

Gender Pay Gap Report

Swiss Re UK 2021



Foreword

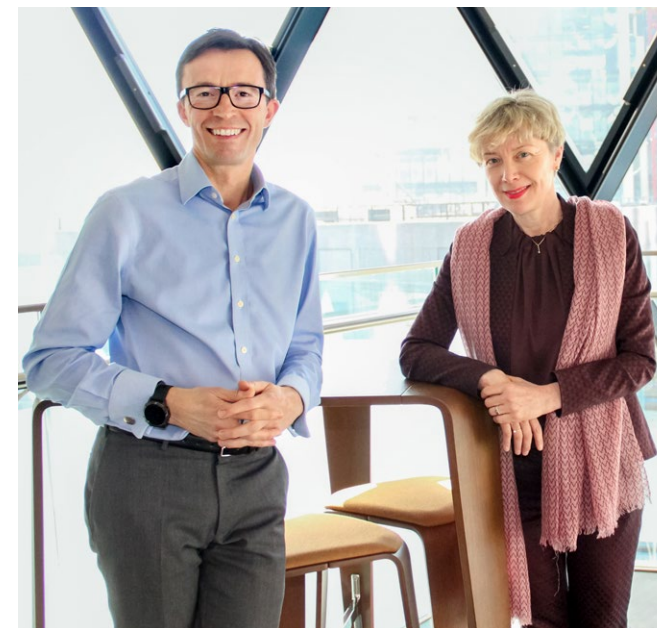
We are pleased to share our annual UK Gender Pay Gap report with you.

At Swiss Re, gender parity remains a key element of our executive-led focus on inclusion and diversity. To ensure continued success at Swiss Re we need a diverse workforce and inclusive culture that attracts and retains great people and supports them to be their best. We want to ensure that every individual is comfortable being themselves, is respected and can see how they can be successful at Swiss Re.

We are committed to creating a **truly inclusive** workplace that **empowers** our diverse workforce to bring their **whole selves** to work. It is essential to have an environment where everyone, regardless of their age, gender, race, sexual orientation and physical or mental ability, is **valued**. By creating this culture, it allows our employees to be the best that they can be, whilst enabling Swiss Re to achieve its full potential.

Swiss Re embraces a non-discriminatory, neutral, and benchmarked approach to determining pay at all levels as well as a 'pay for performance' culture for our annual bonus awards. It is with this approach that we can ensure that we are maintaining internal pay equity across the organization, are complying with legal pay equity obligations, and remain an inclusive and diverse employer to work for. We advocate to **never** allow age, race, ethnicity, nationality, gender, including gender identity and expression, religion, sexual orientation, disability as well as any other class protected by law to influence pay outcomes and always to provide equal pay for equal work.

The information provided in this written statement is accurate and is signed in accordance with the Gender Pay Gap reporting regulations.



Jason Richards,
CEO Swiss Re UK

Regula Hanimann,
Head of HR Swiss Re UK

Gender pay gap reporting explained

Gender pay gap figures are distinctly different from **equal pay** figures.

A gender pay gap is a measure of the difference between the average earnings of men and women across an organization, irrespective of role or seniority. Equal pay is the legal requirement to pay men and women the same for equal work – which is governed in the UK by the Equality Act.

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 organization and this is regularly monitored.

We also conduct an annual statistical analysis of base salaries and total compensation across corporate bands, job families, employee ages and experience levels, using regression methodology to identify any statistically significant gender pay differentials for comparable roles across the organisation. The analysis for 2021 found no such gender pay differentials across these categories

Our gender pay gap continues to head in the right direction. We are making slow, but steady progress. Since 2017 we have improved our ordinary pay median value by 12.3 percentage points and our ordinary pay mean value by 9.6 percentage points.

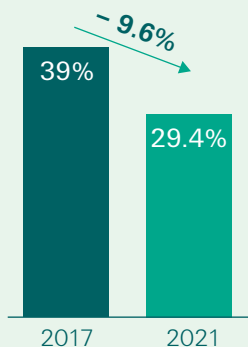
We have seen even better progress on our bonus pay gap which has reduced by 17.3 percentage points on the mean value since 2017. The median bonus pay gap has also reduced by 9.2 percentage points since 2017: a reduction of 5.4 percentage points in this last year.

