



GBS UK Gender Pay Report

2022 - 2023

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Gallagher

Insurance | Risk Management | Consulting

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Introduction

I am proud that the people strategies the UK Executive team at GBS UK have been working on over the last five years are helping to collectively drive very strong gender balance across the organisation, resulting in our halving our gender pay gap over the previous five years.

As a business, we have a passion for excellence and innovation in everything we do. We care for our people and recognise that they are our greatest asset. We want to promote our workforce to be diverse and inclusive and that our culture continues to be open and fair. We are passionate about being an inclusive organisation and aim to attract, develop, and retain the best talent available. We are dedicated to building an organisation which leverages individuals' unique talents and provides opportunities to our workforce so that we deliver first-class service to our clients.

It was humbling to receive external recognition for this when we won the Organisational Award for Supporting Diversity at the Women in Pensions Awards in November 2022. This award was given in recognition of our efforts in supporting greater diversity in the workplace.

We believe our HR policies encourage and support flexible working within the organisation and are working to ensure that what we have in place works for everyone. Our HR team actively supports our diversity message across the organisation by positively influencing and challenging our hiring managers to ensure they recognise how their behaviours and actions impact our overall ability to create an open, fair, and inclusive workplace culture.

By bringing fresh perspectives from new members of the diverse leadership team, including myself joining in 2023, we are collectively challenging the historical status quo. We are investing in our future leaders, in our internal structures, and in our overall people experience, to create an environment of equality where everyone has the opportunity to grow and succeed.

I confirm that the gender pay gap data in this report has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



David Piltz

Chief Executive Officer
Gallagher Benefit Services, UK





Our Commitment to Inclusion and Diversity

At Gallagher, we aim to foster a culture of inclusion and diversity. We firmly believe that celebrating differences is not only important but also essential for the success and growth of our organisation and that by embracing diversity, we create an environment where individuals from various backgrounds, cultures, and perspectives can come together, collaborate, and contribute their unique talents and experiences. This allows us to tap into a wide range of ideas, creativity, and innovation, leading to better problem-solving and decision-making. Celebrating differences promotes a sense of belonging and respect among our employees, fostering a positive work environment where everyone feels valued and empowered to reach their full potential. We understand that diversity is not just about representation but also about creating an inclusive culture that appreciates and leverages the strengths of each individual.



Victoria Soormally

Vice President, People & Culture
UK and Europe

2023 highlights from our Inclusion and Diversity team

Our GBS UK Inclusion and Diversity team come from a wide range of ethnic, socioeconomic, and cultural backgrounds. Working alongside the Executive Leadership team, the GBS UK Inclusion and Diversity team has championed a number of campaigns throughout this reporting year, including:

1. International Women's Day

We brought in a panel of external female speakers to launch our 2023 Own Your Growth: Women's Leadership Series focused on key communication considerations with the panellists addressing:

- Different communication styles and preferences among genders, and generations and cultures
- Impacts on effective communication in a hybrid work environment
- Barriers and challenges women in leadership face when communicating
- Actions that can elevate and support women in the workplace

2. LGBTQ+ History Month

We brought in a panel of external guest speakers, including Helen Richardson-Walsh, Olympic Gold medallist and Ben Smith, founder of the 401 Foundation, to showcase their personal lived experiences of overcoming adversity and mental health problems to forge successful careers, share views and strengthen our LGBTQ+ community and allies.

3. Pride Month

Employees took part in Pride marches and events across the UK and we released a series of awareness emails during the month to foster collaboration and inclusivity. In addition, we launched our Ally Guide during the reporting cycle, aimed at better supporting colleagues and authentic conversations through allyship to LGBTQ+ colleagues. This was rolled out initially in the UK and subsequently globally across the organisation. We believe that this ensures our employees can be better supported in their career at Gallagher.

4. Mental Health Awareness

Sharing employee stories of their own mental health and wellbeing, we demonstrated to our employees how mental health problems can affect anyone. We also provided employees with a 'mental health day', allowing them an additional paid day off work to help focus on their mental health and wellbeing.

