



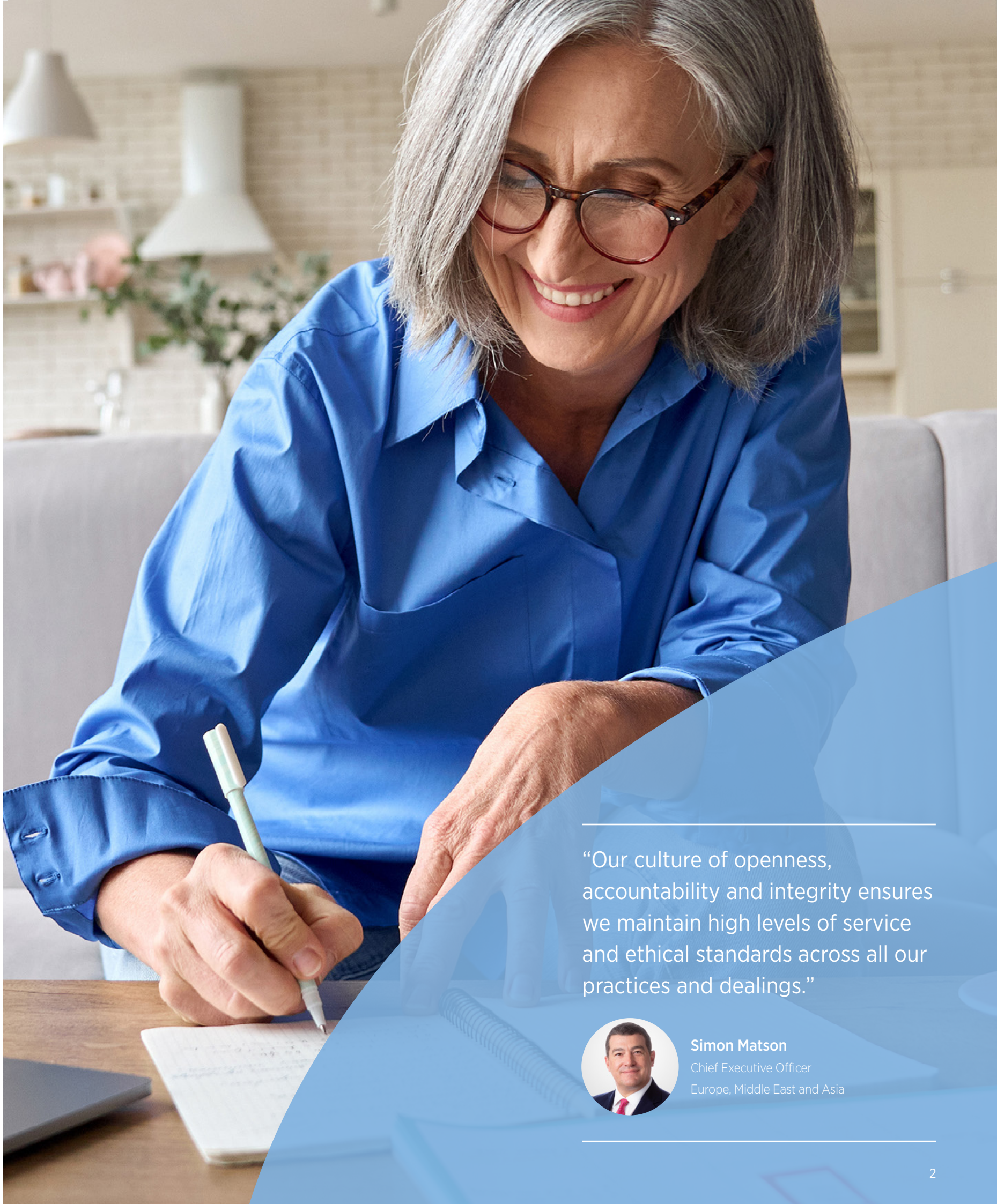
Gallagher Gender Pay Gap
UK Broking & Underwriting
Division Report
2021-2022



Insurance | Risk Management | Consulting

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“Our culture of openness, accountability and integrity ensures we maintain high levels of service and ethical standards across all our practices and dealings.”



