

# Gender Pay Gap Report 2021





At RSA, diversity and inclusion are central to our purpose and to achieving outperformance in our sector. We strive to create an inclusive workplace where everyone can bring their best self to work. We do this by building greater diversity across all levels and creating an inclusive culture which attracts, encourages, and capitalises on diverse perspectives, establishing a stronger foundation to serve our increasingly diverse customer base. By enabling diversity of thought and ensuring representation of women in our senior management teams, we are fundamentally stronger as a business. I'm proud of the progress we've made over the last few years and our continued focus on practical actions to reduce our Gender Pay Gap.



### Ken Norgrove

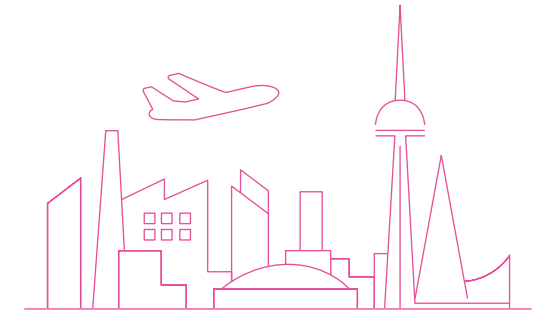
Chief Executive Officer,  
RSA, UK & International



## About RSA

In June 2021, the former RSA Group Plc came under new ownership. RSA Group Plc comprised of three divisions: Canada, Scandinavia and UK & International (UK, Luxembourg, Ireland, and Middle East). The UK & International business (Royal & Sun Alliance Insurance Ltd) is now a wholly owned subsidiary of Intact Financial Corporation (IFC), the largest provider of Property and Casualty insurance in Canada. Royal & Sun Alliance Insurance Ltd (RSA) are IFC's first acquisition outside of North America.

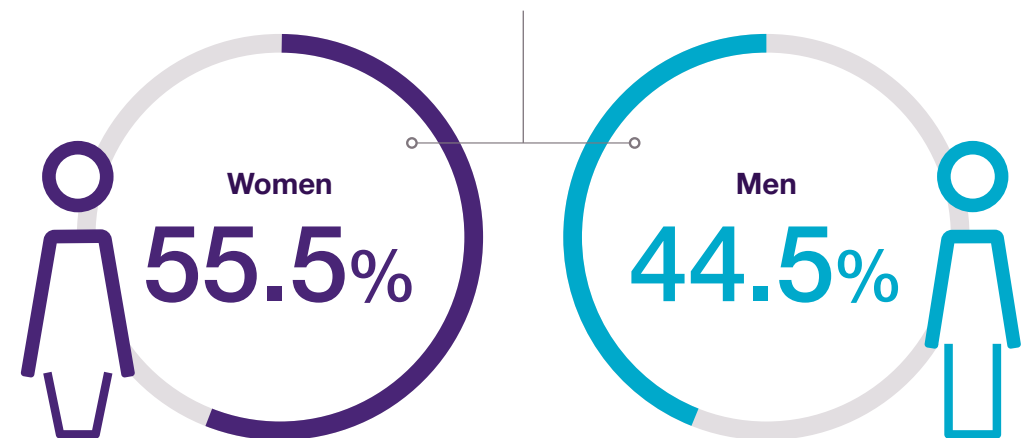
The information shared within this report predates the acquisition.



# 4,756

Headcount across our UK operating company, RSA Group Plc, as of 5<sup>th</sup> April 2021.

### Gender Split of RSA Group Plc employees (as of 5th April 2021)



RSA is fully compliant Equal Pay employer. This is not the same as the Gender Pay gap where we have more work to do, especially in the representation of females in our upper quartile pay segments.

## Pay and Bonus Gap

The information presented below relates to employees of RSA Group Plc and is calculated in line with the government regulations.