5. International Men's Day

We sent out an awareness campaign to highlight some of the issues which can affect men, including poor mental health, poor physical health, and biases in policing and justice.

6. Religious Beliefs

Colleagues from across the UK business shared stories of their own personal religious beliefs and how religion can play a huge part in both their home and work life. These videos also addressed the differences between religion and culture, and microaggressions that people of different faiths can experience, and how we can combat this.





Our Gender Pay and Bonus Gap

Gallagher Benefit Services Management Company Limited Gender Pay Gap

The data in this report includes as at 5 April 2023:

- Mean and median gender pay gap (based on an hourly rate of pay)
- Mean and median bonus gender pay gap (based on bonus pay received in the trailing 12 months)
- Proportion of men and women receiving a bonus payment
- The breakdown of men and women in each quartile pay band. This looks at the proportion of the workforce across four pay bands when we divide our workforce into four equal parts

The gender pay gap is expressed as a percentage of male earnings (e.g., women earn X% less than men). The gender pay gap report for Buck Consulting Limited is set out within a separate report to this document.

The difference between the pay gap and equal pay

The gender pay gap is a measure of the difference between the average earnings of men and women (irrespective of seniority or role). Equal pay on the other hand is a legal obligation for every employer to give men and women equal pay for equal work. (We monitor equal pay on an ongoing basis and as part of our annual compensation process.)

Mean and median explained

Mean pay gap: The mean pay gap is the difference in the average hourly pay for women compared to men, within our organisation.

Median pay gap: The median represents the middle point of a population. If you lined up all women and all men within our organisation in order of hourly rates, the median pay gap is the difference between the hourly rate for the woman in the middle of the data compared to that of the man in the middle of the data. The mean and median are important metrics and need to be looked at together. However, the mean can be skewed by fewer individuals earning more in the upper ranges.

390
Total Gallagher Broking UK headcount

Male

Female

48.7%

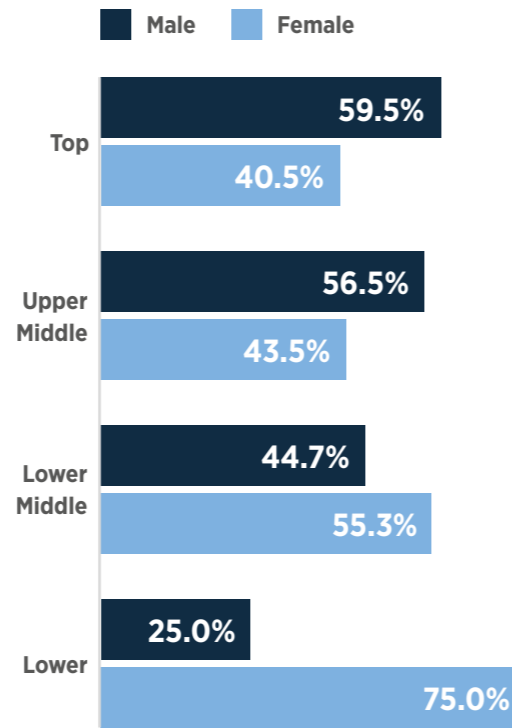
51.3%

Factors driving our gender pay gap

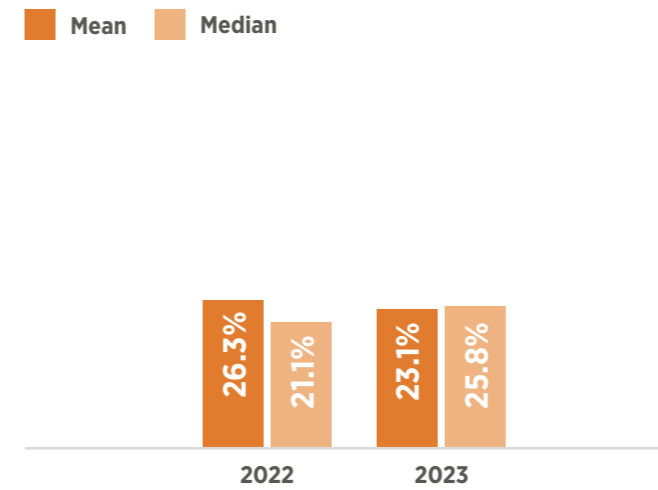
In our organisation, a higher proportion of female employees occupy more junior roles and middle management roles, and male employees are engaged in more senior and highly paid roles. This results in a much wider range in bonus amounts received by males, relative to a much narrower range in the smaller female population.

