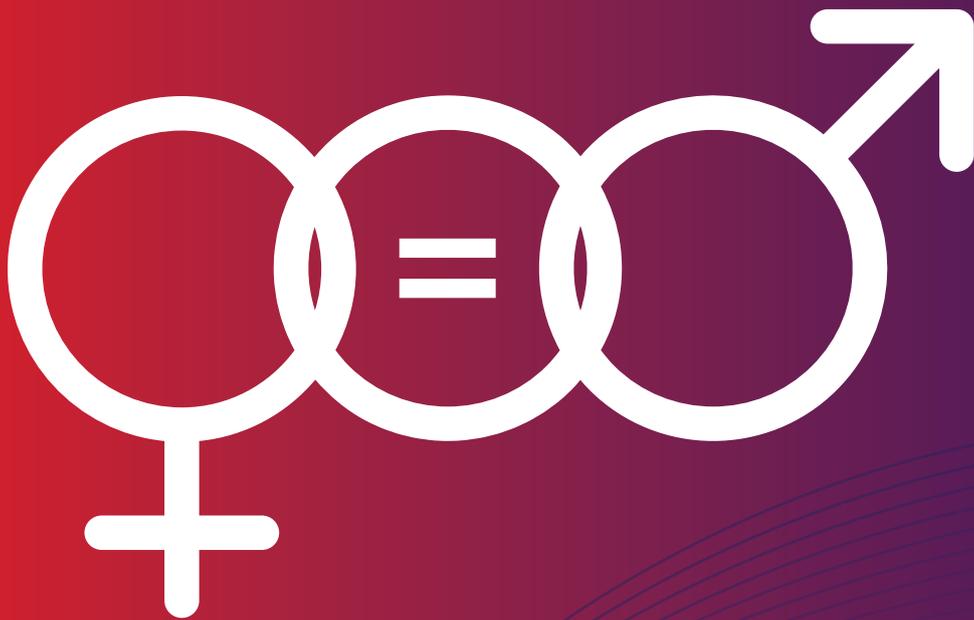




Gender Pay Gap Report 2020





Moving in the right direction

At MS Amlin we are committed to creating a more inclusive culture and, over the last two years, we have focused on building a greater understanding of the current make-up of our population so that we can build specific and relevant inclusion initiatives. Recent developments include: a drive to capture protected characteristics data from colleagues (and from prospective candidates), the creation of an Inclusion Advisory Panel with senior sponsorship, the establishment of a multi-cultural employee network and a review of our recruitment processes to mandate, where appropriate, gender diverse longlists.

There is still an enormous amount for us to do at MS Amlin to ensure our company is representative of the society we serve, and that our culture is one of true inclusion – but we are confident that the focus we have in this area is working and will continue to result in demonstrable improvements as shown in our 2020 results.

In our fourth UK gender pay gap report, with a snapshot date of 5 April 2020, we report an ongoing difference between the average pay and bonuses for men and women. I am pleased to report that:

- Our gender pay gap has reduced for the third year running for hourly pay
- The mean bonus pay gap (average of men vs average of women) has also reduced for the third year in a row, however we have seen an increase in the median (midpoint of men vs midpoint of women)
- 1.9% more women than men received a bonus in the reported year
- We are confident that we have equal pay for equal work. Our gender pay gap is driven by the demographics of the organisation in that we have fewer women in the more senior roles which command the highest pay

Changing the demographic composition of our most senior roles is a slow process as senior vacancies do not come up often. However, as we reported last year we are committed to diverse longlists for every senior vacancy and this is beginning to bear fruit with new hires and, as a recent and important example, we have welcomed senior female additions to our board.

In addition to our focus on talent attraction we will apply a gender lens to 2021 talent inventories and succession planning. This is aimed at ensuring greater retention of women at all levels of the organisation and will inform bespoke development for those women as appropriate.