Further progress remains a priority and we are confident that with our sustained efforts we will continue to reduce the gender pay gap.

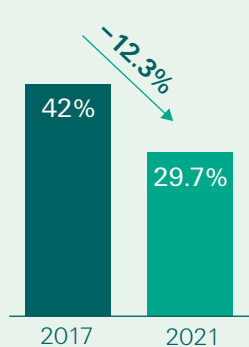


Our Progress

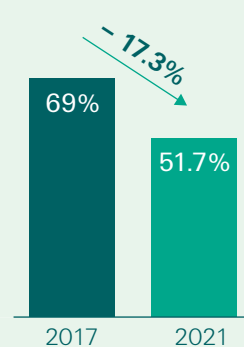
Mean ordinary pay gap



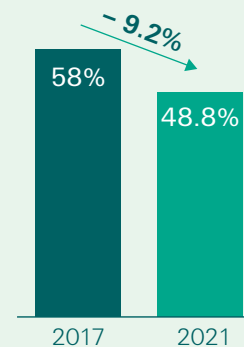
Median ordinary pay gap



Mean bonus pay gap



Median bonus pay gap



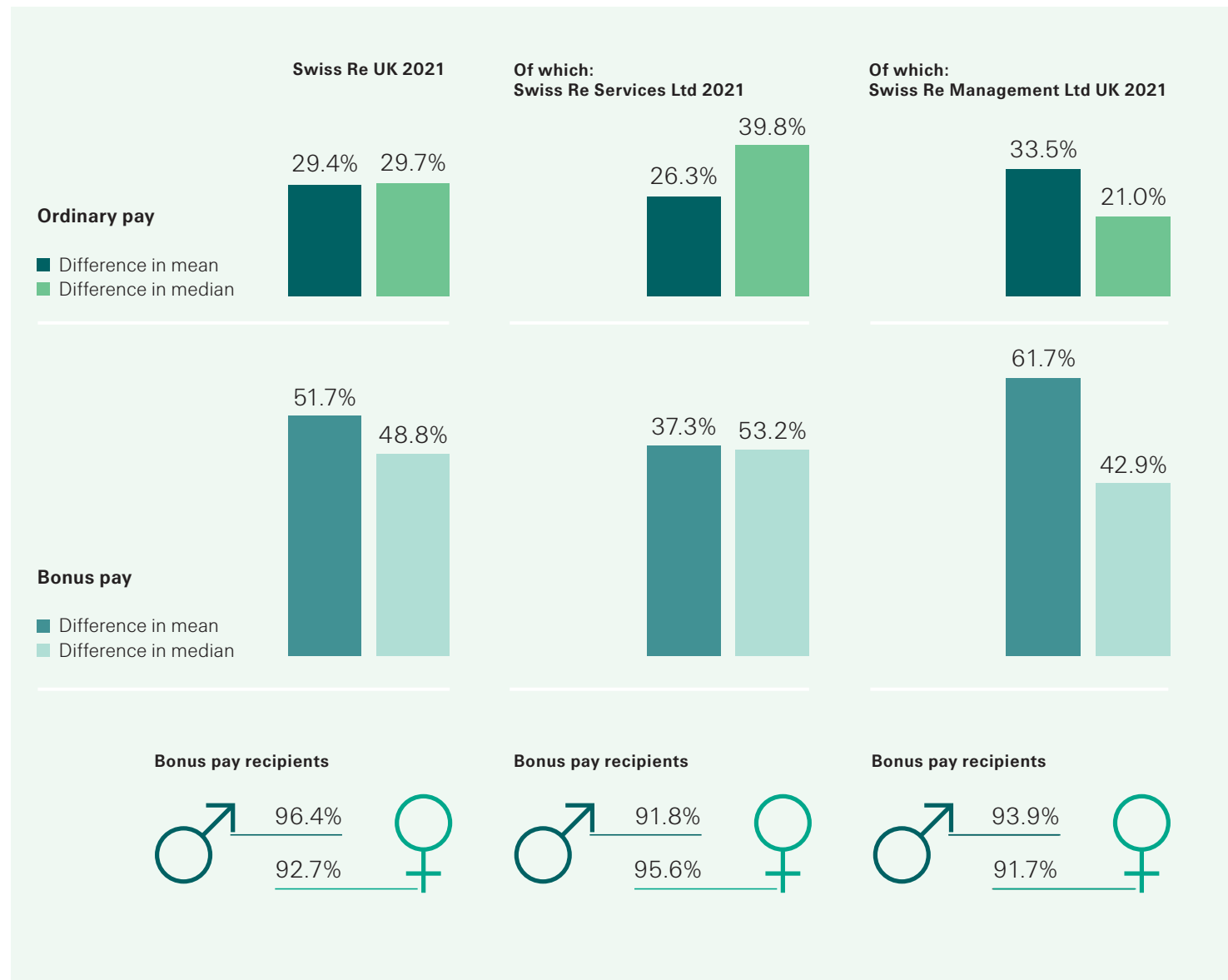
Our Numbers

Calculating the gender pay gap

The **mean** is calculated by adding up the hourly pay of all relevant employees and dividing the figure by the number of employees. The mean gender pay gap is calculated based on the difference between mean male pay and mean female pay.

The **median** is the figure that falls in the middle of a range when the ranges of all relevant employees are lined up from smallest to largest. The median gap is calculated based on the difference between the employee in the middle of the range of male salaries and the middle employee in the range of female salaries.

