esure GROUP

2020 Gender Pay Gap Report



Foreword

"We share the ambition of the Government to see gender balance at all levels within all organisations. As a diverse and inclusive employer, it's imperative we take steps to tackle the underlying drivers of our gender pay gap. But we recognise this won't change overnight – today's gender balance is the result of actions and choices made in the past.

This is the third year we have reported our gender pay gap – we didn't report in 2019 but have included our 2019 numbers within this report.

We understand why we have a gap today and we continue to take steps in order to close the gap. For the good of our colleagues, society and business, we remain committed to achieving the most diverse and inclusive workforce."

Caroline Smith, Chief People Officer



We're committed to driving gender equality across our business

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7

esure Group 2020 Gender Pay Gap Report (GPGR)

Our gender pay gap shows the difference in average pay between female and male colleagues at all levels across esure Group. This doesn't compare what female and male colleagues are paid for doing the same role at the same grade – this is known as equal pay. Our gender pay gap is not a result of equal pay issues, we have a gender-neutral approach to pay across all levels of the organisation which we monitor regularly.

We currently have more female colleagues in junior roles and more male colleagues in higher-paid leadership roles. In 2020, our overall colleague population was almost equally split, with female colleagues making up 51% of our total workforce. As is common across Financial Services/Insurance, we have a smaller number of female colleagues in more senior roles which lowers the average pay for these colleagues, creating an overall pay and bonus gap.

Increasing the number of female colleagues in senior roles is a critical focus for us. Since 2017 the number of females in senior roles* had decreased, from 33% to 26% in 2019. However, we have put in place a number of initiatives to address this and over the last 12 months, we are pleased this trend has reversed, with 29% of senior roles now held by females.

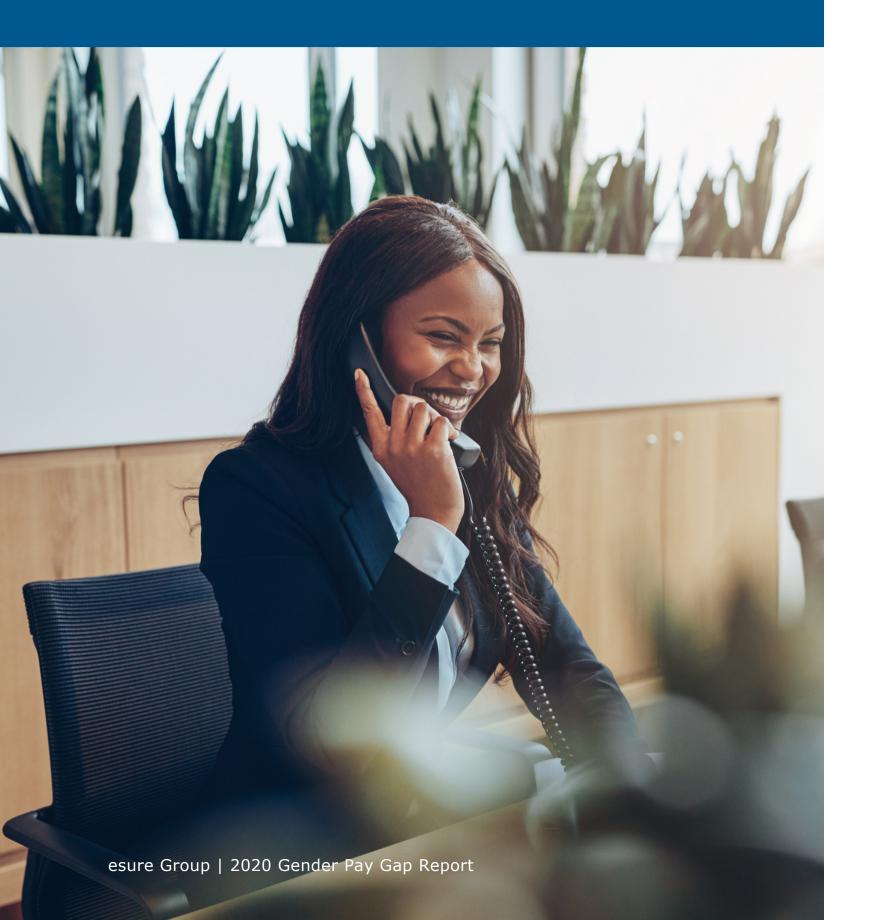
Reducing our gender pay gap is high on our Inclusion and Diversity and Environmental, Social and Governance agenda. Although our gender pay gap may sometimes be impacted by extraordinary business circumstances in any given year, the changes we have made and continue to implement will ensure long-term, sustainable improvement.