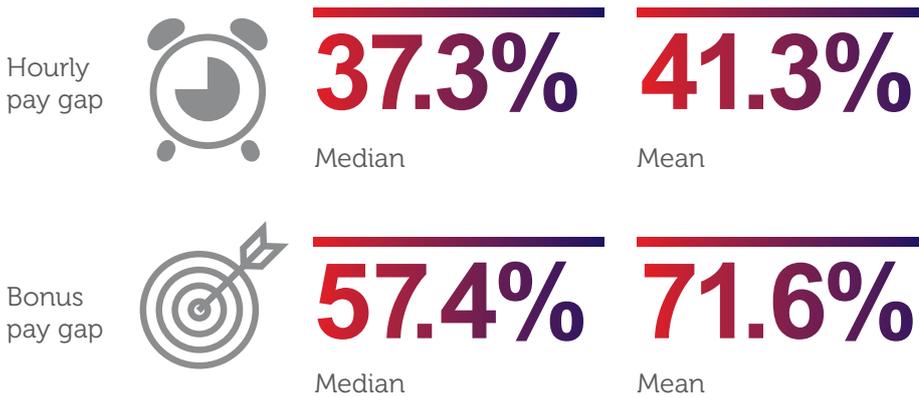
Our 2020 UK Gender Pay Gap

Figures in Detail

Hourly & bonus pay gap

The figures below show our mean (the average of all male colleagues compared to the average of all female colleagues) and median (the mid-point of all male colleagues compared to the mid-point of all female colleagues) hourly gender pay gap and bonus gap.

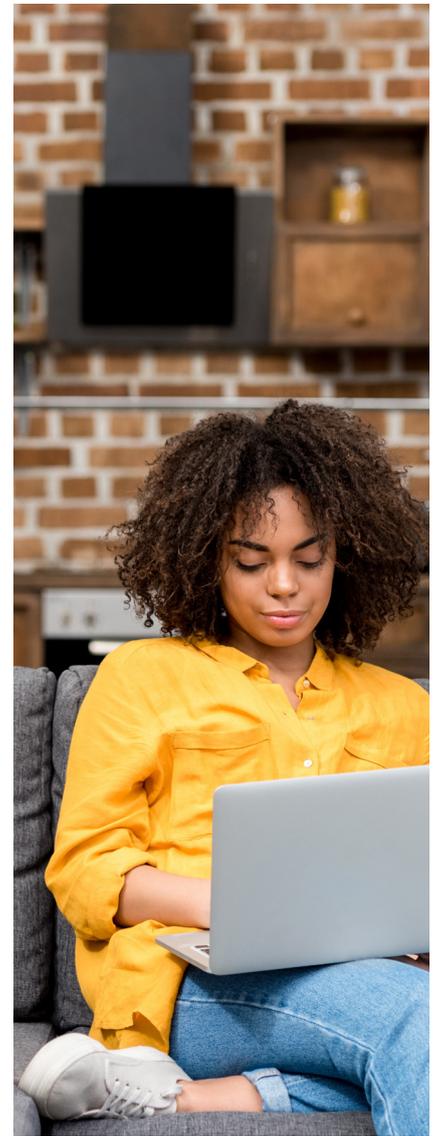
Difference between men and women



Our hourly pay gap numbers have improved for the third year in a row, and the mean bonus pay gap decreased again in 2020.

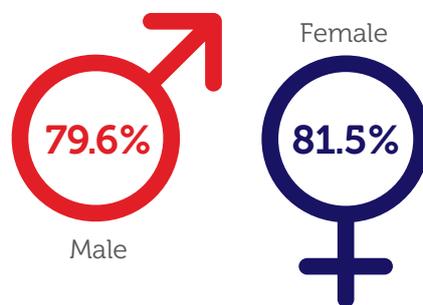
However, we recognise that bonus pay will vary from year on year as our incentives are based on business and individual performance, which is reflected in the median bonus gap for 2020.

The figures shown above are for UK employees of MS Amlin Corporate Services, MS Amlin's principal employing entity in the UK.



Proportion of employees receiving a bonus

The percentage of male and female colleagues who received a bonus in the relevant period was:



Our pay and bonus gaps are principally driven by a higher proportion of women in junior roles and a higher proportion of men in senior roles.

2020 Gender Pay Reporting Demographics

Executive & Senior Manager



Manager



Employee Upper Grades



Employee Lower Grades



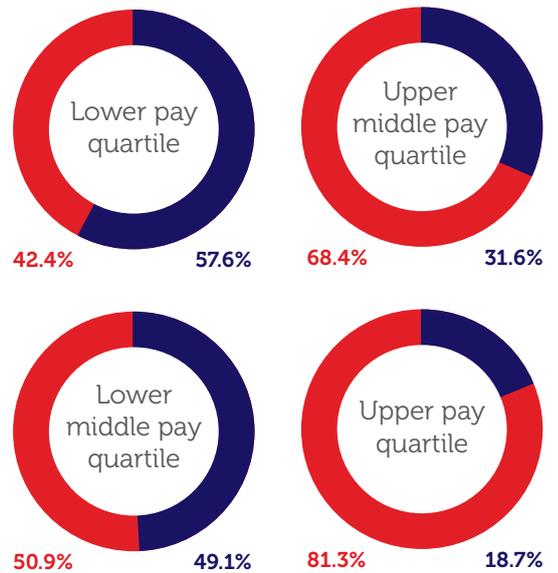
● Male ● Female



Pay quartiles

The charts below show the percentage of men and women across four pay quartiles. They demonstrate that in 2020, as in 2019, there continues to be a high proportion of women in junior, lower-paying roles, and a higher proportion of men in senior roles, however the gap in the top two quartiles has narrowed.