Simon Matson
Chief Executive Officer
Europe, Middle East and Asia

Introduction

“Gallagher is a product of its people, they are our strongest asset, and so creating a culture where all team members feel empowered and supported to be themselves is very important to us. This year, we were proud to see this recognised by being voted one of the UK’s top insurance employers by Insurance Post.

Our culture of openness, accountability and integrity ensures we maintain high levels of service and ethical standards across all our practices and dealings. I am proud that Gallagher received recognition as one of the World’s Most Ethical Companies for 2023 by the Ethisphere Institute. This is our 13th time being recognized, and we are once again the only insurance broker on the list.

This year, we made real strides with our Inclusion & Diversity programme; we dedicated time and resource to understand more about the demographic makeup of our people and formed new partnerships to help us make material impacts to attract new talent and better support our existing female talent fulfil their career aspirations at Gallagher.

Our annual engagement survey consistently demonstrates positive results. In 2022, 91% of colleagues across our EMEA business took part to share their views, receiving a positive inclusion score of 85%.

We understand that we need to amplify our actions to address the challenges faced in the broking and risk management markets to achieve gender parity. We accept that industry change does not happen overnight, however I hope this report demonstrates the positive steps we are taking to move the dial.

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



Simon Matson
Chief Executive Officer
Europe, Middle East and Asia



“I am incredibly proud to be Gallagher UK’s female Chair. The City of London has afforded me an unimaginable and amazing career and it continues to do so.

I am pleased to see the actions Gallagher is taking to advocate for the incredible female talent within the industry and their collaborative work with peers to demonstrate to the next generation that anything is possible. We and our industry have a responsibility to our colleagues, clients and communities to make that true, by ensuring equal opportunities for all and actively challenging barriers slowing progress towards gender parity.

As the financial services founding member of the Government’s Women’s Business Council, I am passionate about working closely with businesses to champion best practice. Like many sectors, the insurance and broking sector has much still to progress to enable women to reach their potential, assist our businesses to harness female talent and close the gender pay gap. This will not happen overnight but I believe Gallagher is an employer of choice for all colleagues, and remain committed to making this known for women at every stage of their career.”



Sue Langley
Non-Executive Chairwoman
Gallagher Global Broking UK



Our commitment to Inclusion and Diversity

“At Gallagher, we see diversity as a strength. We believe in fostering a fair, respectful and inclusive culture, one where all team members feel empowered and supported to be themselves and achieve their career and lifestyle ambitions.

Our people are our biggest asset and we’re committed to our Inclusion & Diversity (I&D) mission to ‘create and embed an inclusive culture where everyone is able to bring their whole self to work’. Recognising the value that a diverse workforce brings doesn’t just create an inclusive culture; it also helps us better represent the communities we serve.”



Claire Davies

HR Director
Europe, Middle East and Asia

Embedding our INCLUDE behaviours

Our INCLUDE behaviours form the foundation for how we work together and treat one another. They are centred around three tenets of The Gallagher Way:

We support one another.
We believe in one another.
We acknowledge and respect the ability of one another.

The Gallagher Way. Since 1927.

All our differences make a difference—this is The Gallagher Way.

Since launching our INCLUDE pathway in 2018, 2,733 of our UK colleagues have completed the e-learning modules, collectively spending 9,500 hours on INCLUDE training.



2022 highlights from our inclusion and diversity workstreams

Our six I&D workstreams support the development and delivery of our I&D initiatives across the business. Each workstream has a senior executive sponsor and a workstream lead, supported by workstream members and sub-groups.



Launched a video on men’s vulnerabilities for International Men’s Day. Launched a video on #BreaktheBias for International Women’s Day and speaker series on breaking the bias in sports journalism.



Set up manager guidance for leaders supporting their team with a disability. Workshops were held on autism and everything you want to know about disability but were afraid to ask.



Entered the Top 100 Employers in the Social Mobility Index. Social Mobility awareness campaign launched in November where colleagues spoke about their own experiences, and how these affected their careers.