Since 2020 Swiss Re UK has made steady progress in reducing the gap across ordinary pay and bonus pay. The mean ordinary pay gap has reduced from 32.7% to 29.4% and the median from 30.3% to 29.7%. The most significant development is in reducing the mean bonus pay gap from 64.1% to 51.7%. The median bonus gap has also reduced from 53.9% to 48.8%.



What is driving our gap?

An analysis of our gender pay gap figures tells us that our gender pay gap as at April 2021 is because we have more men than women in senior positions, meaning that overall the pay of our male employees is higher than the overall pay of our female employees.

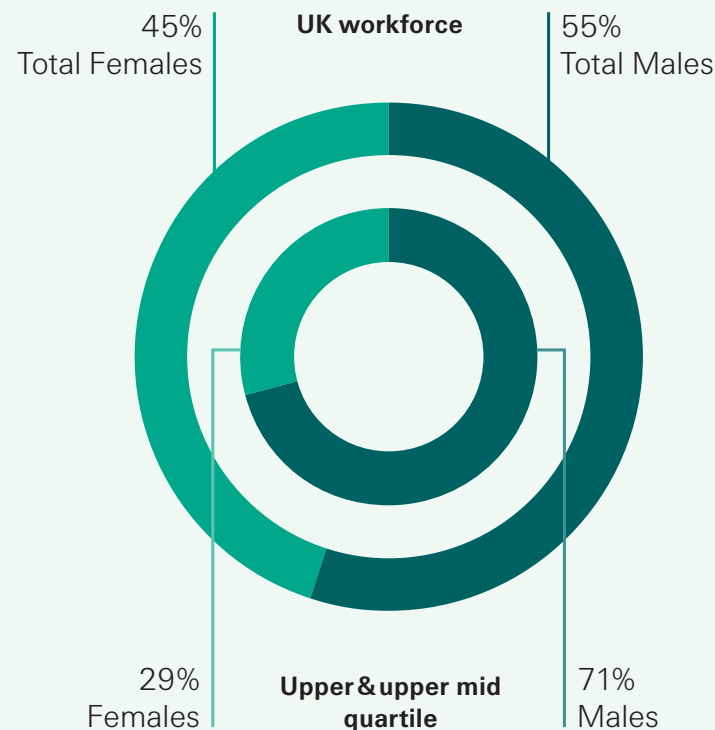
More men than women in senior positions

When we combine our job levels and rank the pay of our colleagues across four quartiles, we see that there are proportionally more men than women in our two highest paid quartiles. In 2021 29% of our UK workforce in the upper middle and upper quartiles were women, compared to 27.5% in our initial publication in 2017.

