



AXA Insurance
Reinsurance

Gender pay gap report 2018



Foreword

XL Catlin has been on a journey to build an increasingly inclusive organisation, and addressing our gender pay gap is important to us. We believe that our efforts will create a richer and more successful workplace for all colleagues. In this report, we'll provide some context around the UK gender pay gap measurement, share our results and describe how we're working to make progress.

What does gender pay gap mean?

Gender pay gap and gender pay equity are two distinct issues:

- Gender pay gap is the difference between the average earnings of men and women across an organisation or the labour market. It doesn't show differences in pay for comparable jobs.
- Gender pay equity is equal pay for men and women performing equal work

We have a "pay-for-performance" policy and are confident that we pay our colleagues fairly and relative to their roles, special skills, experience and performance.

Understanding our gender pay and bonus gaps

Note: We're reporting our UK data for the 12 months preceding 5 April 2018, which was prior to XL Catlin's acquisition by AXA¹.

Pay and bonus gap

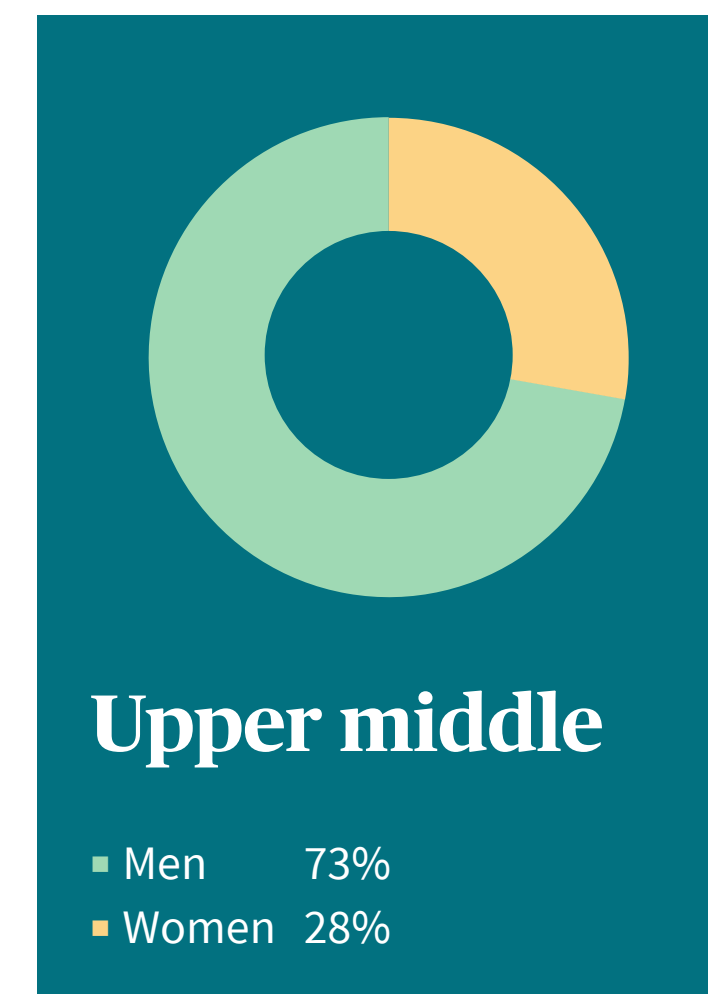
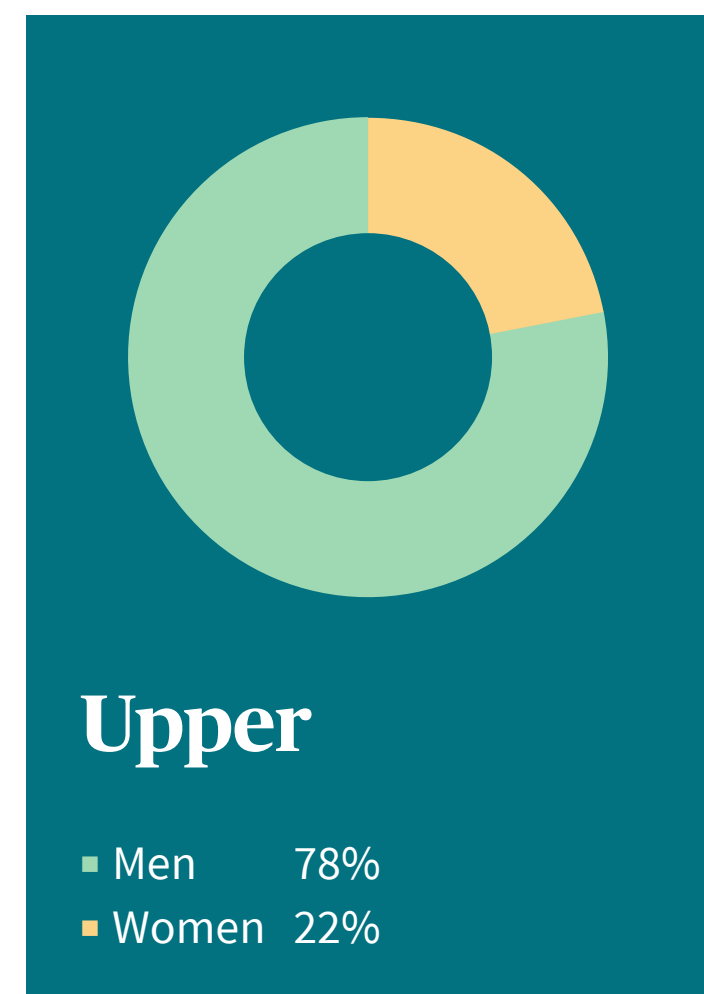
Pay gap		Bonus gap	
Median	30.4%	Median	47.6%
Mean	31.0%	Mean	48.9%