While this is reflective of the risk management and benefits consulting sector, which has traditionally been male-dominated, we actively encourage more women to view us as a potential employer. We have proactively driven greater gender balance across our senior leadership team in the last 12 months, and will continue to be proactive as we drive our hiring managers to support our strategic approach to diversity.

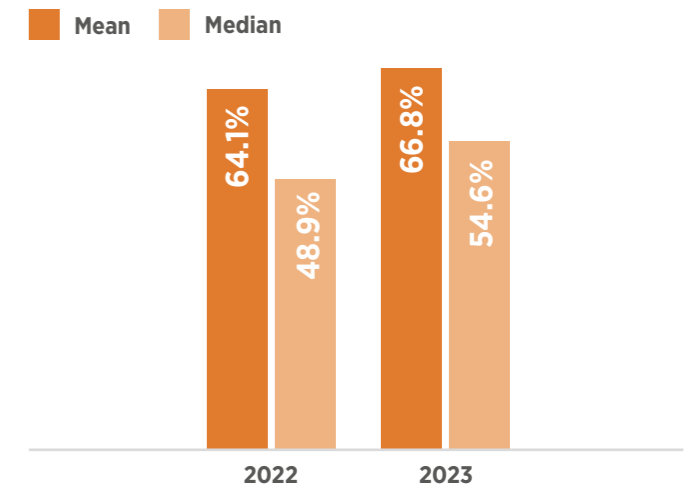
Pay quartiles



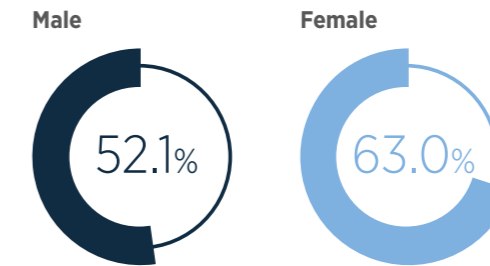
Gender pay gap



Bonus pay gap



Proportion of employees receiving bonus pay





Our Actions To Address The Gender Pay Gap

We acknowledge the gender pay gap which currently exists in our organisation and believe we are taking real steps in order to reduce this to create a more gender-balanced workforce, with more opportunities within senior leadership roles for female employees.

Through our programme of activities from our Executive Leadership team, our People and Culture team, and the GBS UK I&D team, we are determined to provide significant opportunities for career progression for everyone in our organisation, regardless of their gender. Last year 58% of employee promotions were female which shows a positive trend in career opportunities and progression for female employees. With a number of initiatives in place for the upcoming year, we believe that we will see a significant improvement in our metrics over the next few years.



Hannah Harriman

Chair | GBS UK Inclusion and Diversity Team

Our HR strategy, policies and practices

Our HR philosophy is to attract and retain high calibre individuals and to leverage their unique talents to help our clients attract, inspire, incentivise, and retain their own talent to deliver their organisational plans. This has been a year of maintaining stability in a year of significant change, as we worked through the acquisition of Buck — for the UK, one of our single largest acquisitions in recent years — bringing on board over 670 employees in the UK alone. We have looked to lead with optimism, communicating openly and honestly throughout the integration.

We recognise the motivational importance of positive senior role models to inspire confidence and success, and we are proud that over 38% of our senior management roles are occupied by females, up from 9% last year.

We are pleased that over half of our Diversity Champions are female, and our senior leadership team is devoted to raising the profile of females across the organisation. Our people agenda programme promotes that a career structure operating across all areas that provides clarity for potential career progression for all.

