

Gallagher Gender Pay Gap

Gallagher Bassett International Ltd

REPORT 2019



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.

Since the last 'snapshot date' of 5th April 2018 we have increased the number of female Directors to our senior leadership team, increased our number of female Branch Managers so that we have now achieved parity between the genders, and have also increased the number of female employees in client-facing roles. We have continued to develop a strong pipeline of female employees at Assistant Branch Manager, Team Leader and other comparable roles within our support functions, that provides confidence that the next generation of senior leaders within our business will be a true reflection of the gender mix within our wider employee population.

Despite these developments we have seen a small increase in the disparity between genders across a number of the metrics, including the hourly rates of pay and a decrease in female representation in the higher pay quartiles. This is primarily due to a number of recent acquisitions and team moves into the business whose principals and senior management have almost exclusively been male. However, we are confident that the increased business capabilities and ambitious growth plans these acquisitions will provide, will also enable us to offer an increased and varied number of promotional and development opportunities to our next generation of female talent.

Whilst the figures show that there still remains a 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 previous years' figures we found no evidence of pay discrimination within our organisation.

We remain committed to continuing on our long-term 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*

24.0% lower

MEDIAN*

17.5% lower

We have a fairly even split of women (57%) and men (43%), 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

WOMEN

57%

MEN

43%

* **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

Top quartile

WOMEN

42.1%

MEN

57.9%

Upper middle quartile

WOMEN

49.2%

MEN

50.8%

Lower middle quartile

WOMEN

69.0%

MEN

31.0%

Lower quartile

WOMEN

65.1%

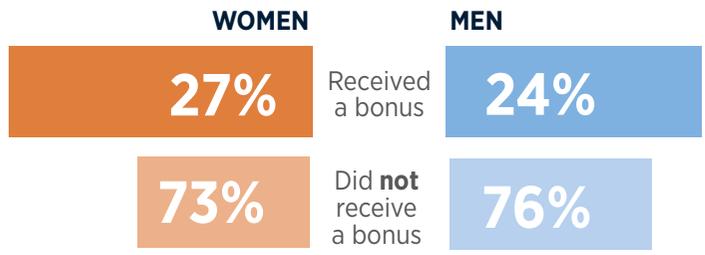
MEN

34.9%



Proportion of men and women receiving a bonus

Women's vs Men's Bonus Pay



Women's bonus pay

MEAN* **84.3%** lower **MEDIAN*** **38.7%** lower

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. March 2019	Gallagher Risk and Reward Ltd. March 2019	Gallagher Bassett International Ltd. March 2019
Headcount	Men	2,059	203	220
	Women	1,713	188	284
	Total	3,772	391	504
Hourly Rate	Mean	50.1%	42.8%	24.0%
	Median	41.1%	39.5%	17.5%
Pay Quartile	Top-Men	80.6%	76.5%	57.9%
	Top-Women	19.4%	23.5%	42.1%
	Upper middle-Men	59.6%	55.1%	50.8%
	Upper middle-Women	40.4%	44.9%	49.2%
Pay Quartile	Lower middle-Men	42.7%	48.0%	31.0%
	Lower middle-Women	57.3%	52.0%	69.0%
	Lower-Men	35.4%	27.8%	34.9%
	Lower-Women	64.6%	72.2%	65.1%
Bonus pay	Mean	76.9%	77.3%	84.3%
	Median	63.3%	78.0%	38.7%
	Male recipients	68.7%	51.6%	23.8%
	Female recipients	63.6%	38.0%	26.5%
	Proportion variance	5.1%	13.6%	-2.7%

Gallagher Gender Pay Gap - Gallagher Bassett International Limited Report 2019

Gallagher Bassett International Limited
Pay and Bonus data as at April 2018
Registered Address: 1st Floor, Unit 4, Sandy Hill Business Park, Tamworth, B77 4DU
ARTUK-1520



Gallagher

Insurance | Risk Management | Consulting