



ENSTAR UK
GENDER PAY GAP REPORT
APRIL 2019





THE GENDER PAY GAP

DAVID ATKINS, CEO OF ENSTAR EU

As a Group we value the talent, effort, and collective knowledge of our people. Enstar's continued success depends on their initiative and resolve. We commit to offer leadership and advancement opportunities and to rewarding achievement irrespective of gender. We are committed to providing gender neutral opportunities to progress to senior roles and encouraging mutual respect among colleagues.

This is the second gender pay gap analysis which Enstar has issued. Being an inclusive employer is a fundamental part of our business strategy and we are pleased to report that Enstar has made further progress since our last report and we acknowledge that there is still more to achieve. We have seen an 8% increase in women within the upper middle quartile which demonstrates our strong female talent in leadership roles. In the following pages, you will see the results of our analysis, together with some commentary on our culture and our evolving framework.

Diversity, including gender, continues to be a key focus across the business. It is an area that we are committed to continuing to address. Enstar recognises that people are our most valuable asset and critical to the success of the company. We aspire and strive towards a diverse, inclusive working environment which attracts and retains the best people.

David Atkins, CEO of Enstar EU

GENDER PAY GAP ANALYSIS – APRIL 5, 2018 PAY DATA

As a UK company with over 250 staff we are required to report on our gender pay gap analysis. The gender pay gap is a 'snapshot' of the gender balance within an organisation as at April 5, 2018.

It measures the difference between the average earnings of all male and female employees, irrespective of their roles or seniority.

It is important to remember gender pay gap is not the same as equal pay, which is about ensuring that men and women are paid the same for carrying out work of equal value. Enstar's approach to pay is based on the requirements of each role and individual performance, and as a result, our approach is gender neutral. We are confident that any pay gap is not a result of paying men and women differently for the same or equivalent work.

IMPORTANT NOTE REGARDING CALCULATIONS: *The mean and median calculations above do not take into account seniority factors. Like many other businesses, we have more male employees in senior positions than females, which leads to the gap, rather than inequality of pay for the same work performed.*

GENDER PAY GAP MALE V FEMALE

PAY			BONUS		
Year	Mean	Median	Year	Mean	Median
2018	46.4%	34.1%	2018	80.5%	55.8%
2017*	47.3%	34.3%	2017*	72.7%	51.8%
Variance	0.9%	0.2%	Variance	(7.8)%	(4.0)%

**The relevant bonus period captures all bonus payments made within the 12 month period up to the snapshot date.*

INTERPRETING THE INFORMATION ABOVE

Mean gap is expressed as the difference between the average male and female pay/bonus, expressed as a % of male average pay/bonus.

Mean pay or average pay is 46.4% higher for male staff compared to average pay for female staff; which represents an improvement of 0.9% over last year.

Mean bonus or average bonus pay is 80.5% higher for male staff compared to average bonus pay for female staff; which represents a deterioration of 7.8% over last year (drivers of this discussed below).

Median gap is expressed as the difference between the mid-level of male pay/bonus and female pay/bonus, expressed as a % of mid-level of male pay/bonus.

Median pay (the middle level of pay of all males and all females) is 34.1% higher for male than female staff; which represents an improvement of 0.2%.

Median bonus pay (the middle bonus pay level of all males and all females) is 55.8% higher for male staff compared to mid-level for female staff; which represents a deterioration.

With respect to the higher male v female bonus numbers; there are a couple of drivers that impact this result:

1. The majority (74%) of our part-time employees are female, which impacts our bonus gap as the calculation does not factor in pro-rata bonus payments.
2. There is a greater proportion of male employees in more senior positions that attract higher salaries, bonus and long term incentive awards.

GENDER PAY GAP ANALYSIS – APRIL 5, 2018 PAY DATA

PROPORTION OF STAFF RECEIVING A BONUS

This refers to the proportion of male and female employees who were paid a bonus during the relevant period.

