This report sets out the gender pay gap figures at Cambridge Assessment for 2018 and is our second published Gender Pay Gap Report. While this report is based on the pay of UK colleagues, our commitment to being a responsible, fair and inclusive employer stretches across Cambridge Assessment globally.

Our 2018 figures represent a small change in our median gender pay gap, which has decreased from 9.07% to 8.27%. Whilst this is significantly lower than the Office for National Statistics average of 17.9%, we are clear that we want to do better and do more for our people.

We are aspiring to foster a truly inclusive organisation, and build a culture where everyone is supported to contribute, collaborate and thrive. This means we are working hard to put equality and diversity at the heart of the way we work at Cambridge Assessment so that we can attract, nurture and retain the best talent, regardless of gender, sexuality, ethnicity, or other characteristics.

Since our last Gender Pay Gap Report, we have made a number of notable steps forward. You can read about these, but more importantly the longer-term plans that we have to tackle our gender pay gap as part of our wider agenda around equality, diversity and inclusion, on page three.

I can confirm that the data and information reported are accurate as of 31 March 2018 and that they meet the requirements of the regulations, applying the methodology provided in the Equality Act 2010 (Gender Pay Gap Information) correctly.

Janet Scotcher
Interim HR Director
Gender pay figures for Cambridge Assessment

The tables below show our overall mean and median gender pay gap. This data is based on the hourly rates of pay as at the snapshot date of 31 March 2018. The data also shows our bonus gap, using bonuses paid in the year up to 31 March 2018. Note: 2017 data is shown in brackets.

<table>
<thead>
<tr>
<th></th>
<th>Median</th>
<th>Mean</th>
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</thead>
<tbody>
<tr>
<td>Gender pay gap</td>
<td>8.27% (9.07%)</td>
<td>11.94% (12.09%)</td>
</tr>
<tr>
<td>Gender bonus gap</td>
<td>9.21% (3.06%)</td>
<td>40.80% (18.82%)</td>
</tr>
</tbody>
</table>

The proportion of women and men receiving a bonus payment

- **Upper**
  - Women: 44.95% (43.88%)
  - Men: 55.05% (56.12%)

- **Upper middle**
  - Women: 57.39% (57.97%)
  - Men: 42.61% (42.03%)

- **Lower middle**
  - Women: 63.13% (62.37%)
  - Men: 36.87% (37.64%)

- **Lower**
  - Women: 55.30% (55.42%)
  - Men: 44.70% (44.58%)

We confirm that the Cambridge Assessment gender pay gap calculations are accurate and that they meet the requirements of the regulations, applying the methodology provided in the Equality Act 2010 (Gender Pay Gap Information) correctly.

Within Cambridge Assessment, bonuses are not widely used. In addition to the Group-wide discretionary bonus scheme, other bonus schemes in operation are Short and Long Term Incentive Plans (STIP and LTIP) which apply primarily to Board members. Consequently, the median bonus gap is driven by the lower proportion of women holding senior director-level positions. The significant year-on-year difference in the mean bonus gap is due to the fact that senior bonuses were not awarded in 2017, but were in 2018.

Cambridge Assessment’s overall mean and median gender pay gap data are based on the hourly pay rates of full time and part time employees as at the snapshot date of 31 March 2018.

Our median gender pay gap has decreased by 0.8%. Whilst this illustrates that we are making some progress, we recognise we still have work to do to address our gender pay gap.

The largest contributing factor to our gender pay gap is the grade distribution of women and men across the organisation. 70.69% of our female employees across the Group are within lower grade professional roles, whilst at our most senior management level 66.86% are male.

Proportion of women and men in each quartile band

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Female (%)</th>
<th>Male (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upper</td>
<td>44.95% (43.88%)</td>
<td>55.05% (56.12%)</td>
</tr>
<tr>
<td>Upper middle</td>
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</tbody>
</table>

The data within this report is representative of Cambridge Assessment in the UK. Cambridge Assessment is the trading name for the University of Cambridge Local Examinations Syndicate (“UCLES”) and subsidiaries. UCLES is a department of the University of Cambridge.

The gender pay gap data for this department has been reported in the University organisation data and is available here. Oxford, Cambridge and RSA Examinations (“OCR”) is a separate entity and therefore under the regulations we are required to report the gender pay gap separately which can be viewed here.
Taking Action

Progress in 2018

**Pledge** - Support aspiring women by ensuring they continue to be well represented on our Group management and leadership programmes.

- The number of women colleagues completing our management and leadership development programmes increased year-on-year from 53% to 62% (in terms of total number of participants in 2017 compared to 2018).
- Our staff-led Women in Leadership network can now access funds for specific events, training and resources to support their work.

**Pledge** - Continue to encourage a positive work-life balance across the organisation whilst retaining equal opportunities for career progression.

- We have conducted a Group-wide Flexible Working survey to understand patterns of formal and informal flexible working and to capture feedback on where we need to improve. We have signed up to Working Families as part of our commitment to work-life balance.

**Pledge** - Ensure recruitment and reward principles promote equality of opportunity.

- We are salary benchmarking every job offer and internal promotion against market data to ensure fair pay regardless of gender.
- We have developed a bespoke Unconscious Bias and Discrimination in Recruitment learning programme, now ready for launch.

New Initiatives

Cambridge Assessment is committed to closing its gender pay gap through a wider programme of long-term Group-wide initiatives that promote and embed equality, diversity and inclusion into the way we lead and work.

**Pledge** - We will develop and implement a new Equality, Diversity and Inclusion Strategy, in partnership with our employee networks. Sponsored by our Corporate Board, this will give us a clear and compelling roadmap for positive change and developing a more inclusive culture.

**Pledge** - We will refresh and improve our Family Friendly initiatives and relaunch our Flexible Working programme, backed by far-reaching engagement with all colleagues across our organisation. Our new partnership with Working Families will be integral to this work.

**Pledge** - We will focus on Inclusive Leadership so that our managers understand their role in promoting diversity and helping us to close the gender pay gap. It will be mandatory for at least one member of a recruitment panel to have undertaken Unconscious Bias training and we will provide targeted skills workshops around flexible working and talent management.