● Male ● Female





Closing the Gap

Since we began Gender Pay Gap reporting, we have made significant operational changes such as flexible working and inclusive recruitment – that bring near-term benefits, while also contributing to closing our pay gap in the longer-term.

Throughout 2019 and 2020 we have undertaken significant organisational changes as we transform our business which means we are well positioned as we move beyond those changes to focus on growing our early career talent strategy. We hope this will mean that we can attract talent into entry level positions and also build a strong female pipeline.

With the initiatives detailed below, I am confident that we are building the foundations for improved gender balance at senior levels, and for our wider goal of creating an inclusive, authentic environment that respects all forms of diversity.

2019: what we promised

Continue to implement flexible and agile working practices

- complete the roll-out of Work-Life Better, our agile working philosophy, to all MS Amlin offices globally

2020: what we delivered

Like many businesses, COVID-19 has accelerated our plans to fully embed flexible and agile working practices. Prior to the pandemic, we ran a Work-Life Better programme which aimed to give everyone more choice about how, when and where they work. In 2020, we have proven that all our employees are able to work effectively from home and we encourage them to work flexibly at hours that suit their lifestyle.

MS Amlin intentionally chose not to furlough staff during the COVID-19 crisis of 2020. Furlough tends to disproportionately impact women as the unpaid work burden typically falls to them. Our approach was to encourage everyone to manage their commitments to ensure that they were able to maintain balance between work and all the other demands on their time.

Like many organisations we will continue to consider future flexible working to support women in the workplace.

At MS Amlin in the UK we have a positive approach to sabbatical leave, annual leave purchase and volunteering leave to support charities and fundraising. This enables all employees to make work-life balance a reality.

2019: what we promised

Further develop our talent acquisition, identification and management approaches

- revise our talent identification approach with a gender lens, including succession planning
- continue to monitor our increased focus on talent acquisition, with diverse longlists
- ensure our recruitment marketing is stripped of all non-inclusive language, and clearly signals our commitments in this area
- identify new routes to reach diverse pool of candidates, and work with external bodies to ensure we meet inclusive recruitment benchmarks (e.g. Stonewall, Working Families)
- introduce a voluntary diversity survey for all candidates, enabling us to identify under-represented groups
- target under-represented groups more actively
- review and improve our on-boarding practices for inclusivity

2020: what we delivered

With the introduction of Workday in 2018, we have had more ability to capture diversity and inclusion data about the people who apply to us, including the people we ultimately hire. What is captured varies from country to country, depending on local legislation, but it might include asking people to volunteer how they identify by gender, ethnicity, sexual orientation, and disability.

Since the formation of the new Talent Acquisition team in 2019, this data is now being gathered routinely for all applicants, in line with local legislation.

Over time, using this data, we will be able to understand:

- Who we attract to apply to us
- How they fare through our recruitment process
- The work we need to do to address any gaps, such as targeting groups under-represented in our application process.

In 2020, we improved our social media presence, careers site, and recruitment marketing materials, including job adverts, to connect with a diverse pool and signal our inclusion commitment.

To ensure our external recruitment partners work to the same high standards, we have introduced inclusivity principles to all our contracts. In practice, this means:

- Our recruitment partners adopt the same inclusive language principles in any advertising principles they run
- Our recruitment partners present us with diverse long lists of candidates

If our recruitment partners are unable to present a diverse longlist, they have to provide market insight and a detailed explanation of the scope and rigour of their search.

We have also introduced evidence-based, structured selection and assessment processes that include:

- Best practice interview guide with a focus on inclusion
- Competency interview guides, using our new Values and Behaviours
- A learning path for hiring managers that includes digital content and an invitation to the Lloyds inclusive recruitment training programme
- A structured process for senior hires, including leadership interviews

There are many great benefits from these changes:

- We're assessing candidates consistently and fairly at all levels of the organisation
- More support is available for hiring managers to navigate the interview process, and gather evidence to support their hiring decisions
- More opportunities are available for hiring managers' personal development

2019: what we promised

Extend our education programmes

- deliver on our value of 'Courage to Challenge' through the roll-out of Courageous Bystander training, empowering our people to identify and challenge poor behaviours without fear
- enable our people leaders to give and receive feedback, and set standards and expectations in a safe and supportive way through the delivery of Conversations for Performance training
- continue our award-winning social mobility initiative, Jumpstart

2020: what we delivered

A pilot of Unconscious Bias and Active Bystander training was delivered to a small group of people in 2020. In line with our core values we will offer a range of development opportunities which support the creation of a high performing and inclusive culture which will include a specific focus on unconscious bias.

