

22

*Gender pay gap
narrative*

2022

FOREWORD

At Sedgwick we continue to recognise gender parity is critical for both the business and the wider community. We remain committed to doing things differently to positively impact on improving the gender pay gap and the number of female colleagues represented in our industry.

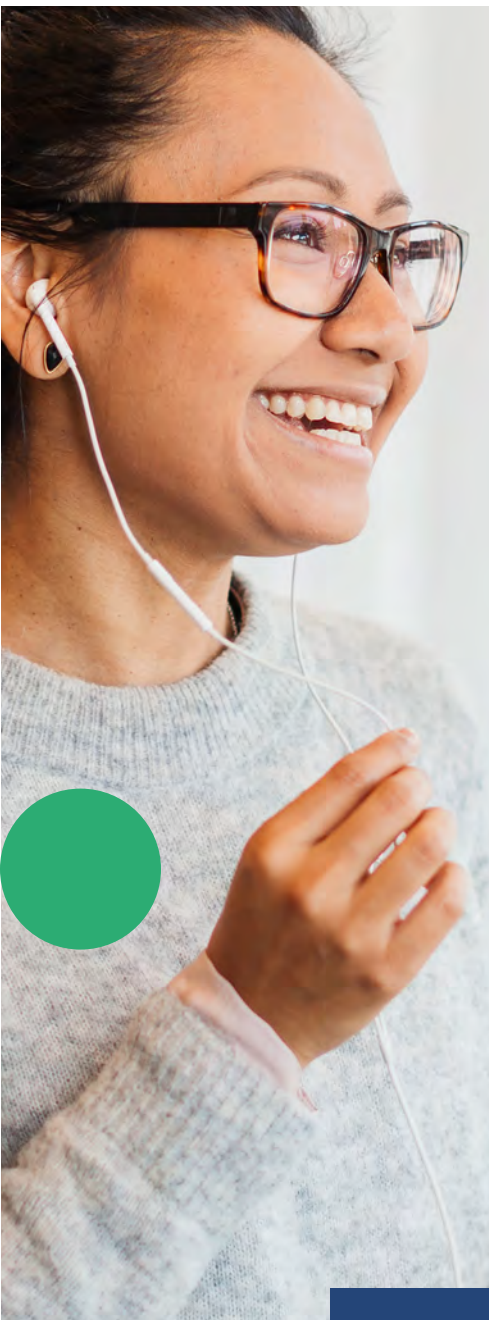


Over the past 12 months we have continued to make progress in our cultural journey. We've prioritised how we attract new diverse talent to Sedgwick, focussing on the colleague experience and introducing further initiatives that support opportunities for advancement, career development and succession planning. We've also been raising leader awareness around the things they can do to embed diversity, equity and inclusion (DEI) into everyday practices.

We take pride in our inclusive culture and value colleague differences and diversity

which inspires creativity and drives innovation and supports the delivery of industry leading services to our valued clients and their customers. That said, we do acknowledge continued commitment and action is needed to bring about positive change in closing our gender pay gap and that this may take some time.

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This report sets out details of our gender pay gap and importantly, what we have been doing and will continue to do to address it. I confirm that the data contained in this report is accurate and meets the requirements of the gender pay reporting regulations.



Paul White

CEO, Sedgwick International UK

Sedgwick

ABOUT

Sedgwick is a leading global provider of technology-enabled risk, benefits and integrated business solutions. With 30,000 colleagues located across 65 countries, including 2219 based in the UK, Sedgwick offers services designed to keep pace with the evolving needs of our clients and consumers, taking care of their needs when something unexpected happens. It could be anything from a small accident in the home through to a catastrophic loss in a major business. Sedgwick is there to offer expert guidance to make things right quickly and efficiently, minimising disruption and helping things get back to normal as soon as possible.



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WHAT IS THE GENDER PAY GAP?

In line with legislation that came into force in April 2017, UK employers with more than 250 employees are required to publish their gender pay gap data every year.

The gender pay gap is a measure that shows the difference between the average earnings of men and women, expressed relative to men's earnings irrespective of their role or seniority. The gender pay gap is a different measure to equal pay. Equal pay is a measure that explains the pay differences between men and women carrying out the same or comparable work or work that has been classed as equivalent or of equal value.

SPECIFIC GENDER PAY INFOR- MATION:

The mean gender pay gap

The difference between the average hourly pay of all women and all men.

The median gender pay gap

The median pay gap is the difference between the midpoints in the ranges of hourly earnings of men and women. It takes all salaries in the sample, lines them up in order from highest to lowest, and picks the middle salary.

The mean bonus gender pay gap

The difference between the average bonus pay of all women and all men.

The median bonus gender pay gap

The median bonus gap is the difference between the midpoints in the ranges of bonus earnings of men and women. It takes all bonuses in the sample, lines them up in order from highest to lowest, and picks the middle bonus value.

