

GENDER PAY GAP REPORT 2021



CARDIF PINNACLE
BNP PARIBAS GROUP

The insurer
for a changing
world

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At Cardiff Pinnacle, we know that a commitment to equal opportunities for all is fundamental to our growth and success. We share a strong belief that our broad range of experiences and approach enables us to better understand, support and reflect the many needs of the diverse customers we serve. Our executive team is 60% female, and we have an overall 50/50 gender balance across the Company. I believe it is important to ensure strong female representation across the organisation, from the top down.

I am pleased to see that since our first Gender Pay Gap report was published last year, we have reduced both our mean and median gender pay gap and bonus gap. However, we know there is more to do.

Our focus on Diversity and Inclusion benefits our organisation – both culturally and creatively. One of our staff's great strengths is our open, informal and inclusive environment. We encourage our people at all levels to express their ideas, comments and concerns – with each other and with senior management. We want our emerging talent to feel their voice is heard and to have the opportunity to shine through regular interaction, in an environment where all are respected equally and where positive and inclusive behaviour is the norm. We believe this builds trust and confidence and breaks down barriers of difference.

As part of our commitment to equality, we draw on external benchmarking information to ensure we pay a fair market rate for the roles and experience we recruit, irrespective of gender or identity. We are vigilant in monitoring equal pay to ensure we pay fairly and equitably for males and females performing equivalent roles.

Gender equality, together with a commitment to diversity and inclusion are part of our culture. We continue to take steps towards achieving a more gender-balanced workforce in all areas of the business and to continuing to reduce our gender pay gap over time.

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A handwritten signature in blue ink, appearing to read 'Andrew Wigg'. The signature is stylized and fluid.

Andrew Wigg Chief Executive Officer

UNDERSTANDING THE GENDER PAY GAP

Is the gender pay gap the same as equal pay?

No. They are two separate matters, as explained below.

What is the gender pay gap?

The gender pay gap concerns average hourly pay of all men who work in a company compared to average hourly pay of all women who work in the same company. It does not account for different types of jobs or levels of seniority.

What is equal pay?

Equal pay is when a man and a woman are paid the same for doing the same or similar work. We take our moral and legal responsibilities on equal pay seriously, and conduct reviews regularly to ensure salary and bonus decisions are fair and gender neutral.

HOW WE CALCULATE THE MEAN HOURLY PAY GAP



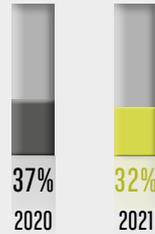
HOW WE CALCULATE THE MEDIAN HOURLY PAY GAP



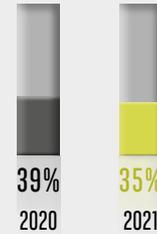
RESULTS

GENDER PAY GAP

Our mean hourly pay gap

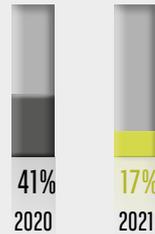


Our median hourly pay gap

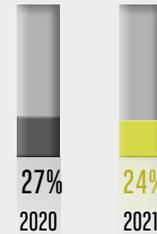


GENDER BONUS GAP

Our mean bonus gap



Our median bonus gap



Gender pay gap

There are three main reasons for the gender pay gap, both across the financial services industry and at Cardif Pinnacle

- There are more males than females in senior and technically specialist positions.
- Senior and technical specialist roles attract higher rates of pay relative to other positions. This therefore significantly increases average male pay, both in the market and at Cardif Pinnacle.
- There is a significantly higher proportion of females than males in less senior roles, which pay lower level salaries.

Compared with the results for 2020, we see a reduction in the mean and median hourly pay gap between men and women.

This correlates with a slight increase in the proportion of women within the upper quartile results for 2021 compared with 2020 (reported in the section below).

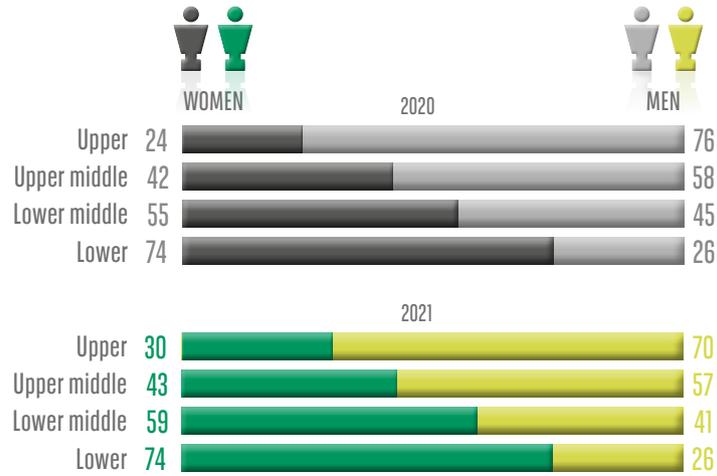
Gender bonus gap

The gap we see in mean and median gender bonus are because:

- Bonus amounts tend to increase with seniority and technical specialisation. We currently have more men than women in senior and technically specialist roles and roles which typically attract larger bonus opportunities.
- There is a higher proportion of females than males in less senior or technically specialist roles where bonuses tend to be lower.

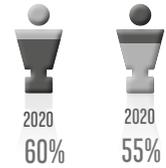
Compared with the results for 2020, the mean and median bonus gap reduced between men and women. This correlates with a slight increase in the proportion of women within the upper quartile results for 2021 compared with 2020 (reported in the section below).

RESULTS



PROPORTION OF EACH GENDER RECEIVING A BONUS

Women receiving a bonus Men receiving a bonus



Population by quartile

Pay quartiles are calculated by ranking the hourly pay of all staff, then splitting the range into four equal quartiles and calculating the proportion of men and women in each quartile. The higher proportion of men in the upper quartiles reflects the fact that there are more males than females in senior positions and specialist technical roles, which attract higher rates of pay. We have seen the percentage of women in the upper quartile increase slightly since our 2020 report, which will have contributed towards narrowing the hourly pay and bonus gaps, however, we have not yet achieved a balanced female/male representation at different levels within the business.

DECLARATION

I confirm the information and data reported is accurate as of the snapshot date 5 April 2021.

Andrew Wigg Chief Executive Officer

WHAT WE'RE DOING TO ADDRESS THE GENDER PAY GAP

The Gender pay gap analysis is a very useful process in helping to identify the work still to be done in addressing the differences between what is being paid to males and females in the financial services sector, in our community and in our Company.

We are pleased that we have seen improvements in our results for this year compared with our first Gender Pay Gap report last year, across mean and median hourly pay and bonus gap, however, we must do more. We are committed to maintaining gender balance at the executive level and overall within the Company. We think it is important to provide female role models at senior levels, however, there is more to do at an individual team level, to improve gender balance. It is fundamental to our success that we enable all of our people to flourish, with no fear of bias, in a truly inclusive environment.

Supporting and promoting greater gender balance are integral to our continued sustainable growth, combined with a truly inclusive culture of respect and equality of opportunity for our entire workforce.

Our gender strategy encompasses recruitment, talent development and organisational culture. Our D&I agenda includes key learning initiatives on inclusion and unconscious bias. To underpin our commitment to this important topic, we place a strong emphasis on educating our people on unconscious bias and inclusive leadership. Within the last year, we created our own D&I Matters network to represent our diverse workforce and drive ideas and initiatives which are important to our people. This is in addition to the many D&I focused Group networks in which we participate.

We expect our leaders to lead by example in ensuring we foster a fair gender balance across all areas and a fully inclusive and diverse organisation in which all of our people can thrive.

Helen Rennie HR and Communications Director

Recruitment



- Briefing external recruitment partners to submit **gender-balanced shortlists** for all roles.
- **Interviewing at least one female** for each role, or asking recruitment partners to provide a valid reason why this was not possible.
- Training staff and managers involved in the hiring process on interview skills to **reduce bias in decision-making**.
- Trialling a process to **anonymise CV's**.

Talent Development



- The RISE Programme, a **mid-career curriculum for women** to address retention and career development.
- Including a **strong representation of females** within our succession plan and supporting the implementation of meaningful development.
- Identifying emerging female talent and ensuring they receive the focus and **individualised attention to support** and accelerate their growth.

Culture



- Creating a **supportive culture** for colleagues with family responsibilities through our Flexible Working Policy, Shared Parental Leave Policy and enhanced parental leave benefits.
- D&I Matters Group with a range of representatives including Parents and Carers. Network Groups include New and Expectant Parents Programme, a suite of resources, events and networks with a range of tools and resources for new and expectant parents and their managers.
- **Hybrid working** for appropriate roles enabling colleagues to work remotely for part of their working week.
- Regular updates, information and learning opportunities for staff, **providing information on Diversity and Inclusion**, together with webinars and info-links to increase awareness, understanding and engagement with diversity.
- **Training for all staff** on inclusion and unconscious bias.



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