

GENDER PAY GAP REPORT 2019



DIVERSITY & INCLUSION AT ALLIANZ

At Allianz, we're committed to creating an environment of diversity and inclusion. We believe that empowering colleagues to share their unique thoughts and ideas helps us to deliver outstanding products and services to our customers. This in turn allows us to sustainably run a responsible business. We want every Allianz employee to be themselves when they come to work and we're committed to supporting them to be their best – a key part of our overall business strategy.

36.8%* of our manager population are female – the highest percentage of female representation across our management population that we've had, exceeding our Women in Finance Charter target of 35% by the end of 2020.



Whilst we've clearly demonstrated significant improvement, we still have work to do and we believe we have the people, processes and support in place to deliver this.



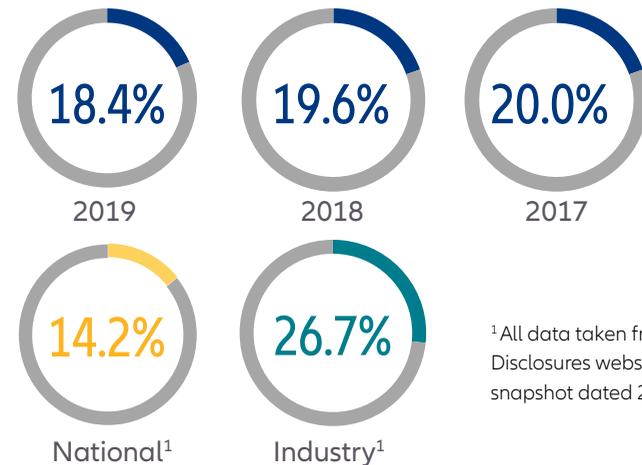
OUR GENDER PAY GAP 2019

This is our third Gender Pay Gap Report where we share our numbers against the key government measures.

Our Mean Gender Pay Gap has decreased since 2018, which is below the financial services industry, but above the UK overall figure. However, there has been little overall change in the underlying pattern of men and women across roles at Allianz UK – we're focused on further increasing our female representation across our management population and are in a good position to achieve this having already reached our Women in Finance Charter target a year ahead of schedule.

Overall mean pay

The difference between average hourly earnings of men and women.



¹ All data taken from Gender Pay Gap Disclosures website using April 2018 snapshot dated 21 February 2020

Allianz UK median pay

The difference between the midpoints in the ranges of hourly earnings of men and women at Allianz UK has slightly increased over the past three years.



BONUS PAY

There was a **mean bonus gap of 52.2%** which has widened, **compared to a gap of 49.1% in 2018**.

This reflects a higher proportion of males in the quartile where the largest bonuses were paid.

Overall mean bonus

2019	2018
52.2%	49.1%

Overall median bonus

2019	2018
29.8%	21.7%

Proportion of employees receiving a bonus

90%		89.6%	
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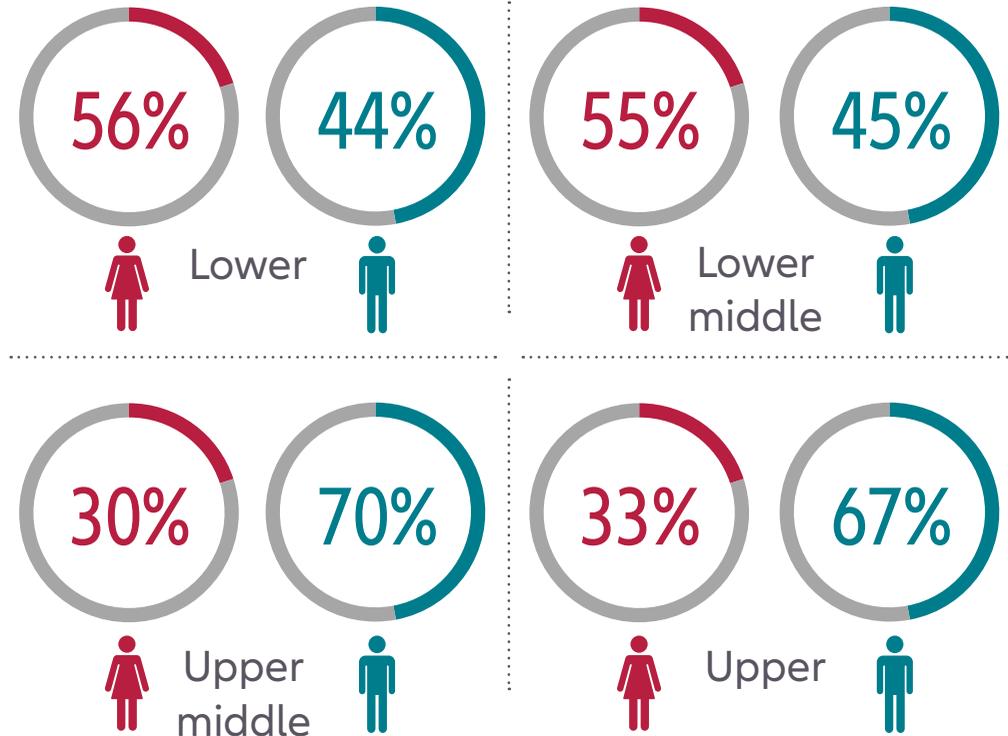
In 2018, we introduced a new bonus arrangement initially to just our senior managers. This takes into consideration business performance, employee behaviours, as well as their individual performance associated with promoting a collaborative and inclusive culture. As females were underrepresented at that time this temporarily widened the gap.