The proportion of male and female employees who received a bonus payment.

The proportion of male and female employees within each pay quartile.

Pay quartiles are taken by listing the rates of pay for each employee from highest to lowest and splitting that list into four equal bands: upper quartile (quartile 4), upper mid quartile, lower mid quartile and lower quartile (quartile 1). The percentage of male colleagues and percentage of female colleagues are calculated in each quartile.

This report and calculations are based on figures from the snapshot date of 5 April 2021.

Our gender pay gap

Our mean gender pay gap, when comparing 2021 to 2020 data, has reduced by **1.6%**, which is a positive trend, indicating that the overall average hourly pay gap between men and women in our business is closing. That said, our median gender pay gap has increased slightly by **1.8%** due to the fact that we continue to have more male colleagues in senior technical and leadership roles attracting higher salaries.

GENDER PAY GAP 2021 COMPARED TO 2020 DATA

<i>Gender pay gap</i>		<i>Gender bonus gap</i>	
MEAN		MEAN	
36.8 %		53.4 %	
(38.4% 2020)		(69.5% 2020)	
<hr/>		<hr/>	
MEDIAN		MEDIAN	
39.2 %		52.5 %	
(37.4% 2020)		(54.2% 2020)	
<hr/>			
<i>Proportion of men and women receiving a bonus</i>			
MEN		WOMEN	
53 %		23 %	
(55% 2020)		(25.7% 2020)	



The industry overall remains male dominated; however, we have made further progress in improving the number of women pursuing careers within Sedgwick with 335 new female colleagues joining Sedgwick in 2021. This includes welcoming eight female graduates, out of a 13-strong intake. By focussing our efforts on talent acquisition this is one of the key ways in which we will influence the gender pay gap in future years.

Gender bonus gap

Whilst we still have a higher proportion of men participate in a bonus scheme (these being male colleagues who fulfil senior technical and specialist roles where remuneration includes eligibility to participate in a productivity incentive scheme), we have seen a reduction of both the mean and median bonus pay gap when comparing 2021 to 2020 data of 16.1% and 1.7% respectively.



PROPORTION OF MALE AND FEMALES IN EACH PAY BAND HIGHEST TO LOWEST

2	2021		2020	
	male	female	male	female
Q4	78.6 %	21.4 %	81 %	19 %
Q3	55.6 %	44.4 %	54.8 %	45.2 %
Q2	31.5 %	68.5 %	33 %	67 %
Q1	34.7 %	65.3 %	37.1 %	62.9 %

There is continued progress in the number of females colleagues represented in higher paid roles with an increase of 14 female colleagues in quartile four when comparing 2021 to 2020 data.

Our commitment and actions to tackle the gender pay gap

Sedgwick has always had a strong commitment to diversity, equity and inclusion. It drives our desire to evolve our inclusive workplace culture, ensuring everyone is valued for their uniqueness and diversity and that all colleagues get what they need with equitable opportunity for development and advancement.

With the recent appointment of our new global head of DEI and ESG we have the opportunity to further embed DEI into all our talent strategies and practices including talent acquisition, talent management and colleague engagement and continue to create an engaging and inclusive workplace.

Some of the actions we've taken to tackle the gender pay gap and make our business more diverse and inclusive are outlined below.

Talent acquisition

We're continuing to widen our talent pool and diversify our candidate base by building DEI into our talent acquisition strategy and action plans, welcoming more female candidates in what has typically been a male-dominated industry.

By taking actions such as creating partnerships to support social mobility initiatives and developing a talent pipeline with diverse routes into Sedgwick, building on our early careers strategy, and continuing our graduate programme and apprenticeship schemes, we are attracting more women into our business.



>>>TALENT ACQUISITION

We've also:

- Fully rebranded our external careers site and messaging on social platforms promoting our equality messaging and what's important to Sedgwick, including our core values. We are also supporting work-life balance through flexible work options, modern collaboration tools and our inclusive culture
- Invested in the promotion of talent acquisition with a dedicated marketing director responsible for embedding diversity into our talent acquisition brand
- Rewritten our job adverts to ensure the language is gender neutral and appeals to a more diverse candidate pool
- Invested in upskilling our hiring managers and making sure those who play a part in recruiting are trained in how to avoid bias and stereotyping, and
- Reshaped our interview panels to ensure they have a more diverse representation

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Talent management - supporting growth, progression and succession

The support we're providing colleagues in their development is going from strength to strength with nine specific pathfinder programmes in place to support the growth and fast tracking of talent within Sedgwick.

Of the total 131 colleagues who are participating in the programmes launched in 2021, 52% are female. Breaking this down further, 60% of those on our leadership programme, 73.5% of apprentices, 62% of our graduates and 71% of colleagues on our upskilling programme (for those moving from a desk-based claims handling role to a trainee adjuster role) are female.

