

# Gender Pay Gap Report 2018



## Contents



Foreword	3
Our gender pay gap Our commitment and actions to tackle the gender pay gap	4
	5



### 1. Foreword

At Sedgwick we recognise and value the importance of gender parity in delivering successful business outcomes and we welcome the government's role in providing continued focus to this important aim.

In April 2018, Sedgwick brought together the businesses of Cunningham Lindsey and Vericlaim in the UK to form Sedgwick UK International and this report takes forward the actions of the Cunningham Lindsey 2017 gender pay report.



To us, all our colleagues matter. People are at the heart of everything we do at Sedgwick. Our vision is to create a diverse, inclusive and engaged workforce where all colleagues can achieve their full potential and enable the company to deliver innovative, industry leading solutions. This includes long-term action to close the gender pay gap. It's clear that we have work to do to achieve this, and we are committed to driving down the gender pay gap by removing barriers for our colleagues to fulfil their potential and demonstrating the valued and rewarding career opportunities for women in our business, particularly at the more senior levels.

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.

Culture change such as this takes time, especially given the major changes to our company in 2018. But our commitment to making that change happen is stronger than ever.

### **Stewart Steel**CEO Sedgwick International UK



#### About Sedgwick

Sedgwick is the world's biggest loss adjusting and claims management company. Millions of people and organisations count on us each year to take 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.

21,000 colleagues globally

1,500 UK colleagues

#### Gender split of Sedgwick UK colleagues

Women **49%** 

Men **51%** 

### What is the gender pay gap?

Under 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 the difference between the average earnings of men and women, expressed relative to men's earnings.

The gender pay gap is different from unequal pay. A gender pay gap shows the difference between the average earnings of men and women over a period of time, irrespective of their role or seniority, whereas unequal pay explains the pay differences between two individuals or a group of workers carrying out the same or comparable work.

### Specific gender pay information:

1. The mean gender pay gap

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

2. The median gender pay gap

The difference in hourly pay between the middle man and middle woman if you were to line up all male employees and then all female employees in the organisation according to highest and lowest hourly pay.

3. The mean bonus gender pay gap

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

4. The median bonus gender pay gap

The difference in bonus pay between the middle man and middle woman if you were to line up all male employees receiving bonuses and then all female employees receiving bonuses in the organisation according to highest and lowest bonus pay.

- 5. The proportion of male and female employees who received a bonus payment.
- **6.** 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, upper mid quartile, lower mid quartile, lower quartile. The percentage of male employees and percentage of female employees are calculated in each quartile.

These calculations are based on figures from the snapshot day of 5th April 2018.





Whilst Sedgwick's results are similar to those in the rest of our industry, we are far from satisfied with the current position and recognise we have work to do. The challenges we face are complex and long-standing, but we are committed to seeing change through.

Our focus is on building the solid foundations for sustained culture change in our business, and this will take time.

Realistically it will take several years to see a tangible positive shift in the data, and although we have seen a slight increase to our mean and median gender pay gap over the last 12 months, we are confident that over time our actions will deliver a sustained and meaningful change for the better.

The reasons behind the long-standing gender pay gap are complex and industry-wide:

- Historically the insurance industry, and loss adjusting specifically, has tended to be more male-dominated.
- Although there is an even gender split, women tend to occupy more junior level roles, while more men are in senior level roles.
- Whilst we are starting to see progress, and the industry is attracting more women at senior positions, a sizeable shift is needed if we are to reset the balance.

Analysis of the quartile data reveals that in our lower and lower mid quartiles combined, there is not a gender pay gap. This reaffirms our

belief that our energy needs to be focused on the mid and upper quartiles.

Gender pay gap - Lower and Lower mid Ouartile combined

Mean

- 2.6%

Median

-5.0%

In regard to gender bonus gap, the themes remain similar to those reported last year in that:

- The proportion of women and men receiving bonus remains broadly the same.
- The areas of the business with a proportionately higher number of women tend to be those areas where rewards are by overtime rather than bonus payments.
- Historically the company has tended to attract more men into senior technical and specialist roles which are rewarded by the payment of bonuses.
- The gap in monetary award will also be impacted by the number of female colleagues who work part-time.

While we have seen an increase to the mean bonus gap, this is a result of a handful of exceptional bonus awards which has skewed the position. On a positive note, we have seen a significant reduction in the median bonus gap from 40% to 31.7%.