	Mean					Median				
	2021	2020	2019	2018	2017	2021	2020	2019	2018	2017
<b>Gender Pay Gap</b> Based on hourly rates of pay as at 5 <sup>th</sup> April	<b>28.8%</b>	29.7%	31.7%	33.6%	33.0%	<b>28.3%</b>	27.3%	29.0%	29.7%	29.7%
<b>Bonus Pay Gap</b> Based on bonuses paid in the 12 months to 5 <sup>th</sup> April	<b>58.0%</b>	58.9%	75.1%	69.1%	63.2%	<b>41.5%</b>	42.8%	39.3%	15.0%	41.1%

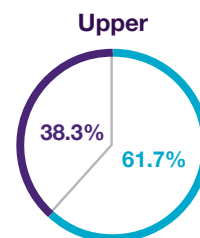
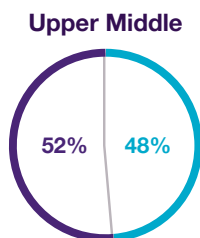
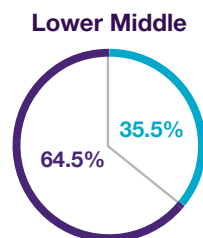
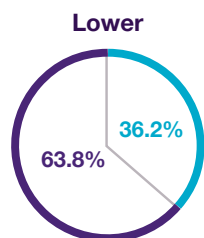
Please see overleaf for an explanation of the comparison between 2021 and previous years.

In addition to our RSA Group Plc headcount, RSA Group had a further **10** employees. These employees are not included under Government regulations on Gender Pay Gap disclosure. If we include all RSA companies with employees based in England, Scotland and Wales, our Mean Pay Gap is **30%**, our Median Pay Gap is **28.3%**, our Mean Bonus Gap is **61.9%** and our Median Bonus Gap is **41.5%**.

## Pay Quartiles

The following charts illustrate the percentage of men and women at RSA Group Plc within four equally sized pay quartiles as at 5<sup>th</sup> April 2021.

■ Women ■ Men



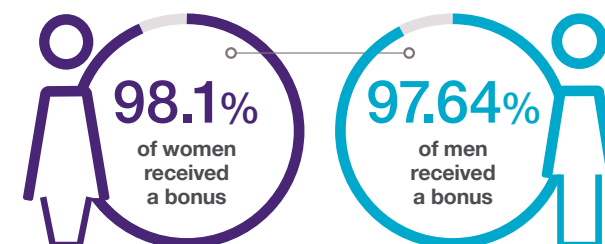
### Prior Year Data for Comparison

2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020	2017	2018	2019	2020
63.3%	65.3%	63.6%	63%	65.9%	66.2%	66.5%	65.8%	53.2%	52.2%	51.3%	52.2%	36.8%	37.5%	38.3%	38.5%
36.7%	34.7%	36.4%	37%	34.1%	33.8%	33.5%	34.2%	46.8%	47.8%	48.7%	47.8%	63.2%	62.5%	61.7%	61.5%

The gender pay gap is a measure of the difference between the average earnings for men and women. This is not the same as equal pay. We undertake regular equal pay audits, in line with ACAS and Equality and Human Rights Commission (EHRC) guidance. We are confident that men and women at RSA are paid equally for the same or similar work across the business and we are satisfied that there are no underlying equal pay issues.