Shared colleague experiences of loneliness for Mental Health Awareness Week. Updates were shared two years on from colleagues who took part in Smash the Stigma campaign, helping individuals to speak out, seek help and get support. Speaker series regarding discussions about mental health and wellbeing.



Our Multi-Ethnicity Racial Alliance (MERA) workstream celebrated Black History Month with educational events on Black British History and Slavery Awareness Walks. Launched reverse mentoring programme between six of our multi-ethnicity colleagues and six of our senior leaders.



Discussed LGBTQ+ History Month with colleagues and what this celebration means to them. 200 colleagues marched under the Gallagher banner at PRIDE events across the UK.

1,500
UK colleagues completed INCLUDE e-learning in 2022

5,250
hours of INCLUDE training completed in 2022

60+
Active Inclusion and Diversity Champions

85%
Inclusion score in our annual engagement survey

Our Gender Pay and Bonus Gap

“Our 2022 figures show a small improvement in our gender pay gap. While this progress is welcomed and suggests that our policies and initiatives continue to move us in the right direction, we recognise that the pace of change is slow.

While we work to reduce this gap as quickly as possible, we acknowledge that the shift will take time. We will only address the gender pay gap by removing the causes of it and having a workplace where all employees can achieve their goals and either progress through the organisation or grow in their current role.”



Tom Downey

Chief Executive Officer, Pen Underwriting
Chair, GGB-UK I&D Steering Committee

Gallagher Broking UK gender pay gap

As an employer of more than 250 employees in the UK, Gallagher’s UK Broking & Underwriting division (GGB-UK) is legally required to calculate and publish our gender pay gap data on an annual basis. The data published is based on a snapshot as at 5 April each year, with this report focusing on data as at 5 April 2022.

The data included in this report will include:

- Mean and median gender pay gap (based on an hourly rate of pay at 5 April 2022)
- Mean and median bonus gender pay gap (based on bonus pay received in the 12 months up to 5 April 2022)
- 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 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.

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 our women and all our men in order of the hourly rate at which they are paid, the median pay gap is the difference between the hourly rate for the middle woman compared to that of the middle man.

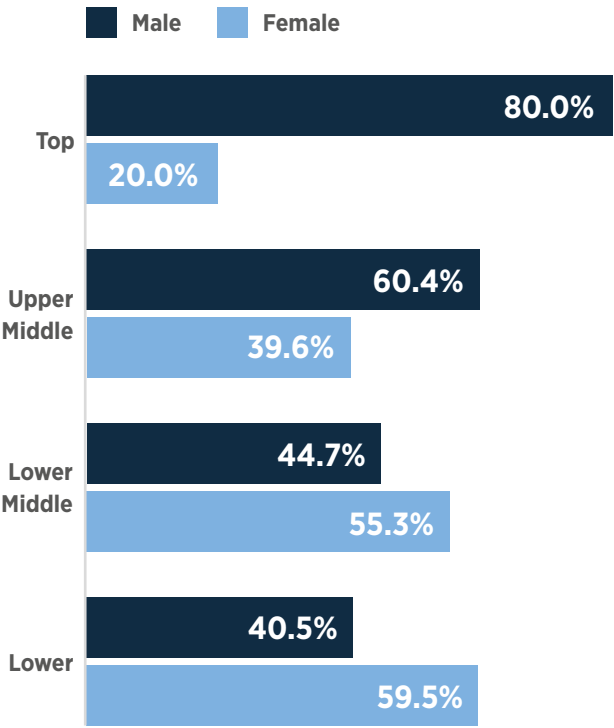
The mean and median are important metrics and need to be looked at together. However, the mean can be skewed by fewer individuals earning more in the upper ranges.

Ethnicity pay gap reporting

Approved by the UK and EMEA Executive Committee in 2022, we’re committed to publically report on our ethnicity pay gap and supporting action plan by 2025 or before if mandated by the UK government.

