

Lloyd's Gender Pay Gap 2017



Statement from Inga Beale, Lloyd's CEO

Lloyd's is committed to celebrating and seeking diversity in all its forms, guided by a gender balanced senior leadership that is as diverse as our global reach. We will continue to highlight and take decisive action on closing the gender pay gap within the Lloyd's Corporation, and act as a leader across the global insurance sector.

Lloyd's exists to support the needs of a rapidly changing world. Businesses, governments, and most importantly people, rely on us to be there when it matters most.

Our strength lies in the diversity of our people. Their talent means we continue to innovate and provide insurance that supports the economic growth and resilience of communities, cities and countries, enabling human progress.

To fulfil our purpose, it is vital that we continue to increase the diversity of talent across all roles and levels to better represent the world we serve – half of which are women. It simply cannot remain as imbalanced as it is in our sector today.

At Lloyd's, our Executive Committee is gender balanced, although just a third of our most senior roles are held by women, which is one of the key drivers of our gender pay gap. We know that access to senior roles has historically been limited by the culture of the insurance sector that was much less inclusive and welcoming than it is now.

While there has been good progress, particularly over the past thirty years, progress is simply not happening fast enough. We must turn this situation around, not just to benefit women, but to benefit the whole sector.

Reporting on our gender pay gap is an important step forward in tackling this long-standing and systemic issue. Lloyd's already has in place a number of initiatives and policies to redress the gender imbalance, particularly in our talent pipeline. These include a senior management gender diversity target of at least 40% female and 40% male in the next five years. We also have policies that cover inclusive hiring practices, shared parental leave and that support working families.

These steps are heading in the right direction, but it is clear that we need to expedite progress. For 2018, we have committed to an additional four key actions, detailed within this report.

We will continue to highlight and take decisive action on closing the gender pay gap within the Lloyd's Corporation, and act as a leader across the global insurance sector. Empowering our talent to fulfil their true potential is crucial to our future. We are committed to celebrating and seeking diversity in all its forms, guided by a gender balanced senior leadership that is as diverse as our global reach.

Inga Beale, CEO Lloyd's

About the gender pay gap

The gender pay gap is the difference between the gross hourly earnings for all men and the gross hourly earnings for all women.

- The mean gender pay gap figure represents the difference between the average pay of all Lloyd's Corporation male employees, and female employees.
- The median gender pay gap figure represents the pay difference between the middle point of Lloyd's total number of male and female employees.

The gender pay gap is different to equal pay which is men and women being paid the same for the same work or work of equal value. Lloyd's does not believe it has an equal pay issue. However, we review this on an annual basis as part of our compensation review process.

In line with the reporting requirements, this report relates to UK employees of the Corporation of Lloyd's as at 5 April 2017.

Lloyd's market firms that have more than 250 employees will individually be reporting their pay gap as required by the UK Government.

Lloyd's gender pay gap of 27.7% represents the difference between the average pay for a male in the Corporation, compared with the average pay of a woman.

Gender pay gap drivers

A higher proportion of men than women in senior roles across the Corporation

Lloyd's has a 50:50 gender balance across the Executive Committee. However, there is almost double the number of men (66.2%) than women (33.8%) in the highest paying quartile. In the lowest paying quartile this is reversed, with over twice the amount of women (66.2%) than men (33.8%).

A higher proportion of women who work part-time

Part-time employees are more likely to experience slower career progression than those who work full time, which can impact remuneration. 11% of our employees work part-time, of which 92% are women. Our mean bonus gap of 36.7% is based on actual bonuses paid, and is impacted by the fact that the calculation does not take into account pro-rated bonuses which reflect the reduced hours worked.