Our pay gap will only be narrowed by increasing the number of women in higher paying role and we need to continue to focus on creating and leveraging the opportunities to do this whilst maintaining a culture of meritocracy and pay for performance.

We make every effort at Swiss Re to interview and hire a diverse range of candidates during our recruitment processes. However, this is an ongoing process and one that will hopefully have an effect long-term since the majority of the positions recruited for externally are at a more junior level, but will help to close the gap of women in senior roles in the years to come.

Gender balance at Swiss Re UK



Quartiles definition – Using hourly pay, quartiles divide the list of earners – ordered from lowest to highest – into four equal groups. This provides a picture of where male and female employees are in the pay hierarchy.

What is driving our gap?

In 2021 50% of our promotions to management level were females as opposed to a promotion rate of 33.3% in 2020.

Great strides have been taken to increase the number of women that are working towards the more senior positions at Swiss Re, although we accept that more still needs to be done to ensure these figures continue on a positive trajectory.

Annual Performance Incentive (API) Gap

Whilst we have made significant improvements in our API pay gap in the past year, this remains a key factor influencing our overall gender pay gap. This is because our API benchmarks tend to be higher with more senior positions (which is in line with external market data). Therefore, with more men occupying the more senior positions, their API pay would be greater.

The API gap is also affected by a couple of other factors: it does not take into consideration part-time workers.

I.e part-time workers will receive pro-rated bonuses and with more women in part-time positions than men it has an impact on the gap. Furthermore, periods of absence such as family leave may also be a contributing factor to the API gap. As we operate in a 'pay for performance' culture, if an employee has not been working for most or all the year then this may have an impact on the bonus that they receive.

