
Gender Pay Gap Report 2022

Specialist Risk Group Limited

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Introduction

This report contains the statutory disclosures on Gender Pay for 2022 for Specialist Risk Group Limited.

Our colleagues are the core of our success. We embrace and celebrate difference, recognise diversity as a driver of success, we are pro-active in our approach to developing an inclusive environment. In building a Company we are proud to tell our friends and family about, we promote equal employment opportunity, inclusion, and respect for all.

To that end, SRG provides equal employment opportunities for all colleagues and applicants regardless of gender and other protected characteristics including race, religion or belief, age, nationality, ethnic origin, disability, sexual orientation or gender reassignment. Furthermore, we seek to enrich our culture by recruiting candidates from diverse backgrounds with wide ranging expertise, education, academic achievement and varied expertise.

Gender Pay Reporting Obligations

Gender pay regulations (The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017) aim to increase transparency around gender pay gaps as part of the UK Government's pledge to eliminate any unlawful or unjustified gaps.

We have reported on the following:

- percentage of men and women in each hourly pay quarter
- mean (average) gender pay gap using hourly pay
- median gender pay gap using hourly pay
- percentage of men and women receiving bonus pay
- mean (average) gender pay gap using bonus pay
- median gender pay gap using bonus pay

A copy of this report will be published on the SRG website (in April 2023) and the required information will be uploaded to the UK government website. We will continue to publish this information annually.

SCOPE

For the purposes of this report, we have included the pay data for all (UK) Specialist Risk Group employees of which there were 450 as at 1st April 2022.

SRG Gender Pay Statistics

Gender pay gap is the difference between the mean or median hourly rate of pay between male and female colleagues across the organisation irrespective of departments or seniority. The pay statistics are based on rates of pay on 1st April 2022 (SRG snapshot date for reporting). Included is the data from 2021 for comparison purposes.

Section One: Mean and Median Statistics on Pay

	2021	2022
Median gap –	63%	31%
Mean gap –	60%	40%

Analysis

The reduction from 63% to 31% for the Median gap and the reduction from 60% to 40% for the Mean over a 12-month period is positive progress which demonstrates the Group has taken positive action in addressing the gender pay gap from 2021 and continues to do so.

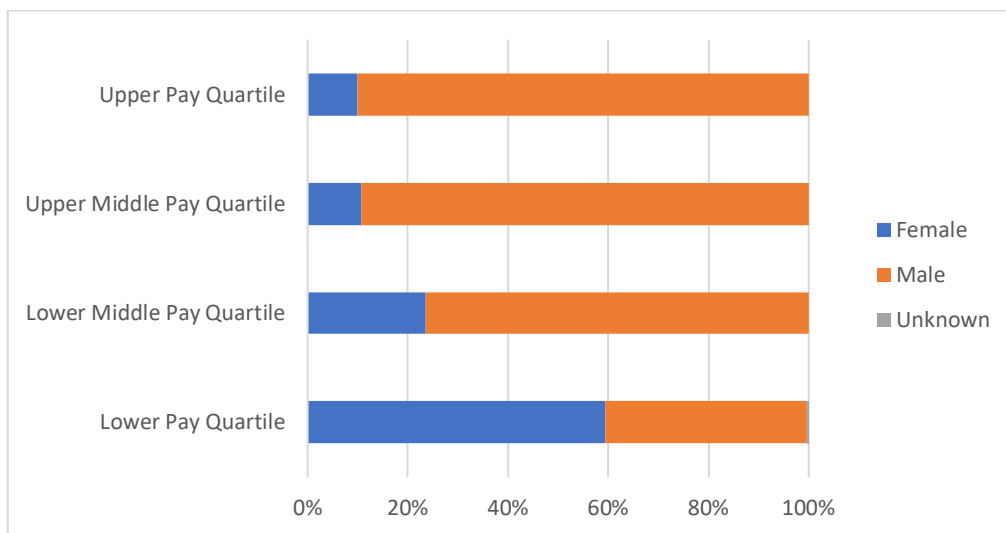
Section Two: Pay Quartiles

This data shows the percentage of men and women full-pay relevant employees in four equal sized groups of employees based on their hourly pay.