## Proportion of employees receiving bonus pay

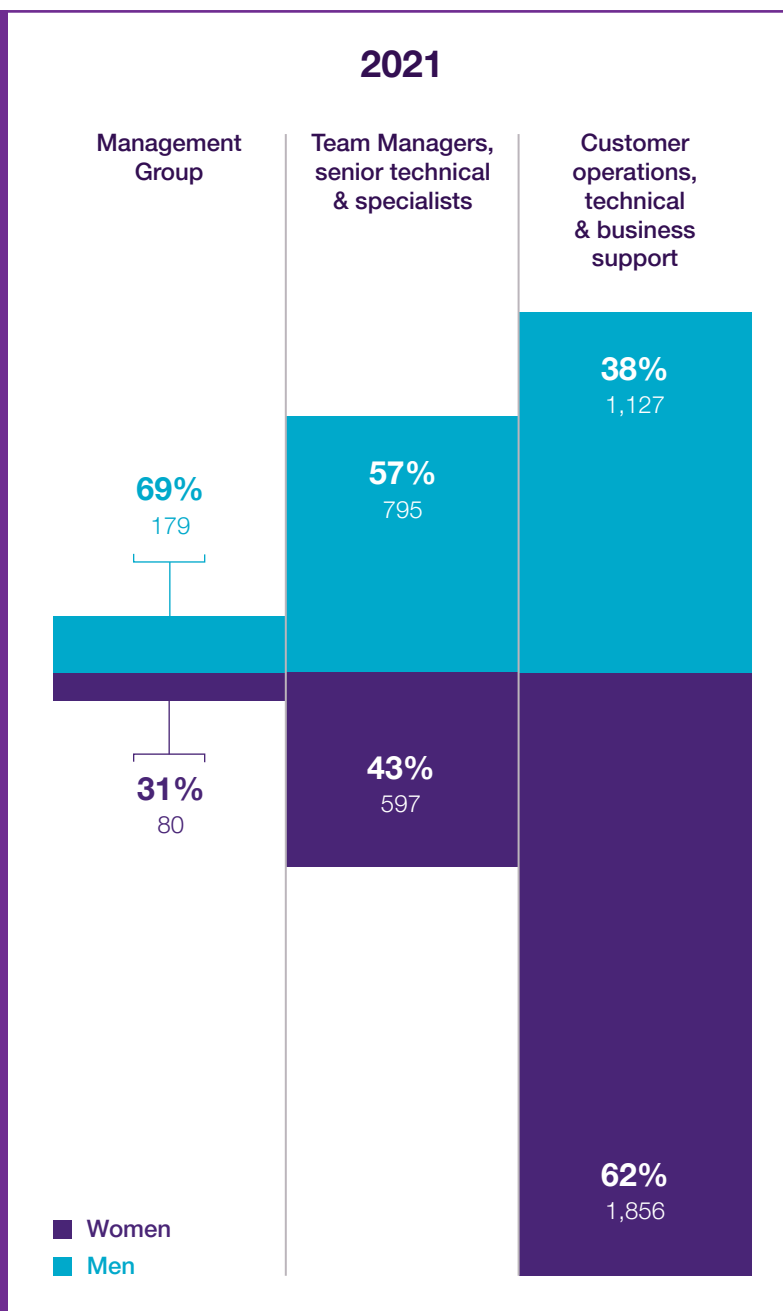
A slightly higher proportion of women than men received bonus pay in the 12-month period up to 5<sup>th</sup> April 2021 at RSA Group Plc. Employees at all levels of seniority are eligible for bonus pay, subject to being employed by RSA during the relevant performance period and achievement of stretching performance targets. These percentages are slightly higher than in 2020 (95.6% women; 95.0% men).



## Why do we have a pay gap at RSA?

Our analysis shows that our gender pay gaps are predominantly driven by the shape of our workforce, in particular:

- We **have fewer women than men in senior management roles**. Our workforce is predominantly female (55%) however there are fewer women in our Management Group roles (31%).
- This is reflected in our pay quartile data, where only 38.3% of employees within the highest paid quartile are female. This has decreased marginally from 2020 (38.5%) but overall, steadily increasing from, 36.8% in 2017, 37.5% in 2018 and 38.3% in 2019.
- There are **more women (62%) than men in our junior roles**, such as customer operations, technical and business support.



## Understanding the pay and bonus gap comparison between 2021 and previous years;

- **Mean and median pay gaps** – The Mean pay gap has improved by 0.9% since 2020, and we have driven a year-on-year improvement in our mean pay gap since 2017. Whilst the gender representation amongst our Management Group has remained broadly static since 2020, we were able to achieve a 0.9% improvement in the mean pay gap between 2020 (29.7%) and 2021 (28.8%) through a reduction in discretionary bonuses (such as hiring bonuses) being made to employees through the year. The median pay gap has however widened by 1% since 2020 (from 27.3% to 28.3%). This is driven by a slight shift in the gender profile of senior managers within our management group over this period.
- The **mean bonus gap** has improved by 0.9% versus 2020 and our **median bonus gap** has improved by 1.3% versus 2020, this is driven by increased usage of our monetised peer to peer recognition awards at all levels of the organisation, a reduction in special payments which are typically made to senior leaders, the population of which contains a higher number of men, and annual performance bonus payments being higher in 2021 than in 2020 at all levels except for a group of senior leaders in our Group Head Office.