*As of April 2020, there were 62 roles in the senior role category.



Measuring the gap

Our data



Across the business, we have more males in roles that traditionally attract higher salaries in the market. We see this particularly in Technology, Data and Pricing roles. Finding ways to encourage more females to pursue roles within these job families is another priority for us, starting with the launch of our Learning Academies in 2021.

Our mean and median gender pay gap have both increased very slightly from 2019 – by 1.12% and 0.4% respectively. Having completed restructuring activity which largely impacted the senior team since the business was acquired in 2018, this is our new baseline to make progress from.

Our bonus gap numbers for this reporting period were impacted by the early payout of bonuses in 2018 following the acquisition of the business. This resulted in fewer bonuses being paid in April 2019 (within this reporting period) and so our reported number is not an accurate representation of a typical year.

What is our gender pay gap?

This data represents the snapshot date of 5th April 2020 and the bonuses in the year up to 5th April 2020.

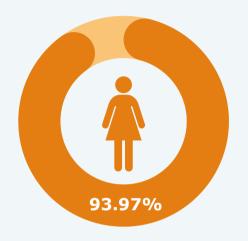
Pay and bonus gap

Gender Pay Gap	2020	2019
Mean	28.4%	27.28%
Median	17.27%	16.87%
Gender Bonus Gap	2020	2019
Mean	23.06%	71.41%
Median	24.46%	17.28%

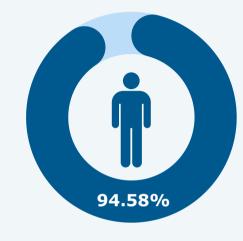
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Proportion of females and males receiving a bonus payment