These equal sized groups are established when making the calculation in accordance with Gender Pay regulations.

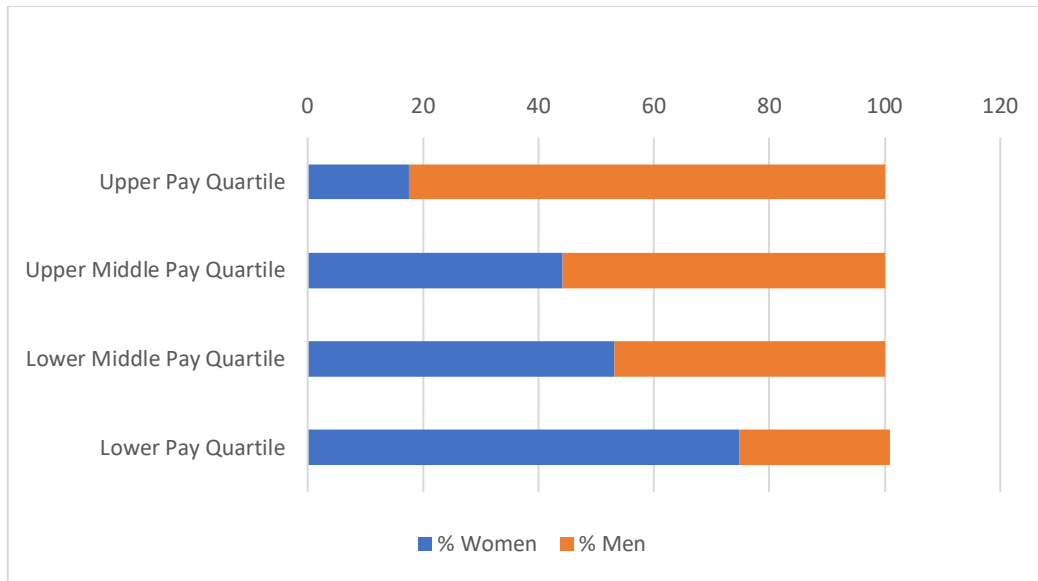
Proportion of male and female staff in each pay quartile 2021

Headcount data *including* Executive level (SRG Board Executive and members of SRG Executive Committee)



Proportion of male and female staff in each pay quartile 2022

Headcount data **including** Executive level (SRG Board Executive and members of SRG Executive Committee)

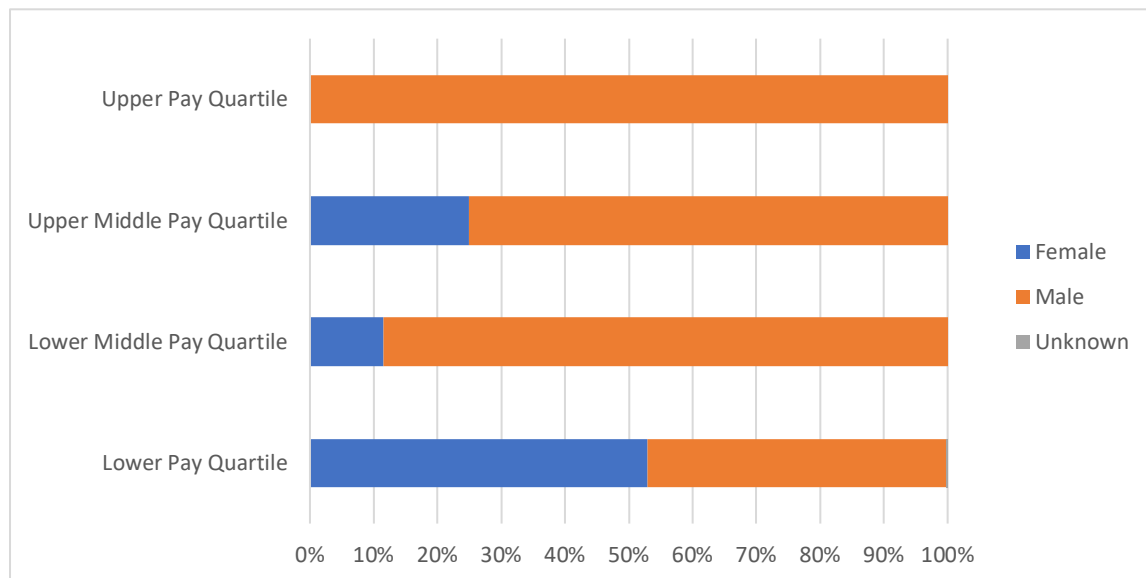


Analysis

This is a positive shift towards increasing the number of females in the Upper Pay Quartile and Upper Middle Pay quartiles.