## What actions are we taking to reduce the Gender Pay Gap at RSA?

**At RSA, diversity and inclusion are embedded into our DNA. Our commitment to this is reflected in our values. Diversity and inclusion are central to our purpose and to our ambition to be an insurer whose approach to inclusion is recognised as a key differentiator within our sector.**

We strive to create an inclusive workplace where everyone can bring their best self to work. We do this by building greater diversity across all levels and creating an inclusive culture which attracts, encourages, and capitalises on diverse perspectives, establishing a stronger foundation to serve our increasingly diverse customer base. By building a culture that recognises and removes barriers women face in the workplace and by providing an open and flexible working environment.

Over the course of 2021, we have made continued progress in enhancing the focus on our Diversity and Inclusion (D&I) agenda. Whilst it is acknowledged that there are no credible 'quick fixes' to the Gender Pay Gap, we still have more work to do.

As is common with other insurance companies, RSA's Gender Pay Gap is predominantly driven by the shape of our workforce – we have more men than women in senior management roles, and a greater number of women than men at junior levels. Our 2021 position was heavily influenced by external factors (including the pandemic and associated volatile labour market) and internal factors (organisational change and attrition) which resulted in us being less proactive in effectively influencing the shape of our workforce. We are committed to taking action to redouble our efforts.

Whilst the position was largely static from 2020-2021, we have seen positive movement in female representation at Management Group level since April 2021 due to actions taken, such as applying a gender lens to our remuneration, hiring decisions and people processes. Over the course of 2021, we have driven greater awareness across senior leadership on the impact of pay and hiring decisions on the gender pay gap, with all Reward decisions being scrutinised in this light.



RSA are signatories of the Women in Finance Charter, a pledge for gender balance across financial services, launched by HM Treasury. The acquisition of RSA Group Plc by Intact Financial Corporation in June 2021 required us to recut our targets, previously reported at a group-wide level, on a UK&I basis. We have recommitted to the Charter for 2022 and have agreed a target of 34% female representation within management group across the RSA UK&I business by 2023. Progress against this target will be reviewed quarterly with a clear interrogation of the actions agreed.

## Recruitment of diverse talent

**To further boost our efforts to seek diverse candidates, we set a minimum target of 50/50 gender balanced shortlists for interviews for management group roles in our UK business, and we are currently trialling interventions to non-management group roles in key functions where female representation is lowest (Women in Technology, Underwriting & Pricing) to increase gender parity when hiring.**

For roles that do not meet the gender target there is a robust exceptions process in place. We work in partnership with the recruitment agencies we use to ensure they are clear on our expectations with regards to D&I, which include access to dedicated specialist D&I resources to improve attraction and to promote inclusive hiring practices. We have communicated our long-term commitment to supporting hybrid working in all roles and flexible working through our job adverts, ensuring all potential candidates are aware of our willingness to discuss any requirements for flexibility in when, where, and how our employees work. We have removed gendered language from our job

advertisements to address any inadvertent bias.

We have 233 employees undertaking an Apprenticeship, fully funded via our Apprenticeship Levy commitment. We offer 58 Apprenticeship qualifications across the business covering a range of academic levels from Level 3 through to a masters Level 7. Our programmes cover a broad range of topics including: Insurance, Leadership and Coaching, Finance and Actuary, Project Management & Change, Customer Service, Cyber and Digital, Risk & Compliance, Procurement, HR and Legal. 121 of our apprentices are female, and they are aged between 18 and 63.

To further support our ambitions to recruit early and emerging talent, in September 2022 we will launch our Bright Futures programme, this includes college leavers joining a level 3 or level 4 Apprenticeship as well as University Graduates who join us on either a level 6 or level 7 Apprenticeship. We ensure there is a 50/50 gender balance through to our assessment centres with all these roles to further develop our talent pipelines.



