

Swiss Re – UK Gender Pay Gap Statement 2017

At Swiss Re we embrace a diverse and multi-generational workforce that brings an enriching mix of differences in age, race, ethnicity, nationality, gender, sexual orientation, gender identity, gender expression, religious beliefs, physical abilities, cultural background, education and work experiences.

Gender diversity, including gender pay equality, is therefore both a moral and strategic imperative at Swiss Re.

What is the gender pay gap calculation?

From April 2018, all U.K. companies with over 250 employees are required to publish their gender pay gap data by the U.K. government.

The gender pay gap calculation requires companies to measure the average earnings of all male and female employees, regardless of role, seniority and working hours, and show the percentage difference between the two.

These gender pay gap figures compare the general pay and bonus conditions of men and women in the business. They do not provide an insight into the equality of pay between a man and woman doing similar jobs. It is unlawful to pay people unequally based on their gender.

What is Swiss Re's gender pay gap for 2017?

Using the government's calculation, excluding ReAssure which reports separately, our gender pay gap is 42% across Swiss Re U.K. entities when using the median (middle) value, and 39% when using the mean (average) value. This compares to a Financial Services sector median of 35.6% and mean of 35.1%, and a UK median of 18.4% and a mean of 17.4%¹.

	Swiss Re UK*			ReAssure
	Swiss Re UK excl. ReAssure	Of which: Swiss Re Services Ltd ²	Of which: Swiss Re Management Ltd, UK ³	
Ordinary pay				
Difference in mean	39%	38%	40%	25%
Difference in median	42%	42%	32%	21%

*In the table above and later in this statement, Swiss Re UK includes Swiss Re Services Limited, Swiss Re Management Limited UK, Swiss Re Corporate Solutions Services Limited and Swiss Re Life Capital Management Limited UK, but excludes ReAssure. Whilst Corporate Solutions and Life Capital are included in the aggregate Swiss Re All UK numbers, they are not reported separately given the number of employees in these entities fall below the legal threshold of 250 and recognising the small numbers make reporting difficult and risk confidentiality issues at an individual level.

¹Office of National Statistics, October 2017. Includes both full and part-time workers.

²Swiss Re Services Limited covers all employees who work in the Reinsurance Business Unit.

³Swiss Re Management Limited UK covers all employees who work in Group Functions.

There is no evidence that we have an issue when it comes to equal pay for equal work (a statistical analysis conducted by a leading consultancy who specialises in Equal Pay does not indicate a statistically significant risk of gender bias).

Our numbers reflect the lack of women in senior leadership roles which is clearly not where it should be. We are dissatisfied with these results. The ReAssure gender pay gap calculations are lower than Swiss Re, although again we recognise they are still not where we would expect them to be. Our aim at Swiss Re is to address the issue of gender representation which is not just about improving the promotion of women in our company but also about attracting them in greater numbers and retaining them for longer. Although a diverse, inclusive and meritocratic workplace is core to our beliefs, we have not yet made sufficient progress and we recognise that we need to accelerate the pace of change and are committed to doing so.

Why do we have a gender pay gap?

At Swiss Re, along with a majority of the Financial Services sector, the main reason this analysis shows a gender pay gap is because there are more men than women in senior positions. When we combine all levels together and rank the pay of our colleagues into four quartiles, we see that there are proportionally more men than women in the two highest paid quartiles.

		Swiss Re UK							
		Swiss Re UK excl. ReAssure	Of which: Swiss Re Services Ltd		Of which: Swiss Re Management Ltd, UK		ReAssure		
Quartile distributions		#	%	#	%	#	%	#	%
Lower quartile	M	79	32	33	28	28	39	185	38
	F	166	68	85	72	43	61	306	62
Lower middle	M	117	48	51	43	33	46	183	37
	F	129	52	67	57	39	54	307	63
Upper middle	M	164	67	75	64	51	71	245	50
	F	81	33	43	36	21	29	245	50
Upper	M	192	78	87	74	55	76	317	65
	F	54	22	31	26	17	24	174	35

We know that we need to do more to increase and retain women in senior positions at Swiss Re which will help address our reported gender pay gap.

What is our bonus pay gap?

At Swiss Re we believe that people should be rewarded fairly for their contribution to our collective success. Therefore bonus payments are an important element of our total reward offering.

