COMMITMENT TO THE
WOMEN IN FINANCE CHARTER &
2017 GENDER PAY GAP REPORT
WELLINGTON MANAGEMENT INTERNATIONAL LTD
Diversity and inclusion — a strategic imperative

At Wellington Management International Ltd (WMIL), we are dedicated to being an inclusive and diverse organisation where all employees are supported to achieve their potential. Ensuring diversity across the organisation is critical not only because it is the right thing to do, but also because we know it fosters more creative thinking, enhances decision-making processes and drives better outcomes for our clients.

We support the introduction of gender pay gap reporting legislation in the UK, and we look forward to sharing our progress over time. The challenge of attracting, advancing and retaining diverse talent is an industry-wide issue that requires focus and collaboration. At WMIL, we recognise that we have work to do to attain balanced gender representation, particularly at senior levels. To demonstrate our commitment to achieving greater gender balance, we have recently signed the Women in Finance Charter. This report outlines our commitment to the Charter, our 2017 gender pay gap statistics and our plan to improve our gender balance.

We will be relentless in our efforts to achieve a better gender balance in leadership positions and at senior levels within our business over time.

-Phil Perelmuter, Head of Wellington Management International Ltd
OUR COMMITMENT TO THE WOMEN IN FINANCE CHARTER

WMIL is a signatory to HM Treasury’s Women in Finance Charter with a public commitment to improve gender balance within our organisation. As part of our commitment, WMIL has pledged to enhance our support for the progression of women into senior roles, to set targets that are designed to promote greater gender balance, and to report our progress toward these targets.

In conjunction with our signing of the Charter, we have appointed Phil Perelmuter, Head of Wellington Management International Ltd, as the senior executive responsible and accountable for gender diversity and inclusion. We will also be linking compensation outcomes for senior employees to improvements in gender diversity.

As part of our commitment to the Charter, we have set the following five-year targets for WMIL. By 2023 we aim to achieve the following:

- At least 30% women on board/executive decision-making bodies
- At least 20% women in senior roles
OUR PLAN

Our goal — greater female representation in leadership roles and at senior levels

Our initiatives

- **Committing to the Women in Finance Charter**
  - Setting specific targets to increase the representation of women in leadership roles and at senior levels
  - Holding senior managers accountable for delivery against these targets and linking compensation to progress
  - Appointing the Head of WMIL, Phil Perelmuter, to be responsible for gender diversity and inclusion

- **Improving the pipeline of female candidates**
  - Running targeted searches that actively seek female candidates
  - Using non-traditional talent sources, such as women returners and diverse job boards
  - Requiring our external recruitment partners to deliver diverse candidate slates for all roles
  - Maintaining high female representation in our graduate programmes (56% of global campus hires over the last three years have been female)
  - Using our Diversity Summer Internship to serve as a feeder for our early-career investment programme

- **Promoting an inclusive culture**
  - Continuing to train our employees in EMEA on unconscious bias and the impact it can have on decision making
  - Leveraging our Inclusion and Cultural Awareness Network, launched in 2017, to help cultivate an inclusive working environment
  - Holding Respectful Workplace training in 2018

- **Developing our female talent**
  - Continuing to develop senior women through our top-tier leadership programmes
  - Providing mentoring and sponsorship for high-potential, high-performing women

- **Creating a flexible and supportive workplace**
  - Offering best-in-class backup child and elder care and other care benefits to support employees with caring responsibilities
  - Providing increased opportunities for flexible working at all levels, both informally and formally
  - Enhancing the support offered to employees taking parental leave in the form of coaching support and training for both parents and managers

We are confident that sustained progress on these initiatives will decrease our gender pay gap over time.
Our Data

**Gender pay gaps — attributable to fewer women in higher-paying roles**

This year, for the first time, all companies with 250 or more UK employees will report annually on their gender pay gap. The gender pay gap shows the differences in the average pay of all men and women in a company, regardless of their role or seniority. Our gender pay gap reflects the fact that, respectively, 81% and 73% of our employees in the highest and second-highest pay quartiles are men. In addition, 73% of our employees in the lowest pay quartile are women. Having more men than women occupying higher-paying roles and more women than men occupying lower-paying roles drives our gender pay gap statistics.

It is important to note that the gender pay gap is different from the concept of equal pay, which is being paid the same for equivalent work. On the issue of equal pay, we are confident that men and women are paid equally for work of equal value.

**Pay and bonus gaps**

The table below shows WMIL’s overall mean and median UK gender pay gap as of 5 April 2017 (for hourly fixed pay) and the previous 12-month period (for bonus pay).

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<th>Mean</th>
<th>Median</th>
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<tbody>
<tr>
<td>Hourly fixed pay</td>
<td>30.7%</td>
<td>44.7%</td>
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<tr>
<td>Bonus pay</td>
<td>73.6%</td>
<td>84.6%</td>
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**Pay quartiles**

The charts below illustrate the gender distribution of employees within four equally sized pay quartiles. This is calculated by sorting employees based on fixed hourly pay, creating four equally sized groupings (called pay quartiles) and then calculating the percentage of male and female employees within each pay quartile.
Proportion of employees receiving a bonus for 2016

All WMIL employees are eligible to be considered for a bonus, and men and women have an equal opportunity to earn a bonus. The individuals who did not receive a bonus for 2016 were typically new hires who joined the firm after-bonus payment date but were employed on 5 April 2017 and are therefore included in the disclosure.

Influencing change in the industry

In the UK, we are actively involved in initiatives to attract and develop a more diverse talent pool to the investment industry. In addition to our Women in Finance Charter membership, we are members of 100 Women in Finance and the Diversity Project.

Through these and other initiatives we are striving to build a strong and sustainable foundation for broader female representation in leadership roles and at senior levels across all functions of WMIL.

I confirm the data reported is accurate.

Philip H. Perelmuter
Head of Wellington Management International Ltd

Further information on our global diversity and inclusion strategy can be found on our website:
https://www.wellington.com/en-gb/diversity-inclusion