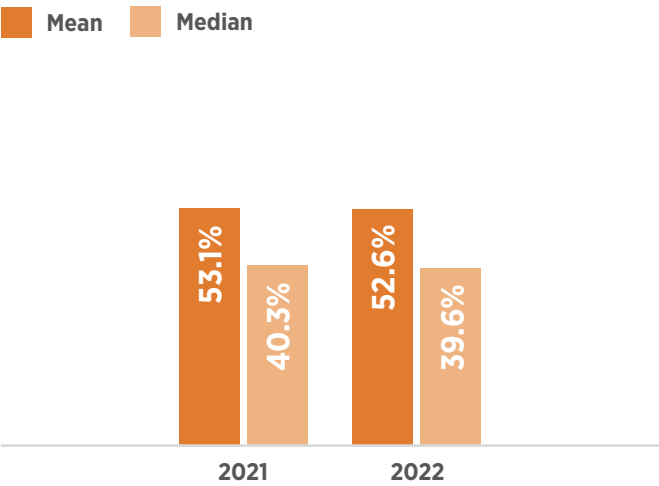


Pay quartiles



Gender pay gap

Based on hourly rates of pay as at 5 April 2022



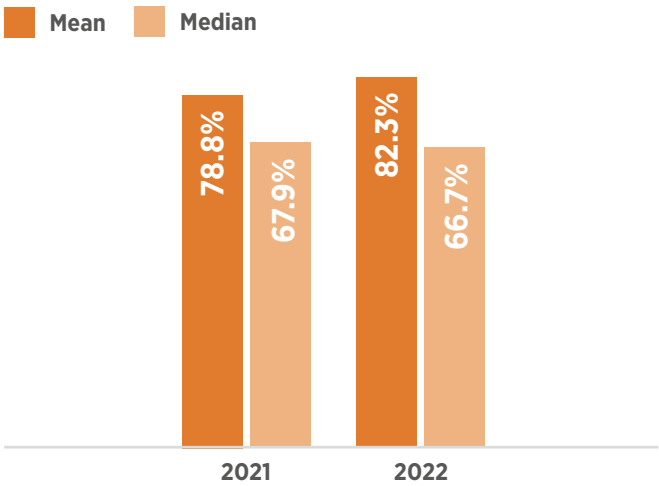
Factors driving our gender pay gap

Our gender pay gap shows us that in our UK broking and underwriting operations we have a gap in pay between men and women, due to a lower proportion of women holding senior management and broking roles within the business.

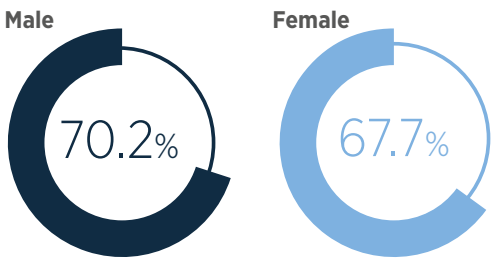
We have continued to grow our GGB-UK business extensively through acquisitions in the past year, bringing in expertise from a broad range of organisations. The challenge with acquiring some of these businesses, is that they too have gender pay gaps, which is in turn adding to the pay gap at Gallagher. We will endeavour to continue actively promoting female talent and progressing our actions towards pay parity as we welcome these businesses into the Gallagher family.

Bonus pay gap

Based on bonuses paid in the 12 months to 5 April 2022



Proportion of employees receiving bonus pay



Our actions to address the gender pay gap

“We know and understand the reasons why we see a gender pay gap within our organisation and are committed to actively managing this differential, as we try to move towards a more gender-balanced workforce.

Gallagher is committed to a programme of activity that we believe will help us address the current under-representation of women in senior roles within Gallagher, and embed our inclusive culture.”



Francesca Campbell

Director of ESG and Inclusion and Diversity
Europe, Middle East and Asia

Addressing our priority areas

Our gender pay gap demonstrates our current under-representation of women in senior roles. The actions we're taking to tackle the gender pay gap fall into three areas:



Actions against these priority areas have been clearly marked out throughout this chapter.