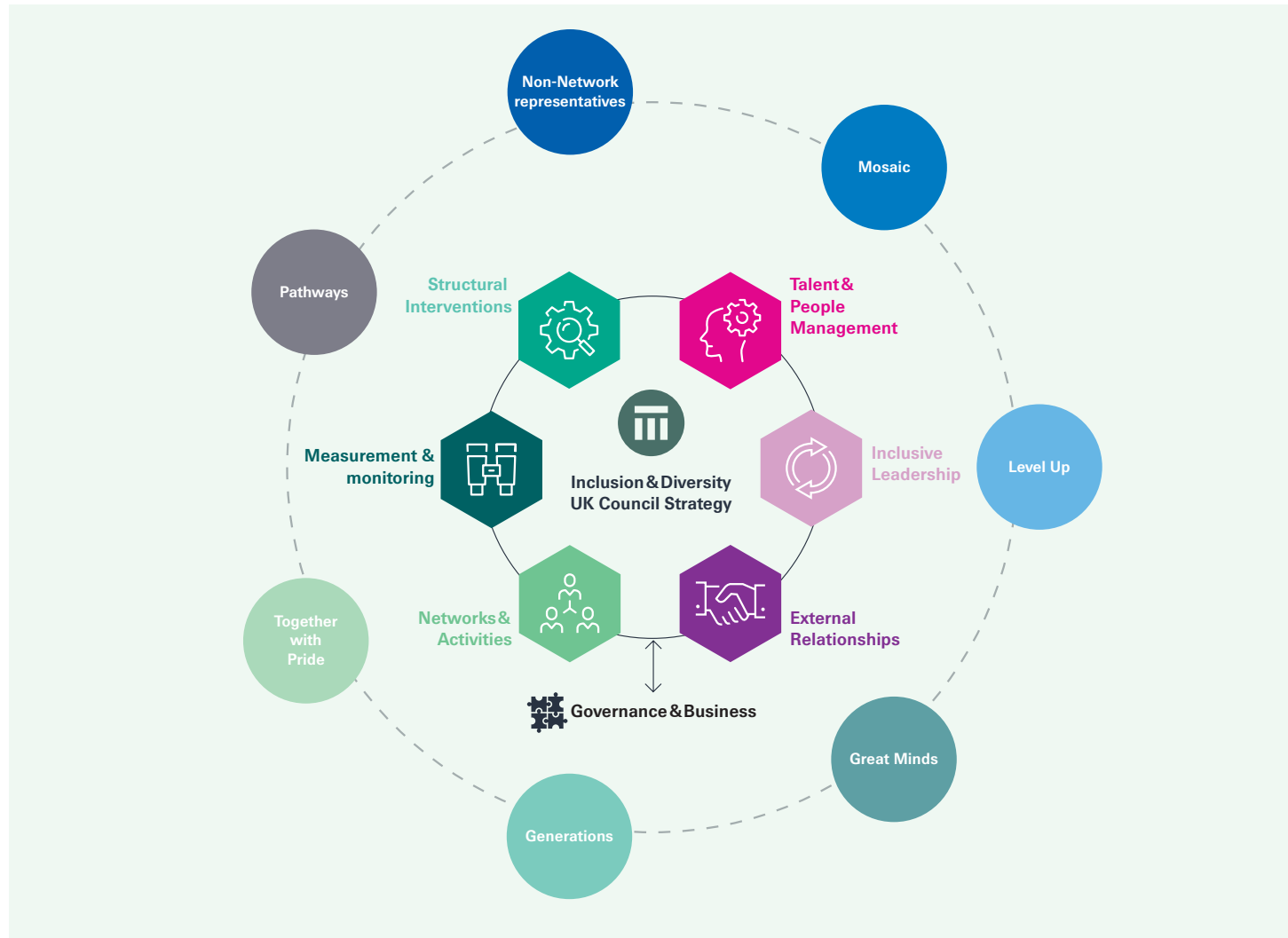


What is Swiss Re doing about our gap?

We recognize that none of our gender balance actions will succeed without the right culture and working environment. We will continue to focus on providing a working environment that is truly inclusive and underpinned by respect at all times.

It is vital that we are not just making short-term gains but long-term cultural changes which will ensure equality and an inclusive environment for many years to come. **We are committed to continuing to reduce our Gender Pay Gap and create an inclusive environment.** We have set out below a number of steps which will help us to achieve this.

Our UK Diversity, Equity & Inclusion Council have defined strategic priorities for 2020/2021 and beyond to support the delivery of our DE&I strategic plan.



What is Swiss Re doing about our gap?

National Equality Standards Assessment

In the first quarter of 2021 Swiss Re underwent the National Equality Standards assessment by Ernst & Young with the purpose of assessing where we stand on having an equal opportunities, diverse and inclusive culture, and workforce.

The NES provided a comprehensive review of our policies and practices, driving insight and giving strategic guidance and recommendations. From this **we have a clear action plan to help us drive forward our Diversity, Equity and Inclusion, agenda.** Our action plan focuses on Talent Attraction, Career Development, Review and Data Collection.

Actions to date include defining and driving forward a diverse talent attraction strategy encompassing both early-career professionals and experienced hires, the launch of an internal mentoring programme called PowHer which is available for colleagues in the UK who identify as women, and the launch of a global self identification, data collection project.

Inclusion & Diversity strategic priorities and ERGs (Employee Resource Groups)

Our ambition is to create a place for all our colleagues regardless of their identity, background, and life experience at Swiss Re to flourish and thrive to achieve their professional ambitions. A place where our clients are inspired through our thought leadership, deep conversations, and our inclusive relationships. **We recognise that a diverse and inclusive place of work can enrich our culture of performance, and united together we can make the world more resilient.**



What is Swiss Re doing about our gap?

Inclusive Culture and Raising Awareness

We continue to embed our inclusive company behaviours 'leadership from every seat' where every individual and not just Managers help to shape and drive our business and achieve our must-wins.

In early 2021 we launched our UK inclusive language campaign: a multi-media campaign, guide and masterclasses to create a respectful workplace and empowering everyone to talk about inclusion and diversity. The purpose of the guide is: to increase our education of inclusive language and key terminology, help us to become more comfortable with inclusive language practices and topics and, most importantly, to provide us with the tools and confidence to navigate these sometimes-tricky conversations.