We've now introduced the same bonus arrangement to our entire management population. As we increase the number of females in our management population we should see this gap reduce.

GENDER DISTRIBUTION BY PAY QUARTILE

We take our total number of employees and divide them into four equal groups, with those earning the least in the lower quartile and those earning the most in the upper quartile.

Each quartile contains 1,044 employees.



INCLUSION IN ACTION

We've taken a number of positive steps to address the Gender Pay Gap. A very successful action has been the launch of our **Employee Networks, with over 1,000 colleagues now actively involved across 7 D&I networks**. Led by passionate volunteers from across Allianz who were interested in setting up or sponsoring a network, they offer support, create networking opportunities and a sense of community.



The **AZUK NEO** network's purpose is to drive change and achieve gender balance in Allianz UK through engagement. Formerly the **Women in the City** network, in 2019 the network changed its name to reflect its inclusive positioning and focus on creating networking and engagement opportunities for all.

With the new name, NEO, the network ran a range of events and activities in 2019. They also hosted panel discussions on topics such as **#balanceforbetter**, shared parental leave in collaboration with the **Working Parents** network and mental health with our **Embrace** network.

"Allianz has been fantastic with the networks it has put in place and, working with the support of HR, to really drive forward the diversity and inclusion topic. By working together we can really drive forward the pace of change."

**Becky Bennett - Portfolio Manager,
Animal Health (AZUK NEO Network Lead)**



WHAT ARE WE DOING TO IMPROVE THE GAP?

- Our **talent and leadership development programmes** aim for a balanced representation of male and female colleagues.
- **Achieved 36.8%* female representation across our management population** – exceeding our Women in Finance Charter target of 35% by the end of 2020.



- **Development and growth of 7 D&I employee-led networks** addressing topics that employees are most passionate about and influencing our Diversity and Inclusion action plan.
- Our **Diversity and Inclusion Steering Group** meets three times a year and is sponsored by our CEO Jon Dye and includes representatives from our employee networks as well as CSR, Communications and HR.
- The **Returners@Allianz programme** continues to grow – open to professionals who've been out of the workplace for two years or more. In 2019 we held two events at our Guildford head office showcasing career opportunities and talks from experts - 82 people took part and 13 have since taken up a role at Allianz UK. We support hiring managers with training to help them focus on the relevance of skills and experience rather than the time that these were gained. Women Returners are also offered interview support if required, alongside training and networking opportunities.
- Our **#OfficeOfTheDay** campaign via our internal social network invited colleagues from every Allianz office to share a photo along with a story about their office. Many of our people shared how working flexibly away from their office supported them in managing their work-life balance and carer responsibilities.

*in December 2019

WHAT YOU NEED TO KNOW

What is a Gender Pay Gap?

A gender pay gap measures the difference between male and female average hourly earnings across a whole organisation, irrespective of their role or seniority. It is expressed as a percentage of male pay.

It does not look at 'like for like' role comparisons, so if an organisation has more men in senior roles and/or more women in junior roles, it will have a gender pay gap.

Why report on gender pay?

Gender Pay Reporting legislation came into force in April 2017. It requires employers with 250 or more employees to report annually on the six key measures on the right. The purpose of this legislation is to put a spotlight on gender pay. It aims to encourage larger employers to put solutions in place to reduce the gap, whilst acknowledging the strategic importance of gender balance and equality for ongoing organisational success.

UK government measures

1. **Mean gender pay gap** – difference between average hourly earnings of men and women.
2. **Median gender pay gap** – difference between the midpoints in the ranges of hourly earnings of men and women, lines up all salaries in that sample in order from lowest to highest and picks the middle point.
3. **Quartile pay bands** – the proportions of males and females in the lower, lower middle, upper middle and upper pay ranges.
4. **Mean bonus gap** – as above, but looking at average bonuses paid rather than salary.
5. **Median bonus gap** – as above but for bonuses rather than salary.
6. **Bonus proportions** – percentage of men and women receiving a bonus (performance award) payment.

Pay equality at Allianz UK

To support equality we must have fair pay. We're confident men and women are paid equally for doing the same job at Allianz UK. However, we have fewer women in senior roles, which creates a gender pay gap. Equal pay and gender pay gap both deal with the levels of pay females get at work and are both very important, but they are two different measures.



We're committed to transparent, fair and equal pay for males and females at Allianz UK.

- We conduct independent **regular Equal Pay Audits** to ensure a fair treatment of males and females fulfilling the same roles
- We ensure that our culture, processes and decision making continues to support this.
- The **Allianz Career Framework** helps us to look at Job Family Roles more closely to ensure a consistent approach to pay.



"Diversity and Inclusion is an important agenda which we're committed to driving forward. We've been measuring our percentage of female managers for many years and I'm delighted that we've reached our highest percentage to date and achieved our Women in Finance Charter target a year early.

However, there is much more we need to do. I'm confident that with the support our colleagues, reflected by the success of our Employee Networks, we're in a strong position to achieve our goals and continue to develop our diverse workforce.

Jon Dye, CEO

Read more about diversity and inclusion at Allianz on the [careers pages of our website](#)

Allianz Insurance plc
57, Ladymead,
Guildford
Surrey,
GU1 1DB

allianz.co.uk

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