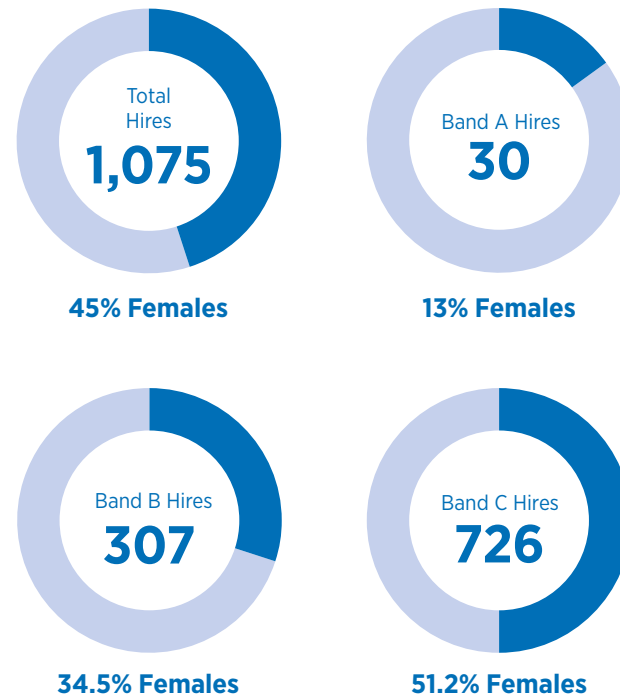
Our inclusive hiring principles

We recognise that inclusive hiring practices are increasingly critical for Gallagher to remain an attractive employer of choice to the diverse talent we need to effectively represent our colleagues, clients and communities we serve and to drive our growth and performance.

Developed in 2022, our inclusive hiring principles helps us level the playing field for all candidates and fight against bias and any form of discrimination. Our inclusive hiring plan explores key stages of the candidate journey, including: awareness, consideration and interest, application, assessment and selection and hiring.

We look to hire the most-qualified candidate for the role and ensure that our talent pools reflect our communities. Candidates are assessed and selected fairly based on core skills and Gallagher values.

Inclusive hiring is just one component of a comprehensive approach we are taking to creating and sustain an inclusive, female-friendly workplace. We're also focusing on our internal female talent development and retention.



Focusing on female talent

As well as making our business an inclusive place to work to attract new female talent, for a number of years, we have been focusing on nurturing our existing female talent internally to readdress the gender representation across our business and increase female representation in our senior roles. During the reporting period (April 2021–April 2022), we promoted 107 females, representing 38.4% of our total promotions that year.



Our Gallagher Futures, Leadership Academy and Retail Talent programmes are designed to support development and build knowledge, skills and behaviours, which enable personal growth and career development for all our colleagues.

Gallagher futures programme

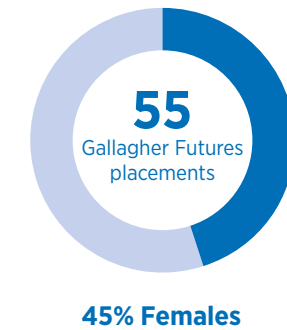
We are committed to creating gender balance across the industry, and attracting young female talent into the industry is key to unlocking this. The Gallagher Futures programme is a two-year development programme tailored towards diverse, high calibre and results-driven individuals. This programme offers new graduates and school leavers the opportunity to join Gallagher on a structured development programme and gain a Level 4 apprenticeship qualification as part of their employment.

In 2022, 55 Futures participants (45% female) joined the programme in various functions across the business; for this, we increased targeted advertising through prospects specifically for women and advertised the roles through Open University.

This year we attracted twice as many female applicants as in the previous year and have retained representation of women throughout the application process. This progress represents a huge step in creating a more diverse industry for the future.

Gallagher leadership academy

Our flagship talent development programme, the Gallagher Leadership Academy focuses on the development of leadership behaviours, including leading inclusively. In 2023, we plan to extend our existing Leadership Academy programme to include an additional module for our female population who are on the pathway to more senior positions. We hope this will give more opportunity for progression into leadership roles and start to influence a more gender balanced population.