Inclusive Recruitment Strategies & Talent Pipeline

With our ongoing inclusive leadership training and diversity and inclusion training our intention is to remove barriers and mitigate unconscious bias in the recruitment and talent acquisition process.

In 2021 we have engaged with several I&D specialist recruitment agencies to enable us to reach under-represented candidates and extend our network further. We are actively engaging in many forms of programme recruitment including using the Apprenticeship Levy, an annual Summer Intern and Graduate programme which can ensure that we are creating a strong candidate pipeline of diverse talent. We leverage specialist software, Textio, to screen our job descriptions to ensure they use gender-neutral language and attract a diverse talent pool. We also consider job shares and flexible and part-time roles, with just over 10% of our workforce working part-time in the UK.

Building succession plans for more women in senior positions

We are committed to ensuring equal gender representation in our leadership development programmes. For our more senior roles we also strive to have equal gender representation on succession plans to ensure that we are moving female talent into more senior positions.

Our Group Executive Committee members closely monitor the talent flows in their businesses and locations and have committed to ensure that women and men are equally equipped and encouraged to apply for the most senior roles.

Since 2017, we use the 'Gender Promotion Ratio' as one of our internal Key Performance Indicators used to measure gender representation with the aim of promoting females in line with representation across the corporate bands.



What is Swiss Re doing about our gap?

Own The Way You Work

We continue to embrace the principles of ‘Own The Way You Work’ our trademark initiative, allowing employees to organize their day, whether its choosing where to work or how to manage their time. Following Covid-19 our principles have been updated so that they foster even greater trust and transparency, deliver real choice and flexibility when it comes to where and how our employees work.

- Swiss Re has been included in the **Bloomberg Gender-Equality Index (GEI) 2022 for the fourth year** in a row in recognition of our commitments and efforts to improve gender equality.
- We have a Working Parents Network, the aim of the Network is to provide support, information, and advice to one another and to help others in a similar situation: whether it be future or current parents.
- **Launched our first female mentoring programme – PowHer in the UK**, PowHer in close partnership with LevelUp, the I&D Council and HR. The programme aims at pairing female talent and female

leaders in Swiss Re in a mentor-mentee relationship, to help the mentee learn about the experiences in the organisation, enhance their skills and abilities and build and diversify their networks. This is a Global programme, running in New York, Bratislava, UK, and Switzerland.

- **Have started dialogue around menopause and supporting women**, through a close partnership between LevelUp and Generationsn ERG, and working parents groups.
- **Launched in 2021 the UK I&D champion programme.** The programme is to enable our UK senior leaders across London, Folkestone and Manchester to, make a visible, individual commitment to support our I&D Networks; take personal responsibility for their I&D education and improve their awareness of bias and inclusivity and challenge any barriers to inclusion and diversity at Swiss Re.



Spotlight on our Inclusion & Diversity Internal Networks

Our Inclusion & Diversity Networks are run by passionate volunteers throughout the organisation, with representation from each UK office location, business unit and job level as well as a diverse mix across backgrounds and identities. Our Networks are a source of pride to Swiss Re and make a big difference to our culture and colleagues in underrepresented groups.

Pathways, Mental Health Support

Pathways is available to any employee who has or has had, a mental health problem; anyone who has family members or friends that suffer with poor mental health; and anyone who wants to learn more about how to improve their own mental health or how to better support their colleagues, family members or friends.

Together with Pride

Together with Pride is Swiss Re's global network for LGBTI+ staff and their Allies. Our purpose is to create an environment where LGBTI+ staff can bring their whole selves to work, free from discrimination and prejudice. We are also striving to create an equal and equitable workplace for all.

Mosaic

The mission of Mosaic is to promote an inclusive and productive environment for people of color to enhance their professional and personal development in alignment with business objectives.

