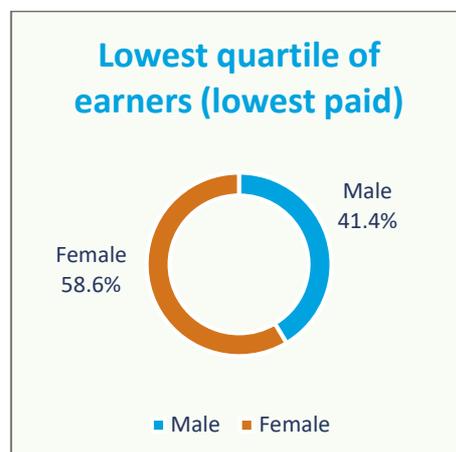
There are a number of factors that contribute to the pay gap figures above:

1. Xafinity employs a range of employees including actuaries, consultants and administrators. Each have different pay scales and, within each, there is no differentiation in pay between males and females in similar roles. However, actuarial staff are predominantly male and earn materially higher salaries compared to other employees whether male or female. This leads to higher average pay for males than females across the Xafinity employee base in aggregate.
2. The higher proportion of males than females within the actuarial profession is not just a Xafinity issue but is an industry wide challenge. Maths based roles have for decades predominantly attracted male candidates resulting in a significant distortion between the number of males and females going into actuarial roles. For example, around two thirds of applicants to the Xafinity graduate actuarial programme over the last few years were male regardless of gender neutral advertising.
3. More generally, there is also an imbalance of women in senior positions at Xafinity. As a result, we have more men in higher paid roles.

Xafinity has a number of initiatives to address its gender pay gap over the next few years including enhancements to policies in relation to maternity pay, mentoring programmes for newly qualified female actuaries, greater emphasis on agile working and the introduction of a formal job grading programme to ensure no gender bias regarding career development at Xafinity.

Hourly Pay Quartiles

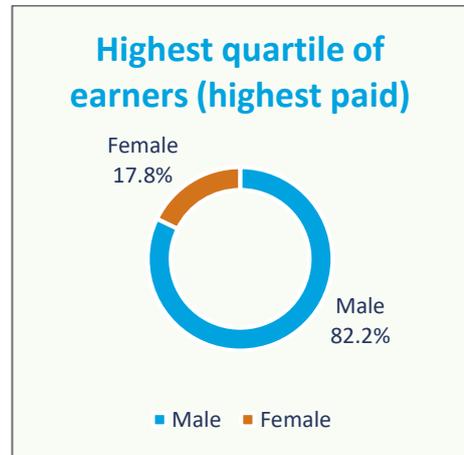
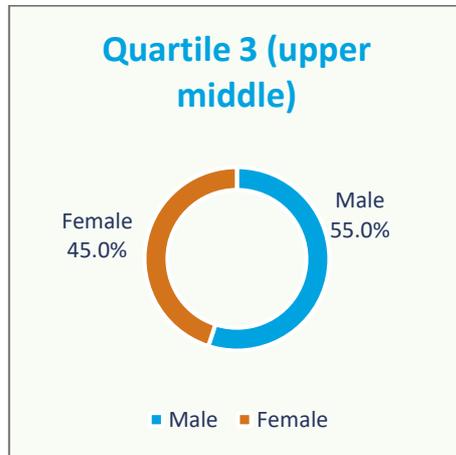
The hourly pay quartiles split the employees into equal quarters and show the proportions of men and women in four pay bands. All men and women's hourly pay rates are ranked from the lowest to the highest to create four equal bands.