Our GGB-UK Retail Talent Programme

Our GGB-UK Retail development programmes supported 109 colleagues (49% female) in our 2021/2022 cohort. The programmes offer colleague's management development opportunities supplemented by 360 feedback, executive exposure, networking, business insight and focused project work to support career progression.

Our Next Generation Programme supports our mid-level managers to progress into branch level or equivalent roles. In our 2021/2022 cohort, 67% of participants were female, this was a result of active promotion and endorsement of our internal female talent and inclusive hiring in recent years to support the progression of female colleagues into senior roles, supporting our efforts to reduce the gender pay gap.

Next Generation Programme

(Targeted at branch level or equivalent leaders with retail executive potential)



Elevate Programme

(Targeted at internal mid-managers with branch level potential)



Fast Forward Programme

(Targeted at early career progression)



Exploring your Sales Potential Programme



"The Gallagher Next Generation Programme gave me the opportunity to progress my leadership ambitions. Throughout the course I established new relationships with multiple stakeholders across the Gallagher group, developing my ability to effectively work in a distributed business and positively influence key stakeholders. As a result, I have a solid understanding of what Gallagher requires' from its leaders and confidence that I can lead a high performing team.

After presenting my team's final project on 'Sale Operations' to the Retail Executive and respective line managers, I was thrilled that

our initiatives, along with the two other programmes presented, were signed off to progress to the next stage. It's exciting to see these being rolled out and knowing that Next Gen have made a difference.

Since completing the Next Generation Programme, I was delighted to progress my career as Client Service Director, expanding my team and focusing on branch level leadership."



Kelly Nicholson

Client Service Director, Gallagher
Retail division
Retail Next Generation Participant

Our gender workstream

Sponsored by Michael Rea, Chief Executive Officer of Gallagher's UK and Ireland Retail business, our gender workstream strives to educate and inform colleagues about the opportunities and actions we are taking to progress our work in gender parity.

The workstream promotes this vision by involving employees with events and initiatives throughout the year including celebrating International Women's and International Men's Days as well as looking at key areas for development, including ways we can encourage more gender parity.

In September 2022 we appointed Anita Watson, Commercial Operations Director—Retail North, as our new gender workstream lead. Moving forward, the gender workstream will contribute to the development of our family-friendly policies and focus on utilising our data insights to effectively create positive change throughout our organisation.

This year, our gender workstream has advocated for an additional provision for anyone suffering a baby loss to be incorporated into our family-friendly policy, as well as reviewing our menopause policy (further details on page 12).



"I was delighted to be appointed as our Gender Workstream Lead in September 2022. With the help of our passionate and dedicated workstream volunteers, I am thrilled to see the progress made towards supporting both our male and female colleagues within Gallagher with the release of our latest family-friendly policies. Over the coming months, we will be reviewing our strategy and data insights to maximise our programme delivery."



Anita Watson

Commercial Operation Director—Retail
North Division Gender Workstream Lead



Our partnership with Women Returners



In 2022, we partnered with Women Returners, a consulting, coaching and networking organisation which specialises in enabling female professionals to return to work after an extended career break.

Why a partnership with Women Returners?

We recognise that within Gallagher UK, and more broadly across our industry, there is a need to address the gender pay gap. We know this will be a long term issue for us to address, and one of the main challenges in closing the gender pay gap is the lack of female talent in the market who are in senior, ideally client facing roles.

The formation of this partnership is a key feature of our gender work stream and provides Gallagher with the foundations needed to address such issues as well as support our gender pay gap action plan by increasing senior female representation in our UK broking & underwriting business.

How will we work alongside Women Returners?

We plan to work with Women Returners to successfully hire senior females into our trading divisions, particularly looking at women with transferable skill sets from other industries to bring fresh talent and perspective into the business.

The programme is aimed at women aged 30 and over, who have been out of work for six months or more, and want to restart their career. Those eligible may have been out of work or experienced a career break through childcare, health or caring commitments.

What are our next steps?

