

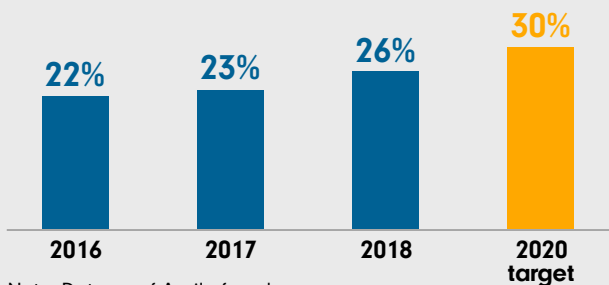
# Fidelity International's Gender Pay Gap Report

## April 2017 - April 2018

We are committed to having an inclusive workplace with a diverse employee base to best serve the needs of our clients.

We have been a signatory of the 'Women in Finance Charter' since 2016 which commits us to increasing the number of women in senior roles in our organisation. We believe this is key to reducing our gender pay gap.

### Proportion of women in senior roles at Fidelity



Note: Data as of April of each year

### Gender Pay Gap Explained

Gender pay gap reporting requires companies to look at pay on a mean and median basis across its male and female populations based on all male employees from the highest paid to the lowest paid, compared to the same analysis of female employees. It considers both hourly pay and bonus pay.

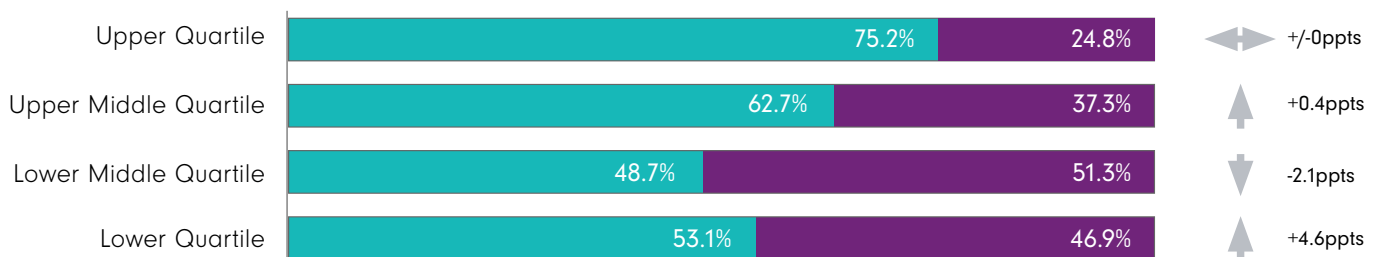
The gender pay gap is then the percentage difference between the mean and median earnings of men and women, expressed relative to men's earnings.

Gender pay reporting is distinct from equal pay. It does not consider role type, experience or qualifications. We have robust processes in place to identify and address equal pay issues, any discrepancies are rectified and reported to our remuneration board.

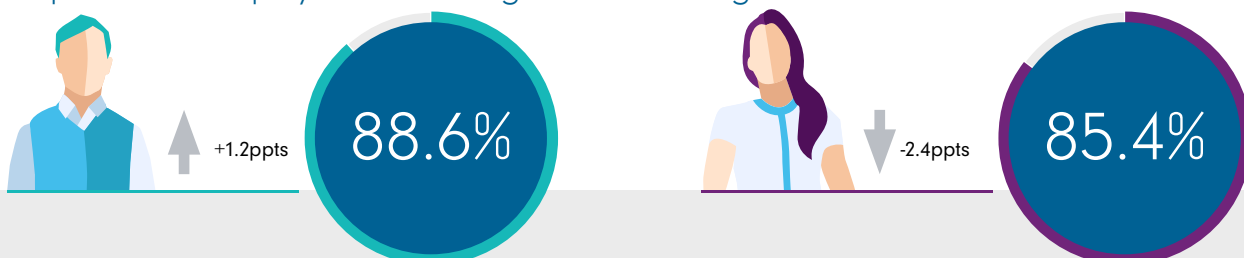
### Gap between men and women's pay for hourly pay and bonus payments

	Mean	Median
Hourly pay	23.6%  +0.2ppts	27.2%  +1.8ppts
Bonus	72.2%  +3.1ppts	52.0%  -2.7ppts

### Pay quartiles



### Proportion of employees of each gender receiving a bonus



Indicates percentage point change from reported pay gap April 2016 - April 2017.

