

# Gender pay gap report 2023

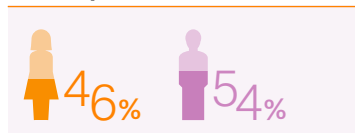
**At HSB, we remain committed to creating an inclusive culture and environment of equality where all employees can have the opportunity to realise their full potential.**

This report outlines our Gender Pay Gap figures for the 12 months ending 5 April 2023 which includes; data from our five organisations which are part of the combined HSB brand in the UK and Ireland; our insurance operation, HSB Engineering Insurance Limited (HSBEIL); our engineering inspection operation, HSB Engineering Insurance Services Limited (HSBEISL); our warranty underwriting operation, MD Insurance Services Ltd (MDIS); our building surveying operation, MD Warranty Inspection Services Ltd (MDWIS); and our building control operation, MD Warranty Support Services Ltd (MDWSS). For the purposes of this report, references to HSB include all five operations.

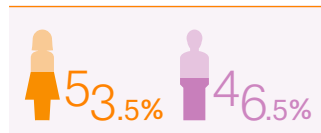
In 2022, HSB purchased MDIS and its subsidiaries, MDWIS and MDWSS.

## Our employee demographics:

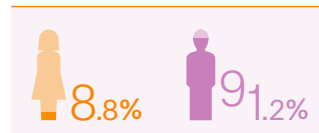
**HSB UK&I's senior leadership team, as at 5 April 2023:**



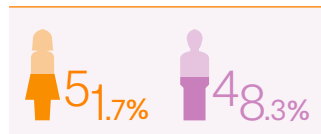
**HSB Engineering Insurance Limited (HSBEIL)**



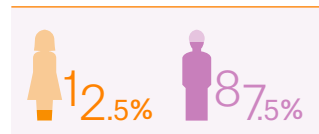
**HSB Engineering Insurance Services Limited (HSBEISL)**



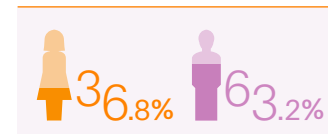
**MD Insurance Services Ltd (MDIS)**



**MD Warranty Inspection Services Ltd (MDWIS)**



**MD Warranty Support Services Ltd (MDWSS)**



### This data outlines:

- The percentage difference between the average (mean and median) hourly rates for men and women in each entity
- The percentage difference between the average (mean and median) bonus pay for men and women in each entity.
- The proportion of men and women who received a bonus.

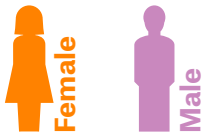
Our data includes employees who are based in Northern Ireland but excludes our colleagues who are in the Republic of Ireland, which is outside the scope of this reporting. In addition, our figures on this page have been adjusted to exclude individuals who are processed through the company payroll but provide services for our US parent; as remuneration decisions for these employees are made at a US level. This adjustment has been made in order to better aide comparison with prior year figures and reflect meaningful report data relevant to our organisation's activities and employee demographics. Figures filed with the UK government include these individuals.

## Pay and bonus figures

The table below shows the gender pay and bonus figures as reported for our five companies for year ending 05 April 2023.

	Pay		Bonus		Receiving Bonus	
	Mean	Median	Mean	Median	Male	Female
HSB Engineering Insurance Limited (HSBEIL)	38.6%	29.1%	48.5%	36.2%	95.2%	95.5%
HSB Engineering Insurance Services Limited (HSBEISL)	36.0%	38.7%	17.7%	19.9%	88.7%	92.6%
MD Insurance Services Ltd (MDIS)	19.0%	30.0%	26.0%	13.0%	89.0%	86.6%
MD Warranty Inspection Services Ltd (MDWIS)	42.0%	48.0%	16.0%	13.0%	98%	97%
MD Warranty Support Services Ltd (MDWSS)	39.0%	45.0%	19.0%	31.0%	100%	100%

Key



Our pay quartiles

	Top quartile	Upper middle quartile	Lower middle quartile	Lower quartile
HSB Engineering Insurance Limited (HSBEIL)	29.9% 	57.9% 	61.4% 	64.9% 
HSB Engineering Insurance Services Limited (HSBEISL)	1.6% 	1.6% 	1.6% 	30.6% 
MD Insurance Services Ltd (MDIS)	30.0% 	47.0% 	61.0% 	68.0% 
MD Warranty Inspection Services Ltd (MDWIS)	18.0% 	2.0% 	10.0% 	46.0% 
MD Warranty Support Services Ltd (MDWSS)	00.0% 	12.0% 	43.0% 	50.0% 