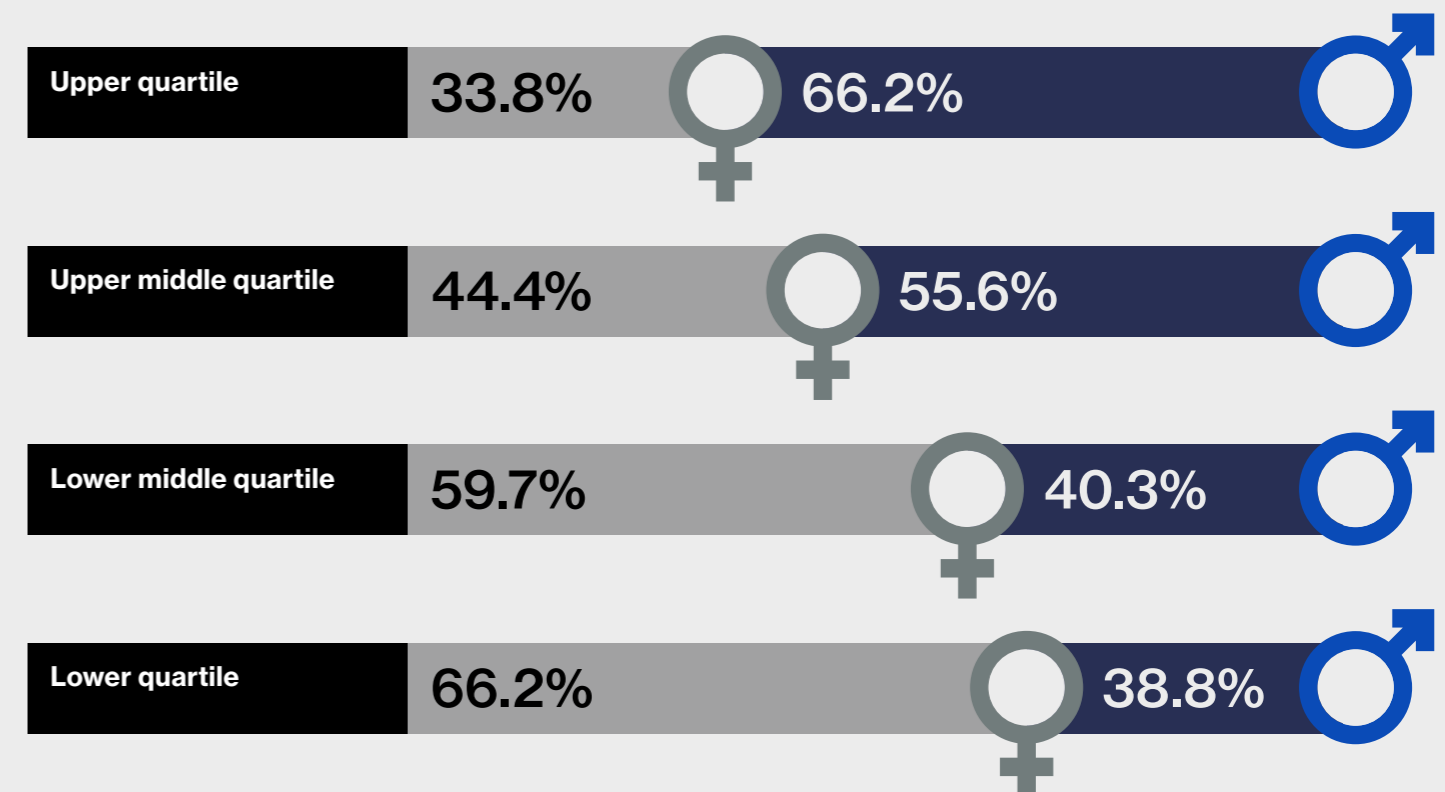
Our numbers

Key: Women ♀ Men ♂

Gender pay gap	27.7% Mean	32.1% Median
Bonus pay gap	36.7% Mean	40.7% Median
Employees receiving a bonus	87.3% ♀	84.7% ♂

Employees by pay quartile

Key: Women ♀ Men ♂



Actions

The Lloyd's Corporation has an important role to play in closing the gender pay gap across the insurance sector by leading on actions and initiatives that serve as best practice for all Lloyd's market participants.

Lloyd's is committed to closing the gender pay gap by working to increase the number of women taking up senior roles across the Corporation, and improve the gender and broader diversity balance across all levels.

Redressing the gender imbalance will take a long term approach. That is why we have a well-established programme of initiatives aimed at attracting more women, and enabling them to develop and thrive at each stage of their career.

- All Executive Committee members are expected to deliver against a specific objective to attract and develop diverse employees.
- As part of the commitment to the Women in Finance Charter, Lloyd's has set a gender diversity target of at least 40% female and 40% male for its senior management population (highest 25% of employees) in the next five years.
- Inclusive hiring has been a key priority for Lloyd's Talent Sourcing. We require all external recruitment partners, Lloyd's hiring managers, Senior Leadership Team, and Executive Committee to attend inclusive hiring and unconscious bias training.
- Lloyd's has created and implemented a new grading structure, enabling enhanced progression opportunities for all employees.
- We have prioritised assisting our employees in achieving balance between work, family and other life commitments, with our flexible working policy. We have also implemented shared parental leave and have policies that support our employees throughout changing family caregiving responsibilities.

– Lloyd's Inspire, our gender equality employee network, provides a forum for all Lloyd's employees to promote awareness and understanding of issues relating to gender equality within the workplace, to share information, and develop their professional and leadership skills.

- We continue to actively champion the ['Dive In' Festival](#) across the Lloyd's market with a 2018 focus on Gender Equality.
- We have partnered with the nationwide [Working Forward](#) campaign, pledging to make Lloyd's the best it can be for pregnant women and new parents through concrete actions.

To further enhance the work we are doing, we have identified 2018 actions aimed at reducing the gender pay gap over time:

Lloyd's will continue to publically report its progress towards closing the gender pay gap, including in our Annual Report.

Declaration

I confirm that the data contained within this report is accurate and meets the requirements of the Gender Pay Gap reporting regulations.

Inga Beale, CEO, Lloyd's

2018 actions

1. Mandate all external recruitment long lists to include a 50/50 gender split of potential candidates.
2. Review current succession plans, ensuring they are fully representative of all talent across the organisation, with development plans in place for all key talent.
3. Strengthen the pipeline of future talent through the development and pilot of a bespoke female development programme targeted at key female talent that include stretch opportunities.
4. Conduct a full review of our family care policies and continuing our work on improving flexible working for all employees.