During 2021 we've also promoted 128 female colleagues which equates to 56% of all promotions.

52%

Of the total 131 colleagues who are participating in the programmes launched in 2021 are female.

Connecting our colleagues

In our last report we highlighted the introduction of our three UK colleague forums including a parents and guardians forum. They were created to provide a safe space for colleagues to offer mutual support and guidance to one another and to create a mechanism for feedback on areas colleagues would like to see change within Sewdgtwick.

In response to feedback from our parents and guardians forum, we've enhanced our maternity, adoption and shared parental pay provision. This change is not only seen as positive for our existing colleagues, it supports talent acquisition i.e. being able to attract prospective female colleagues who want to build a career over many years and supporting them as their family life evolves with access to flexible working arrangements.

We've recently launched our colleague resource groups (CRGs) which are global, cross-functional, colleague-led groups aimed at fostering a diverse and inclusive workplace. CRGs contribute to advancing our DEI strategy and to the success of the business by helping to raise DEI awareness, foster colleague engagement and inclusion, build community and a sense of belonging.





WE'RE EXCITED THAT WE HAVE JUST LAUNCHED OUR WOMEN'S CRG - OUR FIRST GLOBAL RESOURCE GROUP, WHICH WILL BUILD ON OUR DEI AMBITIONS AND RECOGNITION OF THE CONTRIBUTION OF WOMEN IN OUR BUSINESS. WITH THE FULL SUPPORT OF OUR EXECUTIVE LEADERSHIP TEAM, THE FRAMEWORK OF OUR CRGS PROVIDES OUR FEMALE COLLEAGUES WITH OPPORTUNITIES AND SUPPORT FOR BOTH PERSONAL AND CAREER DEVELOPMENT, NETWORKING, BUSINESS ENGAGEMENT, COMMUNITY OUTREACH AND MEMBER ENGAGEMENT.

We're also proud to support International Women's Day – honouring women's achievements and gender parity, but we don't just celebrate and honour achievements on this one day. In 2021 two of our female colleagues were entered into the coveted Women in Insurance awards. We're delighted one colleague was highly commended in the Team Leader of the Year category and the other was a finalist for Digital Champion of the Year.

Celebrating our values

Our five core values of empathy, accountability, inclusion, collaboration and growth form the foundation upon which we conduct our business activities and it's important for us to celebrate colleagues who live our core values in their everyday approach and work activities.



During 2021, 446 individual colleagues and 43 teams were nominated for our values in action awards. For our values of inclusion and growth, both of which contribute to our focus in improving the gender pay gap through personal and professional development and creating an inclusive work environment, we had 32 (of which 59% of nominations were for female colleagues) and 53 (66% female) nominations respectively.

Since the launch of the awards in 2019, 57% of our overall award winners have been female.

By celebrating these achievements we are encouraging the recognition of the contribution made by women (and men) in our business and providing a channel to promote those that go over and above what is expected.



We monitor and analyse key colleague data at regular touchpoints to ensure equality and fair treatment together with sharing key gender metrics with leaders to enable more transparency of our colleague profile which in turn drives initiatives and action plans within our respective business areas.

Since our last gender pay gap report, we've participated in the Business in the Community Responsible Business Tracker which is a measurement tool that helps organisations assess their performance as a responsible business in three key areas: healthy community, healthy environment and healthy business. We're working in partnership with the BiTC in respect of our results and in particular, have chosen to focus on gender and what changes we can make to bring about more positive changes.

We completed our biennial colleague engagement survey in September 2021 with 59% (1148) of our UK colleagues participating. The results highlighted ESG as an opportunity area for the UK. It also provided important insight into how colleagues feel in respect of DEI. The data tells us:

The work that I do at Sedgwick is meaningful to me

77 % favourable score

I feel a sense of belonging at Sedgwick

60 % favourable score

People at Sedgwick foster an environment of belonging

60 % favourable score

Top leaders demonstrate a visible commitment to diversity

56 % favourable score

Sedgwick hires people from a variety of different backgrounds

67 % favourable score

We'll focus our efforts on communication and highlighting the work being undertaken to help colleagues recognise the progress we're making as a responsible business and use the insights from the survey and the DEI index to shape our action plans and priority areas for focus.

To drive change, we need to challenge ourselves and set aspirational targets which is why we've made a pledge to the Women in Finance Charter to improve female representation in senior roles. We'll be enrolled in the 2022 cohort and over the coming months will be setting our targets and completing our action plans.

2022 will also see the introduction of our new global ESG strategy which will also drive change and introduce a more robust governance and measurement framework to our responsible business performance.



**OUR
COMMITMENT TO
BENCHMARKING,
MEASUREMENT,
INSIGHTS
AND CHANGE**



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about Sedgwick, visit*

[SEDGWICK.COM](https://www.sedgwick.com)