Level Up

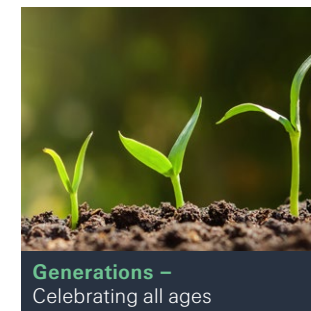
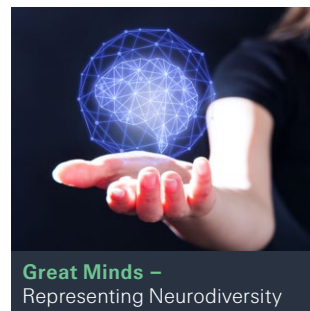
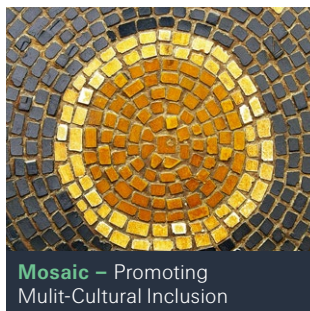
Our mission is for Swiss Re to be known and recognised as an employer who promotes Gender Equality and facilitates an environment where people want to work and thrive. Our vision is to enable and empower all genders to be the best they can be for themselves, for the company, clients and society.

Great Minds

As part of Swiss Re's Inclusion & Diversity initiative, Great Minds is here to support all colleagues connected in some way to one or more neurodivergent conditions. People from the neurodivergent community have hidden talents that can benefit our culture and, indeed, our financial position. We can make so much more of this diverse talent pool.

Generations

To celebrate knowledge and experience by recognising that we can all learn from each other. In Swiss Re UK we are very fortunate to work in a multi-generational workforce: from our Baby Boomers right through to our Gen Zs and everyone in-between! And it's this diversity and diversity of thought that can truly benefit us individually and collectively.



The importance to us

Since the COVID pandemic in 2020, inclusion, equity and diversity have never mattered more. Being an inclusive employer and valuing diversity in others, begins with understanding ourselves and how our own thoughts on diversity shapes the way we view others.

Being self-aware and having a good understanding of how our feelings affect our reasoning, thinking and ways of interacting with others is of paramount importance if we wanted to be a truly diverse and inclusive employer. We need to deploy an even more systematic approach to DE&I with bold actions to foster inclusion and belonging and a new commitment to equality. Looking at the Gender Pay Gap figures, I am pleased to see an improvement, however, fully acknowledge we still have some way to go for this gap to reduce further. I am confident that with the commitment and intent from the UK leadership team we will be able to maintain a year-on-year decrease.



Regula Hanimann,
Head Human Resources UK

By creating equity in the workplace, we level up and create a platform of inclusion, by allowing everyone to bring their true self to work. To be able to contribute, and be part of a culture of authenticity, to not have to pretend to be something or 'fit in', naturally cultivates diversity.

True diversity in all its meanings, leads to a much more innovative, resilient, creative, and profitable business; also creating a workplace that is fun and exciting. Taking action to address the Gender Pay Gap is a pivotal piece of the larger diversity objective.



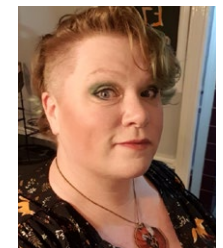
Justin Excell, Group MD,
Head Rates & Trade Execution /Co
Chair UK Inclusion and Diversity Council

The business case for diversity is extremely clear, but we also cannot understate the importance of embracing diversity from a moral and social perspective. All people deserve the opportunity to thrive in environments that support and uplift them, and achieving this requires a dedicated approach to real action and quantifiable change.

At Swiss Re we explicitly refer to Diversity, Equity and Inclusion as three core concepts that, while interconnected, must each be considered as driving principles. As an autistic person, I have found my experience working in Swiss Re transformative as my unique skills, needs and perspective have been approached with enthusiastic acceptance, and I am proud of the continuous work we are doing to centre diversity in our plans for growth and change for 2022.



Great Minds Network,
Angela Hames



Great Minds Network,
Vic Mazonas