Our talent acquisition team are working with all our divisional CEOs and HR Directors to select suitable roles that can be promoted and advertised through the Women Returners Professional Network and social media network, in conjunction with our own agreed advertising. We will be targeting six hires across the UK business for this pilot in 2023.



Developing policies that support our inclusive culture



We have had strong family-friendly policies in place for some time, and support anyone who chooses to take family-friendly leave for a wide range of circumstances, from time off for fertility treatment to adoption, fostering and surrogacy leave.

We offer five days of paid leave per cycle of fertility treatment, up to a maximum of three cycles during a 12-month period (pro-rata). Our maternity pay offers colleagues 26 weeks at full pay from day one of employment and we encourage our colleagues to keep in touch during their term of leave to ensure they continue to feel part of the Gallagher family.

This year, our gender workstream led on the development of an additional element to our maternity policy to include a provision for pregnancy loss. All UK colleagues are entitled to up to ten days' paid leave if they experience miscarriage, ectopic pregnancy, molar pregnancy, embryo transfer loss or termination.

There is no pre-requisite of length of service, and no limit on the number of losses that will be supported. This is inclusive of same-sex couples and surrogates. The policy provides support and assistance from a range of resources, and offers different ways of communicating openly with us.

We also recognise that for some colleagues, the menopause will have an adverse impact on their working lives and we aim to support those colleagues and ensure an inclusive and supportive working environment for all.

In October 2022, we refreshed our menopause policy, raising awareness of the menopause and the impact it may have for colleagues in the workplace, and to encourage open conversations. We seek to ensure that colleagues experiencing menopausal symptoms are able to request adjustments, without embarrassment, to enable them to carry out their role. We are committed to supporting colleagues who are affected by the menopause and to signpost relevant advice and assistance to anyone who needs it.

We continue to monitor the best practice approach to all of our HR policies and procedures, with the aim of making Gallagher an inclusive and welcoming place to work for all.



Celebrating our female talent's success

PW RT

We celebrate the achievements of our colleagues who have gone above and beyond, and consistently demonstrate our shared values. Throughout 2022, we recognised the achievements of 79 of our female talent across our quarterly and annual award and recognition schemes, including our Way Beyond, Client Excellence, INCLUDE, CEO and One Pen divisional awards.

“Working within the Energy department of our Specialty division, I was pleased to see that my contributions to the team had been recognised. I was delighted to have been nominated by colleagues for Q1 and to be recognised as the overall winner for 2022 was a super proud moment.

It can sometimes take a lot of grit and determination to get projects over the finish line and so it is great that Gallagher provides the opportunity for colleagues to nominate and celebrate the achievements of others on a quarterly and annual basis.”



Elvina Emerson

Associate Partner, Energy, Power and
Renewables—Specialty Division
CEO Award winner

Collaborating for a more inclusive industry

“As a Board member of the Insurance Women’s Inclusivity Network (iWIN), I am passionate about providing a coherent voice for women in the insurance industry.

As an industry, we recognise that more needs to be done to tackle the gender pay gap. Gallagher is committed to collaborating with our peers to work towards solutions that will benefit everyone, and make the industry a more inclusive, diverse and equal place to work that truly reflects the society we live in today.”



Sarah Griffiths

Director of Marketing and Communications
Europe, Middle East and Asia



Insurance Inclusion Pledge

Gallagher is a signatory to the Insurance Inclusion Pledge. The pledge reinforces our promise as an organisation, and as a collective, to challenge inappropriate behaviour and create increasingly welcoming and inclusive workplaces for the diverse talent powering our sector.

Gallagher is proud to stand with our industry peers to pledge our commitment to the Insurance Behaviours in Insurance, and foster the kind of culture we aspire to create for all our colleagues.



Insurance Women's Inclusivity Network

As sponsors of the Insurance Women's Inclusivity Network (iWIN), we work with iWIN to help promote, support and encourage our female talent in achieving their career objectives and fulfilling their potential. We promote iWIN events which are designed to help women acquire knowledge and skills relevant to their career, whilst encouraging them to be proactive in taking control of their professional development.