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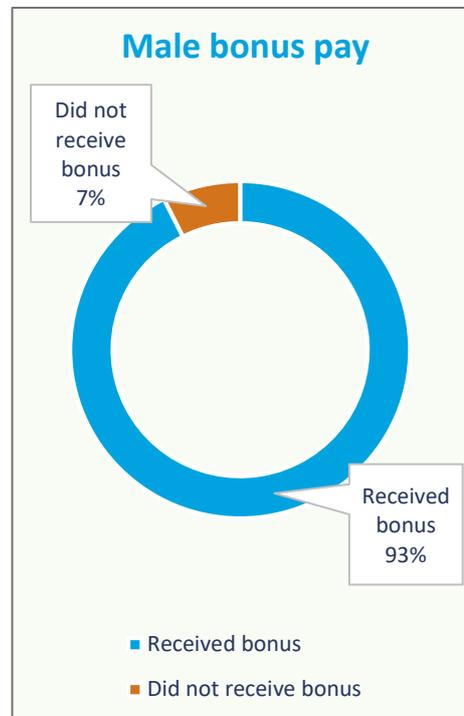
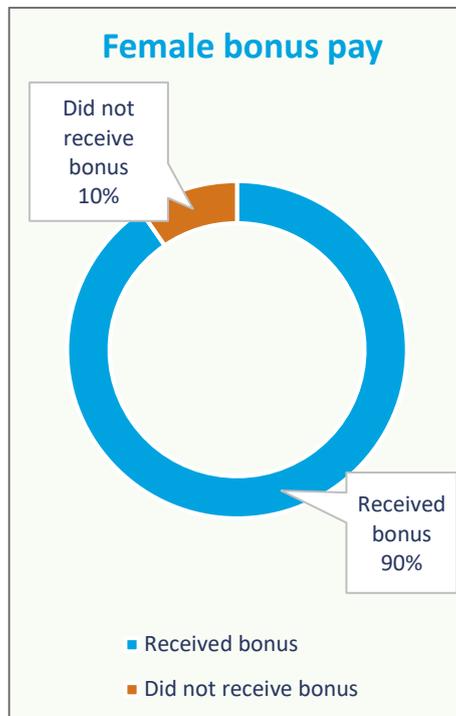
2017



Gender Bonus Gap

Regulations also require publication of the proportion of men and women paid bonuses in the preceding 12 months, together with the ‘bonus gap’ statistics in relation to these bonuses. These results are similarly impacted by the imbalance in the number of male and female actuaries, and in senior roles more generally, who have a higher level of variable pay.

Proportion of men and women who received a bonus



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	Mean	Median
Bonus Pay	85.5%*	38.7%

**these figures including 'one-off' payments from the Employee Benefit Trust payments following Xafinity's Initial Public Offering in Feb 2017*

Ben Bramhall, Co-Chief Executive Officer said:

Following detailed analysis of our gender pay gap, we are satisfied there is no material difference between the pay for men and women in similar roles at Xafinity. Our gender pay gap reflects a higher proportion of males in higher paid roles than females. Whilst this is partly a challenge of the industry in which we operate – in particular, the actuarial profession is dominated by males – we do not consider this level of distortion to be acceptable. We believe that we have a responsibility to enact change both within Xafinity and the industry more generally.

We have a number of initiatives in place to improve the diversity of our workforce at all levels, and specifically to increase the number of females in senior positions, which we believe will greatly benefit the business. Some examples of the initiatives already being undertaken, or planned, are below:

In 2016, we introduced variable working patterns to enable staff to better manage their commitments outside of work.

We are improving our maternity pay policy to encourage female employees to pursue a long term career with the firm. We operate a 'return to work' arrangement where people managers liaise with those going on maternity leave to ensure they are aware of the flexibility around returning to work.

We run an Actuarial Mentoring Programme for newly qualified female actuaries in conjunction with Women Ahead, the aim of this programme is to retain female actuaries within the profession through ongoing career advice and support. We also run an internal mentoring programme for newly and nearly qualified female actuaries.

We will launch a "returning women campaign" where we specifically look to recruit women who have left financial services or taken a career break and are looking to return to work.

We will trial gender balanced shortlists for certain roles so that we have an equal share of men and women to interview.

We will generate and sponsor a network of senior females within the industry to identify how our industry can address the gap collectively.

These new initiatives will be introduced progressively over the next 12 months.

I confirm the data reported is accurate.

Ben Bramhall, Co-Chief Executive Officer, Xafinity plc

3 April 2018

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