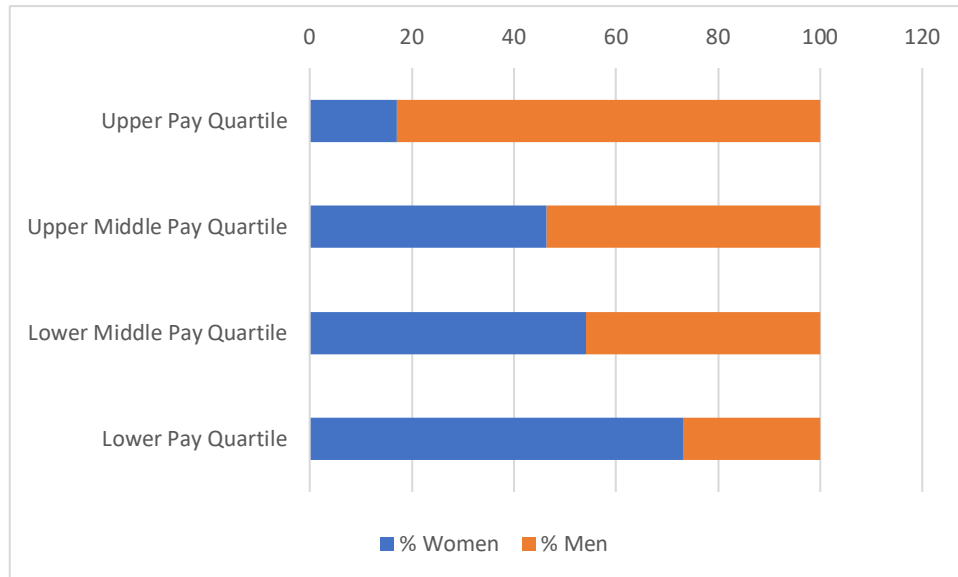
Proportion of male and female staff in each pay quartile 2021

Headcount data **excluding** Executive level (Members of SRG Executive Committee). Non-Executive Directors have not been counted as they do not have contracted hours.



Proportion of male and female staff in each pay quartile 2022

Headcount data **excluding** Executive level (Members of SRG Executive Committee). Non-Executive Directors have not been counted as they do not have contracted hours.



Analysis

This data demonstrates the improved position insofar as there are now senior females earning in the Upper Pay Quartile and there are more females in the Upper Middle Pay Quartile and Lower Middle Pay Quartile.

Section Three: Bonuses

The bonus payment percentages are intended to reflect the distribution of bonus payments made to men and women relevant employees, who were paid bonus pay in the 12 months that ended on our Snapshot date. Both are expressed as percentages in accordance with the Gender Pay regulations.

% of men who received bonus pay: 62.13%

% of women who received bonus pay: 67.9%

The mean gender pay gap using bonus pay:

Mean bonus gender pay gap 38%

The median gender pay gap using bonus pay:

Median bonus gender pay gap 42.86%

Analysis

This data reflects that overall women are paid lower bonuses on average, however, this does not consider individual roles. It's promising that higher distribution of females received bonuses but the gender bonus pay gap remains significant.

The Path Forward

Gender pay gap statistics allow us to compare in isolation the pay gap between men and women within our organisation which can help us identify disparity, however these figures do not take account of key underlying factors influencing pay such as, the difference in colleagues' functional roles, seniority, skill set, experience or market rates for different functions or locations. Therefore this is not to be confused with Equal Pay which compares like for like roles and whether a male incumbent is paid the same as a female incumbent.

It is also important to note that being an amalgamation of different companies, we have some disparity across entities that will take some time to rectify. Not all roles across each company are comparable and furthermore, not all companies have historically had the same approach to reward. Our goal is to create harmony in how we remunerate colleagues, but this requires long term action.