## Developing and promoting diverse talent

**We continue to provide development opportunities to support the progression of women in our business into senior management roles:**

- Our “Accelerate” talent programme provides leadership skills development for those who show high potential to progress into the Management Group in the future. We ensure 50/50 gender balance amongst attendees in the programme.
- In 2021 we developed an internal female mentoring programme, which partnered 22 Level 4 females with senior leaders within the business for a period of 9 months, to build increased strength and depth in our female talent pipeline, and to increase visibility. This programme entered its second cohort in March 2022.
- We are developing and mobilising enhanced talent plans and succession pipelines for all departments, supported by an active review and challenge of gender representation on these plans. We have also implemented a D&I goal into all employees’ objectives to drive engagement in D&I activity more prominently into the business and will execute functional action plans and focus areas to complement our cross organisational initiatives.

## Employee Resource Groups

Improving our gender balance at all levels of the organisation is just one aspect of how we are creating an inclusive workplace for all at RSA. In 2021, we continued to drive inclusion through our employee resource groups. Our employee led groups aim to foster a diverse, inclusive workplace and support our overall diversity and inclusion strategy.



### Ability

Disability, Mental Health and Physical Wellbeing

As signatories of the Valuable 500, we are committed to focussing on disability inclusion. Our RSA Ability Employee Resource Group, established in December 2021, focus on building, championing and promoting a culture within RSA where individuals with both seen and unseen disabilities have access to the support and workplace adjustments they need to enable them to flourish, develop and thrive each day.

RSA maintain a sustained focus on supporting mental health in the workplace by highlighting “it’s ok not to be ok” and signposting support available, including our mental health first aiders.

We are members of the Business Disability Forum who provide guidance and support for us to share with leaders on how to make necessary adjustments. We are also actively working towards becoming a Disability Confident Employer.



### Balance

Supporting Gender Balance

In addition to supporting our wider business ambitions for gender parity, our Balance Employee Resource Group work to demystify stereotypes and signpost resources to better support our overall cultural gender balance ambitions; enable a platform for individuals to share their experiences, and act as the conscience to challenge the business on gender balance issues. Their objectives include raising education and awareness on gender centric bias through personal development

sessions and recognising key observances such as International Women’s Day and International Men’s Day.

At RSA, we are committed to ensuring the health, safety, and wellbeing of all our employees and fully support any colleagues who experience domestic abuse. The Balance Committee lead on our efforts to better support our employees experiencing forms of abuse, and have developed guidance for leaders, and employees signposting resources and support tools and have built a network of Domestic Abuse Champions, who have had training delivered by Women’s Aid to further support our people.



### Building Pride

LGBT+ Inclusion

Our Building Pride Employee Resource Group, remain committed to the equality, respect, and acceptance of LGBTQ+ colleagues at RSA. 2021 saw increased awareness raised on key observances within the LGBTQ+ calendar, such as International Day of Transgender Visibility where we spoke with one of our senior leaders and their trans son on their experiences of navigating transition and how our business, people and leaders can better support those within the community, a fireside chat with Captain Hannah Graf MBE on International Day against Homophobia, Biphobia and Transphobia, empowering conversations

on Queer Leadership for Lesbian Visibility Day and our Virtual Pride March, bringing together our regional and international employees in June to celebrate Pride.

In October 2021 we launched guidance for our people and our leaders on how to support individuals transitioning at work, with a powerful and moving podcast from one of employees.

In December we hosted an event on World Aids Day to discuss destigmatising living with HIV with Ru Paul Drag Race UK star Charity Kase. Our future plans include us further understanding the lived experiences of our LGBTQ+ colleagues and delivering on our action plans to ensure RSA is an inclusive workplace for all LGBTQ+ employees.



## Families

Working Parents and Carers

Following the launch of our RSA Families Employee Resource Group, we have actively championed and promoted a culture within RSA where working parents and carers have the support they need to be able to flourish, develop and nurture their working lives, so that they can bring their best selves to home life and work life each day.