Proportion of men and women receiving a bonus

Men 95%

Women 96%

Proportion of males and females in each pay quartile



Pay gap

- As of 5 April 2018, our mean and median pay gaps were 31.0% and 30.4% respectively
- Compared to 2017, our results were mixed: our median pay gap declined (or improved) by 3.2%, while our mean pay gap grew by 2.6%

We see two key factors contributing to these results:

- We still have significantly more men than women in senior actuarial, underwriting and managerial positions, which are more highly compensated in the upper quartiles
- Underwriting positions have traditionally been male-dominated. The number of women in underwriting positions in the UK is nearly half that of men.

Bonus gap

As of 5 April 2018, our mean and median bonus pay gaps were 48.9% and 47.6% respectively. While this might seem like a big improvement over 2017 (i.e., a 24.7% and 11.2% drop in our respective mean and median bonus pay gaps), the results were largely due to a significant decline in our bonus pool (caused by adverse corporate results from extraordinary 2017 catastrophe activity).

The reduced bonus pool had a greater impact on colleagues in senior positions (where male representation is higher) and a lesser impact on colleagues in lower pay quartiles.

¹ On 12 September 2018, XL Group Ltd, the ultimate parent of XL Catlin Services SE (referred to herein as "XL Catlin"), completed its previously announced merger with Camelot Holdings Ltd., a wholly owned subsidiary of AXA SA ("AXA"). Pursuant to the Agreement and Plan of Merger, dated as of 5 March 2018, by and among the XL Group Ltd, Camelot Holdings Ltd. and AXA (the "Merger Agreement"), and the statutory merger agreement required in accordance with Section 105 of the Bermuda Companies Act 1981, as amended (the "Companies Act"), by and among XL Group Ltd, Camelot Holdings Ltd. and AXA, dated as of 12 September 2018, Camelot Holdings Ltd. merged with and into XL Group Ltd in accordance with the Companies Act (the "Merger"), with XL Group Ltd continuing as the surviving corporation and as a wholly-owned subsidiary of AXA. At the same time, AXA and XL Group Ltd announced the establishment of AXA XL, a division of AXA gathering the property and casualty activities of XL Group Ltd., AXA Corporate Solutions SA ("ACS"), AXA ART A.G. ("AXA Art"), and AXA Matrix SA ("AXA Matrix") (all subsidiaries of AXA Group). The process of integrating those activities is ongoing through 2018 and 2019, and subject to certain regulatory and consultative obligations of the companies. It is anticipated that their Pay Gap information will be included in next year's submission.

