Gender Diversity & Pay Gap Report 2017
Foreword

At Funding Circle, our people are our business; they are what makes the business stronger every day. The exceptional experience we aim to deliver to our customers is the product of the smart, talented, hardworking and diverse group of Circlers we have working here. We recognise the power and value in building a diverse team, where people’s skills and personalities complement each other and reflect the customers we are here to help. Different perspectives lead to better outcomes and we see the positive impact of this in our teams every day.

Women and men are always paid equally at Funding Circle for performing the same roles. Over the last year however, we have looked closely at gender diversity within our business, as we strive to achieve an increasingly diverse team. This report sets out our proposals to achieve this aim, as well as our calculations on the current gender pay gap.

Our gender pay gap of 24% is a result of a lower proportion of women in senior and mid level roles. Funding Circle is a financial technology or ‘FinTech’ business, and both the financial services and technology sectors have traditionally experienced especially low levels of gender diversity. Tackling this will be a key focus for us over the coming years. We have set ourselves an ambitious target of increasing the proportion of senior management who are women from 28% to 40% by the end of 2020, and will update on our progress against this each year.

We are pleased that we have an even gender split at entry levels.

Our Global Leadership Team also has a good level of diversity, particularly for the financial services and technology sectors, and is made up of five women and eight men. We know there is still more to do however and whilst we actively hire the best talent, we are constantly looking to hire and retain more women, especially in our engineering team.

We are proud that people want to work here. Our aim is to be the best FinTech company to work for in the world; creating an environment where people from all backgrounds feel supported is critical to this. That is why we have always recruited, reviewed and compensated our people against Funding Circle’s core values including Be Open and, Stand Together.

We believe this has a hugely positive impact on the culture at Funding Circle and our quarterly survey tells us that people enjoy working here, with 87% saying they would recommend Funding Circle to a friend. We were also pleased that Funding Circle came 16th in the 2018 Sunday Times Best Places to Work list. By focusing on building greater gender diversity across the whole organisation, we will continue to build on this and I look forward to updating you on our progress.

James Meekings,
Co-founder and UK Managing Director
Different perspectives lead to better outcomes and we see the positive impact of this in our teams every day.
The UK Government has introduced a new policy to support the progression of more women into senior roles in business and society. All organisations with more than 250 employees are required to report their 'Gender Pay Gap', which shows the percentage difference in average hourly pay between women and men.

The Pay Gap percentage is positive when the average male across the whole business is paid more than the average female, and negative when the opposite is the case.

**It does not measure equal pay, which relates to what women and men are paid for the same or similar jobs or work of equal value.**

Our analysis has shown that everyone is paid equally for equivalent roles.

Funding Circle employs approximately 400 people in the UK. In this report we are sharing the mean and median average pay gaps between women and men’s hourly pay and bonuses in the UK, for the year ending April 2017.
Understanding our pay gap

At Funding Circle 63% of our team are men and 37% are women in the UK. This is in part due to a large number of engineering roles being held by men. Funding Circle is a Financial Technology or ‘FinTech’ business, and both the financial services and technology sectors have traditionally experienced especially low levels of gender diversity.

On average 25% of senior roles in the financial services sector are held by women.1 More recently, much progress has been made to encourage women into more STEM-based roles and improvements have been made. However, there is more to be done, and we are committed to identifying ways to help overcome any barriers to achieving greater diversity within our business.

The mean Gender Pay Gap across Funding Circle is +24% and the median is +36%. The gap is driven by a lower proportion of women in senior and mid level roles; 28% of our senior management is female compared to 37% for the whole UK team. The below chart shows hourly salary split into four equally sized groups or ‘quartiles’. The highest paid people (quartile D) are typically the most senior and it is here where we see the highest proportion of men versus women. The majority of our team, 80%, do not receive a bonus. The mean bonus gap of +60% and median bonus gap of +50% is driven by a higher proportion of men being in teams with higher bonuses, as well as a higher proportion of men within senior roles in bonus earning teams.

1Financial Times, Management’s Missing Women, 2017
Closing the gap

First and foremost, we will always hire the best talent and reward Circlers based on merit. This is critically important as we will only achieve our vision of building a better financial world if we have the world’s best talent. However to obtain the power and value from a more diverse team, we are committed to delivering current and new initiatives to improve how we attract, engage and develop women.

Women in Finance Charter
Funding Circle has signed up to the government’s Women in Finance Charter which is a commitment to support the progression of women into senior roles in the financial services sector. As part of this, James Meekings, co-founder and UK Managing Director is taking responsibility and accountability for gender diversity and inclusion at Funding Circle in the UK.

We have set ourselves an ambitious target of increasing the proportion of senior management who are women from 28% to 40% by the end of 2020, where the proportion of women across the entire UK team is currently 37%. Each member of our Global Leadership Team has also agreed to internal targets for their respective business areas.

Diversity and Inclusion Leadership
We have established a UK Diversity and Inclusion Leadership Team, that will be led by James Meekings, and will set the strategic agenda for the year and ensure progress is being made against our targets. They will work with our People team to drive forward a number of initiatives aimed at improving gender diversity at the senior and mid-tier levels, including:

- **Getting our hiring right**: working with the Talent & Recruitment team to ensure gender balance is a key consideration in designing and managing the recruitment process.
- **Fostering our talent**: working with the People and Learning & Development teams to ensure our top talent, male and female, receives tailored mentoring and coaching, creating an environment where everyone can access the help and tools they need to build their careers.

We will also provide diversity training and support to all Circlers for when they are recruiting or assessing talent, to help them build teams that are as diverse as possible. Beyond gender, we are committed to embracing diversity and inclusion so that everyone has equal opportunities.
We have established a grassroots Women@FundingCircle group that will be led by Lisa Jacobs, our Chief Strategy Officer, and made up of men and women from across the business, with the aim of creating an environment for women to succeed professionally and personally across all levels at Funding Circle.

This group will create an active and supportive community within Funding Circle in which women and men can connect, share and encourage one another to reach their goals. It will also raise the awareness of the importance of gender diversity and showcase the work of women within Funding Circle and the broader industry. Finally, it will partner with the Learning and Development team to provide opportunities to develop industry needed skill sets and aid career development.
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