Inclusion @ Lloyd's

We are an active part of the Inclusion@Lloyd's Partner Network Initiative, which supports cross-market networks to collaborate and drive inclusion across the industry. We support and promote activities from the Partner Networks, including the Gender Inclusion Network that aims to take positive action to improve gender balance within the industry.

In future years, we hope to see greater collaboration with these networks and make the industry better for everyone.



Dive In

Gallagher was once again a global sponsor of Dive In for 2022, the festival for diversity and inclusion in the insurance industry. Dive In's 2022 theme was #BraverCultures, focusing on how to build a workspace that allows people to feel psychologically safe, valued and respected, and free to express themselves authentically. Gallagher had the most registrations out of all festival sponsors, with over 1,000 UK and EMEA colleagues taking part.



Celebrating females over fifty



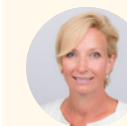
Gallagher is proud to have sponsored the first ever UK-wide initiative celebrating women over 50 in the insurance industry, 50 over Fifty. Women are significantly more likely to experience ageism at work; to celebrate their invaluable contributions, the 50 over Fifty campaign featured images and personal stories from 50 women across the industry who are over the age of 50.

Not only were we sponsors of this ground-breaking event but we were also extremely proud to see three of our own female leaders make it to the final 50 including Claire Davies, HR Director, Trudie Tricker, Talent Development Lead Associate within our Gallagher Reinsurance business and Julie Scott, a Consultant within our Speciality Construction practice.



"I started working in the insurance industry at 17 years of age. During my career I have set up and ran a Private Finance Initiative (PFI) team in the construction industry, bringing innovative products to the market for risks never before placed in the insurance market.

I love the insurance industry and am passionate about solving issues for clients and although there is much that needs to be addressed, I am proud to promote the insurance industry and help bring about change by mentoring and standing up for others."



Julie Scott

Consultant, Gallagher—Speciality Division



2022 Progress and Next Steps

“Creating greater gender balance across the organisation is a challenge that we, and the rest of our peers are still grappling with. We know that creating this balance won’t happen overnight, but we are committed to narrowing the gap at all levels of our organisation.

We have taken some good steps forward in the last 12 months, from enhancing our inclusive policies, to engaging with industry networks to tackle the barriers to female talent within the insurance and broking industry, but we know that we have more to do and we are committed to doing it.”



Michael Rea

Chief Executive Officer,
Gallagher UK and Ireland—Retail Division,
Executive sponsor, Gender workstream

Our 2022 progress

When we consider our progress over the past year, we see a positive trend in the form of a narrowing gender pay gap. Our mean gender pay gap has reduced by 0.5%, our median gender pay gap has reduced by 0.7% and females receiving bonuses has increased by 2.4%. Since 2019, our median gender pay gap has reduced by 1.5% and females receiving bonuses has increased by 4.1%.

Despite these positive steps, we acknowledge that we still have to make critical improvements to reduce this gap further and take further actions to address our increasing mean gender bonus gap.

	2019	2020	2021	2022	2022 vs 2021
Mean Gender Pay Gap	50.1%	52.4%	53.1%	52.6%	↓ (0.5%)
Median Gender Pay Gap	41.1%	39.9%	40.3%	39.6%	↓ (0.7%)
Mean Gender Bonus Gap	76.9%	79.3%	78.8%	82.3%	↑ 3.5%
Median Gender Bonus Gap	63.3%	70.0%	67.9%	66.7%	↓ (1.2%)
Males recieving bonus	68.7%	65.8%	67.0%	70.2%	↑ 3.3%
Females recieving bonus	63.6%	61.5%	65.3%	67.7%	↑ 2.4%



Our next steps

We will continue to leverage technology and our data to help us identify areas of our organisation that need renewed focus to drive continuous improvement relating to gender equality.

Building on our values of trust, innovation, collaboration, expertise and safety, we will continue to work with all of our employees, and regardless of ethnicity, gender, age, disability, religion or sexual orientation, provide them with opportunities to build their confidence and help them in reaching their full potential.

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 43,000 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.