Combining all positions and levels together, the bonus pay gap between men and women is a median of 58% and a mean of 68%. This difference is again a reflection of the fact that currently we have significantly more men than women in senior positions where bonuses are proportionately larger.

Swiss Re UK*				
	Swiss Re UK excl. ReAssure	Of which: Swiss Re Services Ltd	Of which: Swiss Re Management Ltd, UK	ReAssure
Bonus pay				
Difference in mean	68%	65%	77%	48%
Difference in median	58%	53%	54%	27%
Bonus pay recipients				
Men	93%	96%	89%	89%
Women	90%	93%	86%	91%

Again, we accept that we need to do more to increase and retain women in senior positions at Swiss Re which will help address our reported bonus pay gap.

What are we doing to close the gender pay gap?

At Swiss Re, we are working hard to increase the number of women in leadership roles and know we need to do more. We have a number of actions already in place to support and advance women in our business. However the full impact may take some time to be realised.

We are actively engaged with trying to solve this complex global issue. Our approach is constantly evaluated and adjusted in order to ensure it is as effective as possible. We are committed to the following on-going initiatives:

- Diversity and inclusion, and gender diversity in particular, is a **key strategic priority** for the company's senior management, both globally and in the U.K.
- Our Group Executive Committee sent a clear message about their commitment and the need to accelerate progress at Swiss Re on International Women's Day March 8th. Across the world, "**Gender Intelligence Dialogues**" were held by business leaders to constructively discuss research on gender differences and the value revealed when we embrace those differences instead of ignoring them.
- We're accelerating the advancement of our internal female talent by making sure that women and men are equally equipped and encouraged to go for the most senior roles. In 2017, we launched Swiss Re's first global **Female Sponsorship initiative**, which matched talented females with influential senior executives who act as sponsors to help them reach their career aspirations. For some time, we have ensured that the gender mix in our leadership development programs reflect an equal proportion of the male and female workforce. In 2018, we plan to reach out to the female workforce to understand why less of them apply for advancement opportunities to the same extent as men, and engage them in practical solutions.
- Swiss Re recognises that different people in different roles have different needs and preferences when it comes to their working patterns. Our market leading '**Own The Way You Work**' approach gives employees autonomy to decide how, when and where they carry out tasks to motivate and engage high performance

teams. We are proud that this was recognised in Glassdoor's 2017 Top 20 for Employee Benefits & Perks and we believe it will help attract and retain diverse candidates and colleagues.

- We're committed to accommodating **informal and formal flexible work arrangements** in line with business requirements. Flexible working for women and men of all levels is key to improve the gender pay gap as it gives people – particularly those with child and elderly care requirements – more options around working hours.
- **The internal equality network, 'Open Doors' was launched in 2017 in the UK.** The aim of Open Doors is for Swiss Re to be recognised as an employer that promotes gender equality, and facilitates an environment where people want to work and thrive. In line with the Group's mission to make the world more resilient, Open Doors fosters an inclusive culture where everyone becomes more resilient - understanding and tackling day-to-day issues with colleagues, clients and society.
- We're also focused on **increasing the number of women joining Swiss Re at all levels.** Wherever possible we strive for diverse hiring slates and ensure that there are both men and women involved in the interview process to ensure a diverse selection panel.
- This year we have **launched Textio**, a self-service online tool which reviews job descriptions and advises on gender-neutral wording.
- Unconscious bias awareness has been a key pillar of our D&I strategy for some time. While it is important, we've learned that on its own it does not improve outcomes. Therefore, we have taken this to the next level **by embedding best practice approaches into our talent management processes**, and implemented a new workshop for people managers that brings the learning into practice with relevant exercises.
- Our compensation teams give important guidance and direction to HR Partners and relevant Line Managers, **emphasising the need for pay equality.** The results of the Annual Compensation Review are shared with the Group Executive Committee, who are committed to ensuring that a fair and equal approach has been followed. Furthermore we are systemically assessing pay equity across the Group with an external consultant.

Diversity and Inclusion at Swiss Re

Research shows that diversity and an inclusive culture are key determinants in the ability of teams (and therefore businesses) to make balanced decisions, navigate uncertainty and innovate successfully.

At Swiss Re we embrace a diverse workforce that brings an enriching mix of differences and is therefore both a strategic and moral imperative at Swiss Re.

We know we have more to do and we are committed to accelerating the pace of change.

The information provided in this written statement is accurate and meets the requirements of the Gender Pay Gap reporting regulations.



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