This data excludes US funded employees and outlines the proportion of men and women in each quartile of pay (i.e. splitting a list from highest hourly rate of pay to lowest hourly rate of pay, dividing it into 4 and looking at the gender split within each of these quartiles)

**HSB UK&I Insurance and Warranty operations**

Within HSBEIL, the mean pay gap reduced from **43.0%** to **38.6%** and the median gap reduced from **50.1%** to **29.1%** since the previous year's report, which can be attributed to the positive changes in how our employees are rewarded. The mean pay gap for MDIS was **19%** and the median pay gap was **30%**. Whilst this is a positive trend, as can be seen by the quartiles table above, there are a higher proportion of senior positions in HSBEIL and MDIS that are predominately occupied by male employees. This and the large proportion of female employees employed in roles that attract a lower salary level, continued to contribute to the gender pay gaps. The implementation of the global Munich Re profit share programme has helped to equalise the proportion of males and females receiving a bonus.

**HSB UK&I Engineering, Warranty and Building Control Services**

For HSBEISL, the mean gap reduced from **96.5%** to **36.0%** and the median gap increased from **22.0%** to **38.7%**. The talent pool for our inspection services industry remains predominantly male. This is illustrated by the Society of Operational Engineers (SOE) which has reported a female membership of **1.5%** out of 12440 members. As at the 5th April 2023, **1%** of HSBEISL engineer surveyors were female.

The mean and median pay gaps for MDWIS were **42%** and **48%** respectively, while for MDWSS, the mean gap was **39%** and the media pay gap **45%**. These figures reflect a similar position to HSBEISL in that while positive action is being taken to widen the talent pool available to HSB UK&I's engineering and surveying companies, the current low numbers of female talent across the engineering surveyor industry continue to affect potential progress with the gender pay gap.

**What are we doing to address the gender pay gap across HSB UK&I**

- Continuing our proactive approach towards skills gaps identification, focusing on the development and succession planning for our female employees wishing to progress to leadership and senior roles.
- Engaging with female employees to understand how we can best support their development and help inform our development programmes.
- Building a workplace culture which embraces and supports flexible working initiatives including employees with caring responsibilities and employees returning from maternity leave.
- Proactive menopause support with the implementation of our Menopause Policy, and support guidance and menopause awareness sessions for managers and employees.

We are constantly working to address the gender pay gap

- Continuing to motivate our female underwriters in their ongoing development and to benefit from access to a structured learning pathway, as well as access to industry qualifications.
- Continuously assessing our recruitment processes to ensure inclusivity and making our processes more inclusive and equitable.
- Taking a proactive approach to attracting and engaging female engineers and building surveyors.
- Ensuring our annual salary review process is undertaken fairly and equitably in recognising individual contribution and performance to reduce any potential unconscious bias.
- Continuing to develop our learning offerings so all our employees are in a position to take advantage of progression opportunities.
- Monitoring and reviewing our reward and recognition initiatives, including ad-hoc 'spot bonuses' to ensure awards are applied consistently and fairly across the workforce.

Whilst some of our actions may have an immediate impact on the reduction of our gender pay gap, many are strategic longer-term activities designed to benefit HSB and our people in the years to come.

We confirm that the gender pay gap calculations for each entity are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.











Stephen Worrall  
CEO  
HSB UK & Ireland

### Statutory disclosure and declaration

	Pay		Bonus		Receiving Bonus	
	Mean	Median	Mean	Median	Male	Female
HSB Engineering Insurance Limited (HSBEIL)	38.2%	29.7%	48.0%	37.3%	88.8%	92.7%
HSB Engineering Insurance Services Limited (HSBEISL)	36.0%	38.7%	17.7%	19.9%	88.7%	92.6%

### Our pay quartiles

	Top quartile	Upper middle quartile	Lower middle quartile	Lower quartile
HSB Engineering Insurance Limited (HSBEIL)	29.9% 	58.6% 	60.0% 	65.5% 
HSB Engineering Insurance Services Limited (HSBEISL)	1.6% 	1.6% 	1.6% 	30.6% 

Notes: The statutory disclosure and pay quartiles figures above represent the data for all individuals who are processed through the HSB UK payroll as required by UK Government. The statutory disclosure and pay quartiles figures for HSBEIL included individuals who provide services for our US parent (please note these individuals were excluded from the comparison figures shown on page 2) MDIS, MDWIS and MDWSS are not included in the statutory disclosures, as each has fewer than 250 employees in each company.