Analysis of the split by quartile shows improvement in the right direction for the upper quartile, with the number of women represented rising from 15.9% (2017) to 18.8%

in 2018. This uplift is attributed to positive movement from within and indicates we are making headway in our internal progression of women into more senior roles, although we recognise there is more to do.

### Gender pay gap 2018 vs 2017 data

Gender pay gap

Mean

34.5%

(34.2% 2017)

Median

36.3%

(33.5% 2017)

Gender bonus gap

Mean **64.0%** 

(55.2% 2017)

Median

31.7%

(40.0% 2017)

Proportion of men and women receiving a bonus

Men

56.6%

(57.8% 2017)

Women **27.0%** 

(30.0% 2017)

Men

Wome

Lower quartile

41,4%

(41.2% 2017)

Proportion of male and female in each pay band

Upper quartile

81.2%

(84.1% 2017

18 8%

(15.9% 2017)

Upper mid quartile

46.5%

(47.1% 2017)

53.5%

(52.9% 2017)

Lower mid quartile

33.1%

Lower mid quartile

66.9%

nid quartile Lower qua

2% 2017) (58.8%

(58.8% 2017)



## 3. Our commitment and actions to tackle the gender pay gap

At Sedgwick we believe that having a diverse and inclusive workforce is not only the right thing to do; it will also deliver better business outcomes and support innovative, industry-leading solutions. Our aim is to create a diverse, inclusive and engaged workforce where all our colleagues can achieve their full potential.

We're serious in our commitment to improving gender diversity. As Sedgwick, we now have the infrastructure to accelerate our Diversity & Inclusion (D&I) strategy, led by our VP of Colleague Experience and Corporate Citizenship and governed by our global D&I Council and Advisory Board. Their focus is to drive and reinforce an inclusive workplace culture.

Our commitment and actions to tackle the gender pay gap are outlined below.

# Raising cultural awareness

Our business has gone through significant change since April 2018 and in doing so has created the opportunity to drive and embed our Sedgwick culture, focused on creating an engaging and inclusive workplace. Inclusion is one of the company's five core values, through which we will hold managers and colleagues to account for consistently demonstrating these behaviours in their day-to-day interactions.

Throughout 2019 we are running a communications campaign to drive understanding of what inclusion means at Sedgwick and the actions that colleagues need to take to embrace differences and promote and encourage a sense of belonging for all colleagues.

# Building cultural competency of leaders and colleagues

We have introduced a D&I learning strategy targeted at both leaders and colleagues to share our D&I strategy, drive self-awareness, and identify and address the behaviours that negatively impact on inclusion, such as unconscious bias.

In particular, we recognise the significant effect that people managers have on organisational culture and engagement. In 2019 we are investing in a face-to-face learning event for every manager that will improve the competency and capability of our leaders in role modelling inclusive behaviours.





## 3. Our commitment and actions to tackle the gender pay gap



## **Building internal** networks

Since the last Gender Pay Gap Report, the commitment to diversity and inclusion has expanded the initial networking initiatives in London to the regions around the country. This is being actioned through a team of "Regional Champions" who are enthusiastically adopting the London concept and working to develop local activities.

In the past year these have included supporting local initiatives such as Go Girl in Cardiff, Women to Watch in London and partnering with organisations such as the Chartered Institute of Loss Adjusters (CILA) in a women's professional networking event in Glasgow. Office based events have been held in Cardiff and Leeds, with plans for more in the many Sedgwick offices around the country over the coming year.

# Promoting and supporting progression

Our apprenticeship programme, introduced last year, had a 75% registration rate of females. Whilst many of the apprenticeships offered have a duration greater than 12 months, 18% of those females registered have already completed the programme, with the remainder expected to conclude their studies in the coming 12 months.

We are also due to launch a learning programme aimed at our future leaders in the organisation. The programme is focused on developing the leadership skills of our rising stars, a proportion of which will build a pipeline of future Sedgwick women leaders.

We recognise the value and importance of mentoring and coaching on progression.

We are looking to build a bank of internal coaches to enable colleagues to seek support, build their knowledge and competence, and connect with others.

# Monitoring and review

We monitor and analyse our colleague data at regular touchpoints, both during employment and as part of our exit interview processes, to ensure equality and fair treatment.

We will continue to promote our policies on flexible working to ensure they remain fit for purpose and support both male and female colleagues.

We continually review our internal and external recruitment platforms and practices to ensure there is no bias and encourage our colleagues to be looking for their next opportunity within Sedgwick.

We regularly monitor our salaries to ensure fair pay practices.





For more information visit sedgwick.com/uk