The Jumpstart programme continued for the fifth year running and took place virtually. The programme is designed to provide opportunities for young people aged 17 and 18 to engage with the world of work. Participants were invited from four London boroughs and this year saw an increase in females and young people from Black backgrounds applying.

We partnered with the Lord Mayor's Appeal and joined the 'She Can Be' initiative. This project brings young women (typically 14-18 years old) into the City to challenge perceptions about Financial Services as a male preserve. 'She Can Be' aims to boost young women's confidence to seek a career in the City and provides them with the skills to do so. Planning for the initiative began in 2020 and we will deliver on this project in 2021.





2019: what we promised

Measure ourselves against best practice

- set further standards using additional external benchmarks, such as Stonewall's Workplace Equality Index, and the Lloyd's of London Five Point Plan
- establish a baseline and review suitability of potential gender targets for MS Amlin
- continue to participate in external activities, such as Lloyd's Dive In and INVolve

2020: what we delivered

We were proud to continue our global sponsorship of the Dive In festival in 2020. The virtual events made it more inclusive and MS Amlin colleague participation increased by 28% this year. We were pleased that the CEO of MS AUL was featured in the festival brochure and he wrote about the significance of psychological safety in the workplace in the exceptional circumstances of 2020.

Our partnership with Stonewall as a 'Diversity Champion' business continued in 2020. MS Amlin participated in a number of events and workshops and will be working towards our 2021 Workplace Equality Index submission.

In line with the Lloyd's of London 5 point plan, we have done the following:

• Step 1 – Executive sponsor

Appointed an Executive Sponsor of D&I within MS Amlin – Chris Beazley
– to support and help drive change in the business.

• Step 2 – D&I policy

Made a commitment to D&I which we've shared with our employees, in which we empower our people to have a voice and be valued, regardless of their background, while recognising that we have more to do and will continue to work towards a more inclusive future.

• Step 3 – Training and development

We have started to collect D&I data as part of our recruitment process, so we can understand who we attract to work at MS Amlin, how they fare through the recruitment process, and whether there are any under-represented groups in our application process.

• Step 4 – Internal groups and networks

We have continued with our Inclusion Advisory Panel which meets monthly. The panel aims to provide strategic direction and leadership to ensure that D&I activity is aligned to our mission statement and supports our transformation by providing an open accessible platform to discuss and agree the vision, priorities and objectives in relation to D&I activities and projects. We established our first internal Employee Network in 2020. 'EMBRACE' is the network for our global MS Amlin community to engage in awareness, networking and development in relation to race, ethnicity and cultural background.

• Step 5 – Measurement

In 2020 we recognised the need to have more robust datasets in order to focus our activity and measure our progress. A review was initiated to update our HR information system to establish those baselines.

2019: what we promised

Engage our people all year-round

- continue to weave diversity and inclusion into everyday working life by celebrating events.

2020: what we delivered

Throughout the year we have celebrated a number of Diversity & Inclusion events, including International Women's Day, Mental Health Awareness Week, Pride Month and Black History Month.

Following the creation of our Inclusion Advisory Panel in 2019, we also widened the network by creating a group on Yammer where everyone is welcome to share anything D&I related. Through this channel we have celebrated and acknowledged several events such as Bi Visibility Day, National Lesbian Day, International Non-Binary Day, and a range of cultural and religious occasions.

We have profiled more external opportunities for colleagues to engage with diversity and inclusion including the Lloyd's Inclusion Networks most notably in 2020: LINK (LGBT+ network) iCAN (multicultural network) IFN (family network) and LikeMind (mental health network).

Looking ahead

In 2021 we are committed to building on the initiatives we have already introduced to create a diverse and inclusive culture at MS Amlin. We consider it a key objective and recognise the value it will bring to both our people and our business.

Declaration



I confirm that the MS Amlin Gender Pay Gap calculations featured in the above report are accurate.



Louise Musgrove
HR Director

MS Amlin
The Leadenhall Building
122 Leadenhall Street
London EC3V 4AG
Tel: +44 (0)20 7746 1000
[msamlin.com](https://www.msamlin.com)