Additionally, the insurance industry is a sector where most administration (and lower paid) roles are traditionally occupied by females. Typically, generational norms also impact this dynamic. We are experiencing a shift in this as, domestic responsibilities and childcare arrangements are more equally dispersed and flexible across society. In turn, the industry is seeing a slow but significant shift with more females in the workplace. Additionally, there is now significantly more female talent in the industry. We are very much moving away from tradition and focusing on ways to eradicate any unnecessary pay gaps by promoting equal opportunities across the company.

In September 2021, during a company townhall, we made it clear that our commitment to building an inclusive environment is paramount. Our Diversity and Inclusion ("D&I") program takes discussion at our Board and is a key priority for us.. SRG will take an active role both internally and externally in helping to change the landscape in the insurance industry.

During 2021, SRG hired two senior females into leadership roles (both Managing Partner level). The SRG Board also appointed two senior females as Board Directors (Group COO and Group People and Culture Director). Furthermore, two of three of the Non-Executive Directors appointed to advise the Board are female.

Our work in closing the gender pay gap continues. Some of the significant efforts to help this during 2022 are listed below. These activities are component of our longer-term strategy to increase diversity and build and inclusive environment.

1. **SRG D&I Steering Committee ("SteerCo"):** This team established in January 2022 is a collaborative group of colleagues who have volunteered their time to help develop our D&I strategy and drive key D&I activities. This group will report to the People and Culture Director and play an active role in contributing ideas and challenge, engaging their teams, creating access to support and resources, and promoting activities. The SteerCo set out with clear objectives for 2022 to encourage healthy discussion around D&I, beginning to address knowledge gaps and assess recruitment practices. Some significant activities were:
 - a. 'Lets Get Talking' – A discussion series with over 250 colleagues to understand how colleagues feel about D&I and what more we can do to build an inclusive workplace.
 - b. Knowledge Building – A series of bespoke training to address some common challenges in literacy, inclusion and awareness.
 - c. Data – Creating a better understanding of our demographic and engaging colleagues with data capture.

- d. Review of HR policies – Enhancements made across our suite of family friendly policies including; enhanced parental leave, second parent leave, paternity and maternity, IVF and fertility treatment and pregnancy loss.
2. **Leadership training:** Whilst we ask that all of our colleagues are responsible for helping to build an inclusive environment, we acknowledge that the most impactful messaging starts from the top of the organisation. We have engaged a trusted education partner in helping our leadership group in understanding how to lead inclusively. All Managing Partners in the group attended mandatory discussion sessions and training in 2022.
3. **Recruitment:** We continue to be focused on hiring the best candidate for the role but endeavour to have a diverse candidate pool. In 2021, we reviewed all of our recruitment partners and agreed a new preferred supplier list (PSL). The partners were each assessed on their suitability to work with SRG. Part of this assessment was to consider their own approaches to D&I. Our partners were selected in the knowledge that they conduct fair recruitment processes and understand the D&I challenge and how to support SRG's journey. Furthermore, it is now a requirement for the name, gender and ethnicity to be removed from any CV's and candidate profiles. We also ask for every effort to be made in presenting a diverse deck of CV's.

54% of hires since April 2021 have been female hires.
4. **Pay Reviews.** We are confident that we carefully benchmark every new joiner against their peers and comparable roles across the business. Whilst there may be some variance (based mainly on experience, skill and geography), we are confident that we pay equally for like for like roles (male/female). We have very few identical roles that are occupied by both men and women of the same experience and background but continue to ensure we are an equal opportunity and equal pay employer.
5. **Flexibility.** For some colleagues pay is becoming a secondary priority and flexibility is a a more valued reward. The majority of our flexible working requests have been from female colleagues, which we have been able to approve to support the balance of work commitments and personal commitments. We are committed to raising awareness across our male population in respect of flexible working – we would expect a more equal number of requests between our male and female colleagues given the comments in The Path Forward section.

SRG confirms that its Gender Pay Statistics have been calculated in accordance with Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (SI 2017/172).

Joanne Wright
People and Culture Director
April 2023