## Why do we have a pay gap?

More men work in investment management, sales, and senior management roles where salaries tend to be higher and bonuses contribute more heavily to the overall compensation package.

While our hourly pay-gap is lower than the asset management average of 30% and the financial services average of 31%, we recognise that more hard work is needed to achieve gender balance to reduce Fidelity's pay gap.

## Why has our pay gap increased since 2016 - 2017?

Since the publication of our 2016-2017 report, the largest proportion of new joiners has been junior level women. This is helping to build our pipeline of female talent, but means the proportion of women in the lower earnings quartile has increased, affecting the pay gap.

Bonuses were higher in 2017 - 2018, which has exacerbated the bonus pay gap because we have more men in investment management, sales, and senior management roles where bonuses contribute more heavily to the overall compensation package.

## How are we addressing the pay gap?

The pay gap data tells us that we need to strive even harder to increase the pipeline of female talent into our organisation and support more women to progress into senior specialist roles. Structural issues that exist in both society and the workplace can be barriers to women's progression.

That's why our programme of gender balance activities takes a broad and research based approach across many areas including; tackling unconscious bias, creating an inclusive culture, showcasing role models, and building our female talent pipeline by making our industry more attractive to girls and women.

We therefore work in partnership with the investment industry and external organisations to help us deliver our programme of activities with these overarching goals in mind.



### New ways of working

Our approach to flexible working in the UK empowers employees to decide how, where and when they want to work.

We give employees flexibility over the working week, allowing them to balance their working lives in a way that suits them.

We believe this approach helps support all genders in achieving their career goals without sacrificing other commitments.

### What gets measured gets done

We have set gender targets globally and by function as we believe that targets focus attention on what needs to be done and delivers quicker progress.

We've developed a dashboard where senior managers can view the gender balance of their team and what is driving it (i.e. new joiners, leavers, promotions data).

This enables leaders to actively monitor their progress against gender diversity targets.

### Tapping into a new talent pool

Our 'New Horizons Returners Programme' acts as a bridge back into mid-level careers for those who have taken an extended break from work, often to raise a family.

The New Horizons programme helps us to tap into a wider pool of talented individuals who can sometimes be overlooked by traditional recruitment methods.

Since its launch two years ago, we have hired 14 women through the programme.

## We aim to have a bias free recruitment process and have taken steps to achieve this:

- Managers responsible for recruitment undertake a training course which covers hiring best practice and how to avoid unconscious bias
- We work with our search firms to ensure we have at least a 50:50 shortlist for senior roles
- For our graduate schemes we use targeted marketing to attract female students and have seen a 59% increase in female applications to UK investment programmes versus last year
- Knowing that some language appeals less to women than men, we have reviewed our website content, marketing literature and job advertisements to ensure that they are appealing to a broad range of candidates

We also have several leadership development and mentoring programmes which support our internal female talent in progressing to senior levels, and address the gender pay gap over the long term. We are also developing insight into the reasons why women leave our organisation by expanding our analysis of exit interview data.

Signed by Sally Nelson

On behalf of FIL Investment Management

## Glossary of terms

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<b>Mean</b>	This is the average of all male/female salaries. For example, the 'mean' hourly male salary is the total value of all the hourly salaries of every male employee in the data group divided by the number of men in that data group.
<b>Median</b>	This is the midpoint of all hourly salary/bonus figures so that there is an equal probability of falling above or below it. For example, the 'median' female salary will be the salary of that employee who falls exactly halfway in the list of salaries from the highest to the lowest.
<b>Pay gap</b>	This is the percentage difference between the mean and median earnings for men and women, expressed relative to men's earnings.
<b>Pay quartile</b>	This is the total employee population in this data group listed from highest hourly salary to lowest, divided into four equal quartiles.
<b>Senior roles</b>	These are employees in our organisation that hold Director level positions and above.

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