Gender	2018	2017
Female	86.8%	82.7%
Male	82.7%	84.0%

BONUS PAYMENTS

The proportion of females receiving a bonus during the year increased by 4% whilst the overall proportion of male and female staff that received a discretionary bonus payment remained similar.

PROPORTION OF MALE AND FEMALE EMPLOYEES IN EACH QUARTILE

2017

QUARTILE	MALE	FEMALE	TOTAL
Lower	39.8%	60.2%	100.0%
Lower-Middle	51.6%	48.4%	100.0%
Upper-Middle	72.0%	28.0%	100.0%
Upper	79.6%	20.4%	100.0%

2018

QUARTILE	MALE	FEMALE	TOTAL
Lower	38.4%	61.6%	100.0%
Lower-Middle	53.1%	46.9%	100.0%
Upper-Middle	64.3%	35.7%	100.0%
Upper	81.6%	18.4%	100.0%

WHAT DOES THIS MEAN?

We have more female than male employees in the bottom pay quartile.

We have slightly more male than female employees in the second pay quartile.

In the third and fourth/top quartile, we have significantly more male than female employees.

WHAT CHANGED SINCE LAST YEAR?

The most material change was an improvement in the number of females in the Upper-Middle quartile, which increased from 28% in 2017 to 35.7% in 2018. This demonstrates our strong female talent and the opportunities to progress into senior leadership roles.

There have been minimal changes in the roles held by male and female staff in the other 3 quartiles. We continue with our actions to ensure we are providing gender neutral opportunities which we anticipate will lead to greater balance in these metrics in the future.

THE ENSTAR CULTURE

Although the Gender Pay Gap Analysis addresses Enstar EU only, it is important to consider the culture of the wider group.

Enstar continues to employ, retain and promote female employees in senior positions throughout the Group. We believe this demonstrates our commitment to providing gender neutral opportunity at Enstar.

SENIOR GROUP LEADERSHIP ROLES HELD BY WOMEN

GROUP COO, ENSTAR GROUP

GROUP HEAD OF INTERNAL AUDIT

CFO, STARSTONE GROUP

CFO, ENSTAR US

GROUP TAX DIRECTOR

GROUP GENERAL COUNSEL

GROUP HEAD OF HR OPERATIONS

CEO, ALPHA INSURANCE

GROUP CHIEF RISK OFFICER

CEO/CFO, ENSTAR AUSTRALIA

GROUP HEAD OF RISK, STARSTONE

OUR APPROACH TO DIVERSITY

Our aim at Enstar is to create an environment that attracts and retains the best people. We have made progress throughout recent years to strengthen our framework to ensure equal opportunity for all, and will continue to mature this as we move forward.

We are confident that the approach we take to Job Evaluation, Recruitment, Role Grading and Benchmarking ensures “equal pay” is not a concern and that we operate a Gender Neutral approach.

In 2018 the focus was on specific areas, such as developing family friendly policies and working practices to facilitate improved work life balance. In 2019 we will broaden this focus and continue to build on the positive impact we have already seen. We also recognise we have more work to do and our continued focus in 2019 will include:

MATERNITY & PATERNITY

After a thorough review of the family leave entitlements we have increased both the maternity and paternity pay, which has been well received.

DIVERSITY AWARENESS TRAINING

We are developing diversity awareness training which will be compulsory for all of our employees globally to further embed our culture of the importance of diversity and openness.

AGILE AND FLEXIBLE WORKING PRACTICES

During 2018, we undertook an initiative to address individual working preferences, interests and non-work responsibilities of our employees. We continue to evolve our framework for agile and flexible working arrangements to address the needs of our people; and to create an environment that works efficiently and benefits both the employee and the employer.

RECRUITMENT

Our recruitment process is gender neutral. We continue to develop both the internal and external recruitment and selection processes to assist us in accessing a wide range of talented candidates, further enhancing our strength as an equal opportunities employer.