



Gallagher Gender Pay Gap -
Gallagher Bassett International Ltd
Report 2018



Gallagher

Insurance | Risk Management | Consulting

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

We are pleased to confirm that Gallagher Bassett's Gender Pay Gap data for the 12 months up to 5th April 2018 shows a distinct improvement across all metrics, including a reduction in the disparity between female and male employees' hourly rates of pay and an increase in female representation in the higher pay quartiles.

This is a reflection of our commitment over a number of years to retaining and developing female talent within Gallagher Bassett UK, and a demonstration of the steps we have taken to promote equality and appropriate behaviours long before the introduction of the statutory requirement to report gender pay gap information. Since the last 'snapshot date' of 5th April 2017 we have promoted a further two female Directors to our senior leadership team, increased our number of female Branch Managers so that we are now close to a gender balance for these roles within our business, and have also increased the number of female employees in client-facing roles.

In addition to fair, transparent and considered application of our family leave policies, and requests for flexible and part-time working, we have maintained a strong pipeline of female employees at Assistant Branch Manager, Team Leader and other comparable roles within our support functions, which provides confidence that our future data will continue to close the gender pay gap within our organisation.

In 2017/2018 we also implemented a wider bonus pool, both in terms of merit-based bonuses and related to team performance based on clients' KPI's. This has meant a reduction in the disparity between the genders and a significant increase in the proportion of female employees receiving a bonus payment.

Whilst the figures show that there still remains disparity between the genders, they do not suggest that there are different pay rates between the genders for the same or comparable roles. As with our 2016/2017 figures we found no evidence of pay discrimination within our organisation.

We remain committed to continuing on our current path towards a business that truly reflects, at all levels, the gender mix within our general employee population, and to maintaining an inclusive and respectful culture and work environment that supports all our employees to achieve their full potential.

We confirm that the data contained in this report is accurate.



Simon Pemberton,
Chief Executive Officer



Ben Wimbledon,
Human Resources Director



Understanding the data

Women's average total hourly pay rate

Mean*
22.8% lower

Median*
17.5% lower

We have a fairly even split of women (58%) and men (42%), but the number of female colleagues working in senior management and sales roles are under-represented, which is why we currently have a gender pay gap.

Our UK team



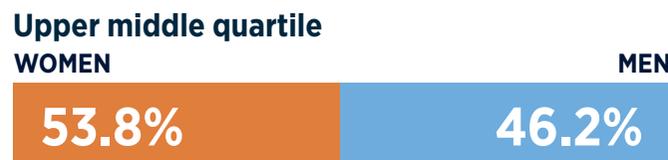
* Mean and Median explained

Mean | (or average) is the sum of a set of numbers, divided by the count of numbers in the set.

Median | the middle point in an ordered set of numbers

Pay Quartiles

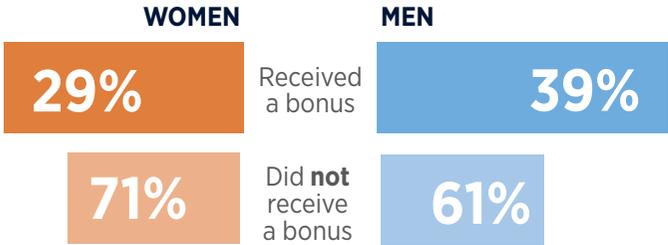
The proportion of men and women in each quartile of our payroll





Proportion of men and women receiving a bonus

Women's vs Men's Bonus Pay



Women's bonus pay

Mean* **87.8%** lower Median* **37.4%**

Why we have a bonus gap

We see the greatest proportion of bonus awarded at senior leadership levels and within our sales roles. These positions currently have more men than women working in them.

*** Mean and Median explained**

- Mean** | (or average) is the sum of a set of numbers, divided by the count of numbers in the set.
- Median** | the middle point in an ordered set of numbers

Gallagher's presence in the UK

Gallagher has three separately traded businesses in the UK that are each required to report their gender pay gap data separately:

- 1) **Arthur J. Gallagher Services (UK) Limited** - the employing entity for Gallagher's insurance broking, reinsurance broking and underwriting businesses in the UK
- 2) **Gallagher Risk and Reward Limited** - Gallagher's employee benefits, wealth management and HR consulting services business
- 3) **Gallagher Bassett International Limited** - Gallagher's third party claims administration and risk control services business

The summary table shown here contains the reported gender pay gap data for each of Gallagher's UK businesses.

Whilst we have made some progress in redressing the gender pay balance across our UK businesses, we still have a way to go before we achieve parity in this complex area - a challenge that we face as an industry as a whole.

At Gallagher we are committed to changing this 'historical norm' and are confident that our plans - which target multiple areas such as recruitment, talent and succession, mentoring and networking, as well as inclusion - will help us address the challenge of attracting and retaining more women into senior roles within our businesses.

Metric		Arthur J. Gallagher Services (UK) Ltd. April 2018	Gallagher Risk and Reward Ltd. April 2018	Gallagher Bassett International Ltd. April 2018
Headcount	Men	1,943	134	206
	Women	1,592	120	267
	Total	3,535	254	473
Hourly Rate	Mean	50.9%	43.7%	22.8%
	Median	40.0%	33.0%	17.5%
Pay Quartile	Top-Men	80.7%	77.8%	56.8%
	Top-Women	19.3%	22.2%	43.2%
	Upper middle-Men	60.7%	51.6%	46.2%
	Upper middle-Women	39.3%	48.4%	53.8%
Pay Quartile	Lower middle-Men	43.0%	45.3%	31.4%
	Lower middle-Women	57.0%	54.7%	68.6%
	Lower-Men	35.4%	36.5%	39.8%
	Lower-Women	64.6%	63.5%	60.2%
Bonus pay	Mean	80.9%	68.8%	87.8%
	Median	66.8%	68.0%	37.4%
	Male recipients	69.5%	51.1%	38.9%
	Female recipients	64.2%	37.5%	28.9%
	Proportion variance	5.3%	13.6%	10.0%

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Gallagher Bassett International Limited
Pay and Bonus data as at April 2018
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