

Kaplan Financial is fully committed to conducting its business in a way which embraces diversity and promotes equality and inclusion – and as an employer we value this within our workforce.

We work hard to ensure that these principles, reinforced by our values (Act with Integrity, Empower & Support, Create Opportunity, Grow Knowledge and Drive Results Together) are embedded in our day-to-day working practices with all our learners, colleagues and partners.

We believe in remunerating employees fairly for the work that they do and providing fair and equal access to progression, regardless of gender. More than 93% of our employees are within teams who have formal pay structures in place, which helps us ensure people doing the same or equivalent work are paid equally. Since 2012 all of our employees have been paid at least the rates published by the Living Wage Foundation.

At the snapshot date of 5 April 2017 our data shows we have good female representation at Senior Management (48%) and Senior Leadership (60%) with no gender pay gap issue at these levels.

About Kaplan Financial

WHAT IS THE GENDER PAY GAP?

The gender pay gap is a measure of the average earning of men and women across an organisation. The gender pay gap is not the same as equal pay. Equal

Mean and median gender pay gap

The mean gender pay gap is the difference in average hourly rates of pay that male and female employees receive. This gives an overall indication of the gender pay gap by taking all the hourly rates of pay and dividing by the number of employees in scope.

The median gender pay gap shows the difference between the midpoint of the ranges of hourly pay for men and women by ordering individual rates of pay from lowest to highest and comparing the middle value.

Mean and median

Although we are confident that our male and female employees are paid equally when in the same roles or when doing work of equal value, in a number of our job categories we have a significant imbalance in the number of men/women employed:

- **Administration and Service roles:** although the gender pay gap is low within this category (less than 2%) we have a significantly higher number of women (159) than men (68) in these types of roles. These roles are our lowest paid category which therefore impacts our overall mean gender pay gap considerably. If we were to have an even mix of genders in these roles, our overall gender pay gap would reduce from 22.6% to 12.2%.
- **Financial Markets Tutors:** this is a high earning senior specialist role delivering tuition for qualifications including the Chartered Financial Analyst® (CFA) Program, held by 8 men and no women. This will be a challenge to overcome due to the gender mix in the industry and also because this team has very low employee turnover.
- **Head Office roles:** in our head office functions we employ 62 men and 34 women. These roles are more highly paid than some others (eg Administration and Service roles).

- **Sales roles:** the senior roles in our sales functions are high-earning and mostly held by male employees, with most of the more junior roles held by women.

If we were to achieve an even mix of genders in all the above roles our gender pay gap would reduce to 2.9%.

Gender bonus gap

All our incentive and commission schemes have very clear eligibility rules for participation based on the role and/or seniority and all payments are made strictly in line with these scheme rules.

Our mean bonus gap is affected by:

- Most senior sales roles (which have significantly more men than women occupying them) having significant overall incentive/commission opportunities.
- Our most senior role (occupied by a male) has a

We have taken great care to understand what our data is telling us and we are confident that we pay men and women equally for the same roles or work of equal value.

We will prioritise the following areas for action:

- 1.** Continue to apply all team pay structures consistently, calibrate between teams, and monitor the departmental gender pay gaps as part of our annual salary review process.
- 2.** Seek to attract a more even mix of genders for all different role types, but particularly those contributing most significantly to our gender pay gap (eg Administration & Service, Head Office, senior and junior sales roles).
- 3.** Proactively seek to attract existing employees (in particular female employees) to undertake and complete the Chartered Financial Analyst ® (CFA) Programme qualification at the Company's expense through our existing employee "Kaplan Gift of Knowledge" programme in preparation for any future vacancy within the Financial Markets Tutor team.
- 4.** Continue to focus on ensuring there is no bias in the hiring, development, or promotion of employees based on gender at Kaplan Financial.

As an equal opportunities employer, we firmly believe in appointing the best candidate into the role, regardless of their gender or other factors covered by the Equality Act.