We aim to continue to actively create an environment where everyone is motivated to develop and progress their career at GBS UK, through innovative HR policies and practices and an encouraging environment. Our HR policies and tools proactively support flexible working across the organisation as we believe that these encourage our talented and driven employees to deliver results and, in turn, advance their careers in our organisation

We proactively keep in touch with those on maternity leave and are pleased that we saw a 100% return rate in this reporting cycle (consistent with 100% in the prior reporting cycle). We support our career returners with different tools to positively impact their back-to-work experience including better onboarding support including childcare arrangements. Through our partnership with Work+Family Space, returning employees are able to access mentoring, which has been beneficial by enhancing their confidence as they return to work. To further assist employees with childcare arrangements, we have provided emergency childcare provision equivalent to four days per annum, which was particularly well-received with the school strikes that took place during the reporting cycle.

We now have a fuller variety of agile and flexible working arrangements in the form of condensed working time and term-time arrangements, which have been very well received across the organisation.

Our HR policies and job descriptions are gender-neutral in tone to encourage inclusivity. As part of our annual performance management and pay review process, we monitor that our people are being paid fairly based on their roles, responsibilities, experience, and performance.

38%

of senior leadership positions
are held by women

53%

of middle management
positions are held by women

51%

of more junior positions
are held by women

Recruitment

We acknowledge that our strategy needs to continue to evolve so that we attract a higher proportion of females into our organisation which encourages our hiring managers to align with our strategic approach to diversity. Our senior leadership team is dedicated to strengthening female presence within our more male-dominated teams. We now reflect more information in our advertised role profiles concerning inclusion and diversity to promote the diverse company which we strive to be. Our recruitment conversations promote our flexible work culture. We approved a majority of flexible working requests and as part of this, ask our managers to proactively monitor individual wellbeing.



58% Males
42% Females

Development

Employee development is a key focus within our organisation and we aim to make the most effective use of the talent, skills, and abilities of our employees. As part of succession planning, we proactively identify talent, leadership, and diversity gaps, and our senior leaders follow action plans to help address and close these gaps. As we champion our employees owning their own growth, we are pleased that, consistent with last year, we saw a 75% return rate of Personal Development Plans with 99% of all training requirements being approved. Through these signposts, we are encouraged that we now have a third of our workforce participating in our mentoring scheme, either as a mentor or mentee. Our Senior Management Leadership Programme supports our succession planning and we actively seek and encourage females to participate.

We continued to roll out our DiSC training across the organisation, which has resulted in our managers strengthening their leadership capability to better respond and coach their people, signposting the right support to improve mental health and general wellbeing which has seen a positive decline in absence and attrition levels.

Our menopause policy launched last year has been well received and very well used. We are pleased to see very active and growing use of our wide variety of agile and flexible working arrangements across the organisation — one outcome of this is a downturn in part-time employees as this flexibility creates new ways of working. All this is supported by our clearer cultural narrative which drives inclusivity in everything we do.

Dive In Festival

Gallagher was once again a global sponsor of Dive In, the festival for diversity and inclusion in the insurance industry. Dive In's 2023 theme was 'Unlocking Innovation: The Power of Inclusion', which covered topics such as artificial intelligence, neurodiversity, authenticity, and allyship.



Our 2023 Progress

We have taken some great steps and have made significant progress in the past 12 months to help address the gender pay gap and continue to work to update our policies and guides to improve the bonus gap.

	2021	2022	2023
Mean Gender Pay Gap	23.20%	26.30%	23.10%
Median Gender Pay Gap	20.80%	21.20%	25.80%
Mean Gender Bonus Gap	70.70%	64.10%	66.80%
Median Gender Bonus Gap	61.50%	48.90%	54.60%
Males Receiving Bonus	59.80%	69.40%	52.10%
Females Receiving Bonus	54.60%	65.90%	63.00%

Next steps

Over the next 12 months, we will continue to focus on our recruitment processes and learning and development opportunities for all employees to continue to work towards reducing our gender pay gap at both the mean and median.