Closing the gap

To speed progress, we're sharpening our focus on women's leadership through key initiatives, engaging male colleagues to drive change and partnering with others to increase our impact.

Policies and programmes

- Women of the World Colleague Resource Groups with local chapters around the globe
- Inclusive Leader Training
- Flexible Work Arrangements
- Women's Executive Leadership Programme
- Diversity Slating Policy and Global Job Posting

Actions and initiatives

- We're working to remove unconscious bias from the talent lifecycle, beginning with how we source and interview candidates and develop and promote colleagues
- We're active in industry-sponsored initiatives to support the advancement of women through the Dive In Festival and the Insurance Supper Club
- We've signed on to the Women in Finance Charter and committed to working towards a goal of increasing women in senior roles to 35% by 2021
- We serve on the planning committees of Business Insurance's Women to Watch Awards and Leadership Conferences and Regional Forums in the UK and North America
- We collaborate with Catalyst on their Men Advocating Real Change (MARC) initiative
- We work with several organisations in the industry to identify ways to roll out gender inclusion research more broadly
- We're piloting Breaking Bias training sessions with our own Underwriting Academy in partnership with the NeuroLeadership Institute
- Our senior leaders conducted small-group discussions with colleagues around the world to encourage frank discussions about our Diversity and Inclusion strategy, with a focus on our women's leadership efforts
- We identify high-performance/high-potential women as part of our talent review process and then engage them throughout the year in special internal and external recognition and development opportunities

Upcoming improvements

We'll add or enhance the following initiatives:

- Flexible working
 - Internally and externally advertise jobs as having flexible working options and adopt the "Happy to Talk Flexible Working" strapline and logo
 - Help managers to understand the benefits and viability of flexible work arrangements and think beyond the traditional talent profile
- Mentoring Programmes
 - Promote the local mentoring programme being developed in the UK
- Diverse Slates
 - Reinforce our diverse slate requirements during regional talent reviews, especially with teams that have a lower representation of women
- Unconscious Bias Training
 - Roll out our Breaking Bias training to hiring managers in the UK

Conclusion

As we contribute to the collective effort to reduce the gender pay gap in the UK, our colleagues can be proud that they're part of a company that's willing to work hard on equality, diversity, and inclusion. We want all of them to share ideas on how we can refine our strategy and accelerate our success and to participate in programmes that increase the representation of women in senior roles. Because everyone benefits from a workplace that reflects the world we live in and embraces our differences and unique contributions.

Closing the gap will help us attract and retain smart, creative and ambitious people, but more importantly, it's the right thing to do.

Declaration

I confirm that the gender pay data contained in this report is accurate.



Paul Greensmith

Chief Underwriting Officer UK
AXA XL



Paul Shedden

Chairman, UK Diversity & Inclusion Board
AXA XL

Statutory disclosure

Pay gap					
Median			Mean		
2017	2018	% ▲	2017	2018	% ▲
31.4%	30.4%	-3.2%	30.2%	31.0%	2.6%

Proportion of bonus receivers					
Male			Female		
2017	2018	% ▲	2017	2018	% ▲
98.0%	94.6%	-3.5%	97.0%	95.7%	-1.4%

Bonus gap					
Median			Mean		
2017	2018	% ▲	2017	2018	% ▲
53.6%	47.6%	-11.2%	64.9%	48.9%	-24.7%

	Proportion of males and females in each pay quartile							
	Lower		Lower middle		Upper middle		Upper	
	Male	Female	Male	Female	Male	Female	Male	Female
2017	42.2%	57.8%	54.8%	45.2%	68.3%	31.7%	76.6%	23.4%
2018	43.2%	56.8%	53.2%	46.8%	72.5%	27.5%	78.0%	22.0%
% ▲	2.4%	-1.8%	-2.9%	3.5%	6.1%	-13.2%	1.8%	-6.0%



AXA XL is a division of AXA Group providing products and services through four business groups: AXA XL Insurance, AXA XL Reinsurance, AXA XL Art & Lifestyle and AXA XL Risk Consulting. The reorganisation project related to the activities of AXA Corporate Solutions, AXA Matrix, AXA Art and XL Catlin will be subject to legal and labour validations prior to its implementation.