In early 2021, we launched a number of family friendly policies to better aid and support our people, which included Neonatal, IVF/Fertility Policy, Miscarriage Leave and Time Out Leave and in early 2022, we further enhanced our Maternity, Adoption, Paternity and Shared Parental Leave provisions.

As a Menopause Committed Employer, RSA Families drive our campaign to become a Menopause accredited employer and in addition to developing guidance for our leaders and our people on how to support individuals going through Menopause, they have built a network of Menopause advocates, and champions to further support our ambition. This committee regularly host Parent, Carers and Menopause Cafés to facilitate a network for individuals within our business.



## REACH

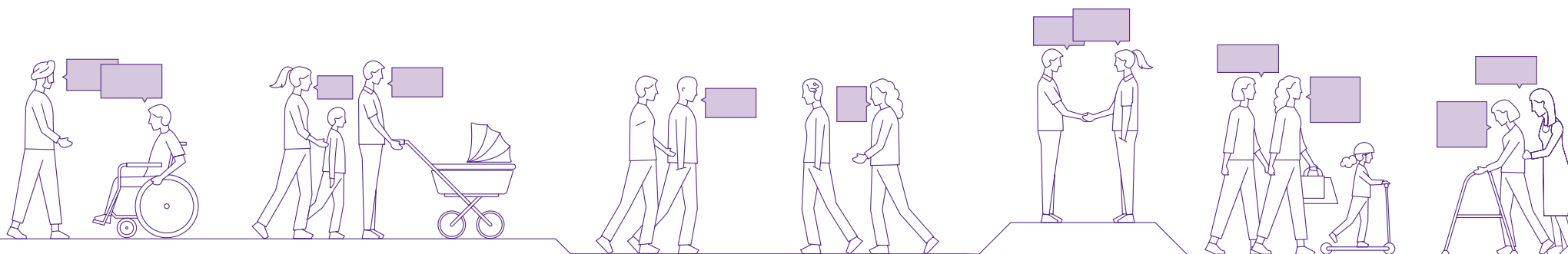
Race Ethnicity And Cultural Heritage

In early 2021, we sought feedback from our Black, Asian, and other Ethnic Minority employees on how inclusive RSA is as a place to work. Whilst there were areas working well, feedback received demonstrated that focus was required on raising education and awareness, challenging our processes, and supporting our people and leaders to become better allies to our people of colour.

A detailed race and ethnicity plan was developed and we continue to adapt and develop these actions to monitor progress. We developed and delivered Anti-racism and Allyship training to enable education on the key issues relating to racism and how to become actively anti-racist.

E-Learning modules were assigned to all UK employees on Understanding Race Bias & Inclusive Language and Communications with over **96%** of our business completing these. We also launched a selection of D&I content on our Learning Management System available to all employees, which covers a wide range of topics to help better educate our people. We seek to better understand the make-up of our workforce and continue to seek employee ethnicity data across our UK business.

We are also signatories of the Business in the Community, Race at Work Charter and continue to honour the Charter commitments to ensure that ethnic minority employees are represented at all levels in an organisation. In addition, we have partnered with the 10,000 Black Intern programme to offer paid work experience to 27 interns across our UK functions in summer 2022.



**Our commitment to reducing the Gender Pay Gap is kept alive through the actions referenced above, and through our Purpose and Values.**



## Purpose:



To help people, businesses and society prosper in good times and be resilient in bad times.



## Values:



Integrity



Respect



Customer-driven



Excellence



Generosity

Our Values are the framework for how we work and behave and guide our decision-making in all contexts. They underpin every effort and every task that we carry out every day, to ensure we deliver our Purpose statement. Our Purpose and Values drive everything we do as a company and give meaning to our work.

We recognise that the gender pay gap is a long-term issue and actions will take time to have an impact on the figures we report.

We are confident in the steps we are taking, and, in the monitoring, we have in place to track their effectiveness and identify opportunities for additional actions.

## Declaration

I confirm that the information and data provided is accurate and in line with mandatory requirements.



**Ken Norgrove**

Chief Executive Officer, RSA, UK & International