We want to ensure that all employees, no matter their gender, age, disability, race, religion, sexual orientation, age, or ethnicity continue to have equal opportunities for career development and progression within our organisation.



Buck, a subsidiary of GBS Management Company Limited, Gender Pay Gap Report

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664
Total Gallagher Broking UK headcount



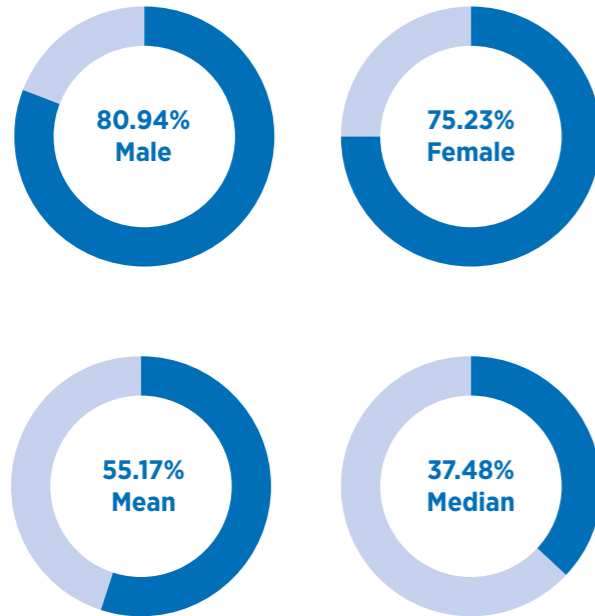
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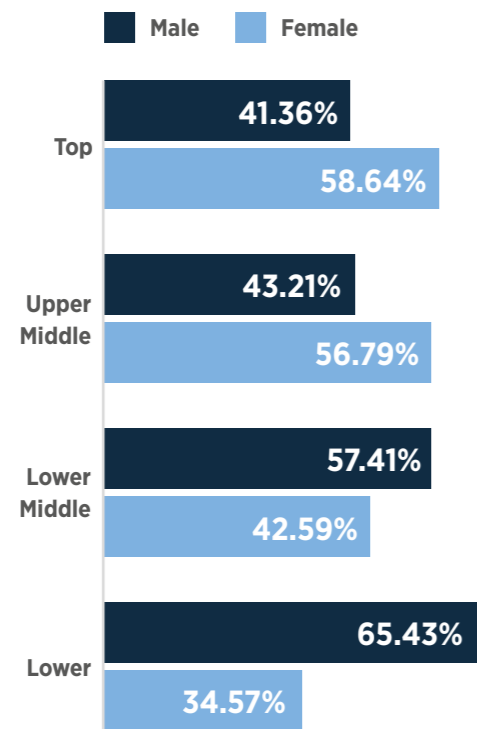
Median pay gap: The median represents the middle point of a population. If you lined up all women and all men within our organisation in order of hourly rates, the median pay gap is the difference between the hourly rate for the woman in the middle of the data compared to that of the man in the middle of the data.

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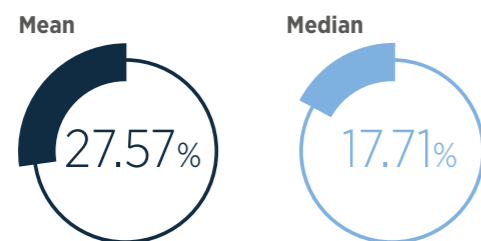
Bonus pay



Pay quartiles



Gender pay gap



ABOUT GALLAGHER

Gallagher is one of the world's largest insurance brokerage, risk management, and consulting firms. As a community insurance broker and trusted local consultant, we help people and businesses move forward with confidence. With more than 52,000 people working around the globe, we're connected to the places where we do business and to every community we call home. Managing risk with customised solutions and a full spectrum of services, helping you foster a thriving workforce, and always holding ourselves to the highest standards of ethics to help you face every challenge — that's The Gallagher Way.

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