2020

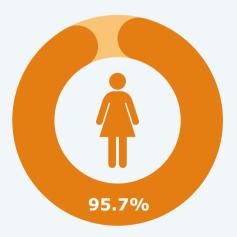


93.97% received a bonus payment

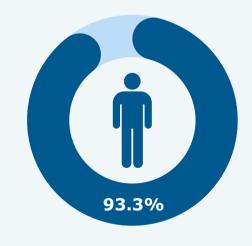


94.58% received a bonus payment

2019



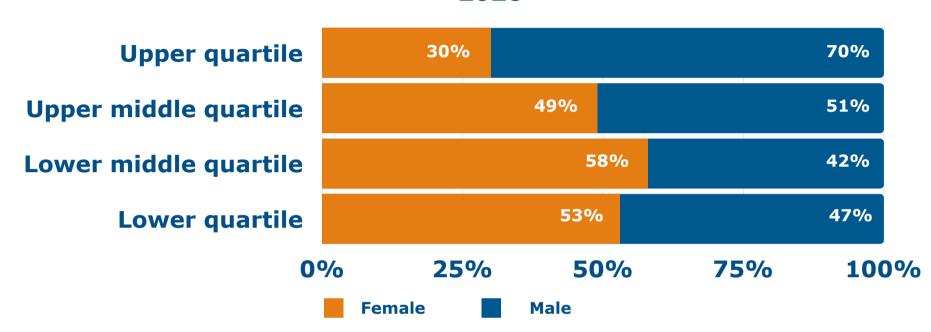
95.7% received a bonus payment



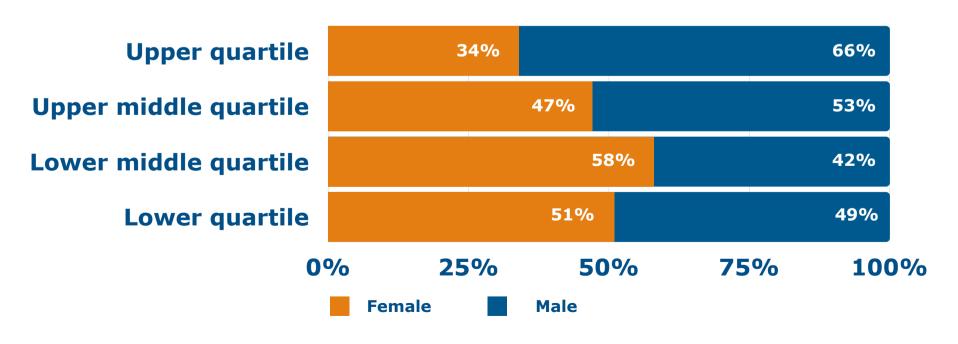
93.3% received a bonus payment

% of females and males in each pay quartile

2020



2019





What are we doing about the gender pay gap?

Closing the gender pay gap is a long-term endeavour. We are confident with the initiatives we have in place, particularly our renewed focus on Inclusion and Diversity. We will over time make lasting change.

Since the beginning of 2020 we have made two female appointments to our Executive team – Kirsty Whitehead as General Counsel and Caroline Smith as Chief People Officer. We were also delighted to welcome Elke Reichart to the Board in January 2021.

In the 2020 reporting period, females made up 44% of leavers within our senior team; however, we are really pleased to have made a significant reduction in this over the last 12 months, with our female leavers making up less than 10% of our senior leavers so far in the 2021 reporting period. We also made very few external hires to the senior team in the 2020 reporting period and they were all male. Hiring more females both externally and from our internal talent pool is a key focus for us.

Making a difference in our workplace

Talent development

We have recently launched a series of Leadership programmes for all levels of the organisation and have committed to at least 50% of the participants being female. Our first Master Leadership programme cohorts started in February and May this year, with females making up 50% of the participants and a further programme launching in September. We have launched a further 'Life Leader' programme in April for more junior colleagues with further programmes planned later this year.

We have explored apprenticeship programmes within the Technology and Data job families to extend our current programme offer – both internally and externally – to attract more females to pursue careers in these areas and launched opportunities available for all colleagues in May.

We continue to develop our front-line team leaders, those promoted to management and managers new to esure Group through the Management Excellence programme launching for 2021 in September. The programme blends core management soft skills with how to manage the esure Group way through our people policies.

We have launched esure Group Academies to make capability building widely available to everyone, including in Agile, Transformation, Data and Engineering skills.

Colleague engagement

As part of our ongoing capability-building efforts, we will help all esure Group colleagues understand that we all have a role to play in identifying and mitigating the impact of unintentional gender biases and ensuring there is an inclusive culture where these can be identified and managed openly. We have launched a colleague engagement tool which we use to get feedback from our colleagues each month. This allows us to monitor the responses for both males and females and to take action accordingly.

Inclusion and diversity

In 2020 we launched our first Inclusion and Diversity working group who are driving a broad range of initiatives across the business and, importantly, we completed an Inclusion and Diversity survey at the end of 2020 which we are using to refine our approach and strategy.



The Game Changer

We recently launched our new strategy, the Game Changer, to all colleagues across the organisation. The intent was to share our existing plans with our colleagues but, most importantly, to make sure each and every colleague understands their critical role in achieving our ambitions. Through our engagement tool, we can already see a really positive movement in engagement scores as a result of this activity.

Making a difference in our workplace



Board and executive level

We continue to ensure high visibility of gender metrics at Board and Executive level but will look to expand the current reporting to include ethnicity data and the ethnicity pay gap.



Declaration

We confirm that the information and data provided are accurate and in line with mandatory requirements.

Caroline Smith

Caroline Smith, Chief People Officer

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