

# Munich Re UK Services Limited Gender Pay Gap Report 2023

The gender pay gap shows the difference between the average earnings of men and women in an organisation. It is not the same as equal pay, which relates to whether men and women are paid equally for the same or similar work. At Munich Re, we regularly review our pay levels and practices to ensure that women and men are paid equally for doing equivalent jobs, and we monitor our reward procedures to ensure that they are gender neutral.

Munich Re is committed to promoting and embracing diversity in an increasingly complex work environment. Starting in 2023, we will be rolling out a new Group-wide governance structure to support diversity, equity and inclusion across the Munich Re Group.

As our UK gender pay gap data shows, we have seen a slight decrease in the pay gap for 2023 when compared to the previous year. We recognise that there will be fluctuations in the gap over the short term but we remain focussed on effecting long term change as we continue to focus on inclusion and diversity at all stages of the employee lifecycle.

## What are we required to report on?

### Mean gender pay gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

### Median gender pay gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

### Mean Bonus Gap

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

### Median Bonus Gap

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

### Bonus Proportions

The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

### Quartile pay bands

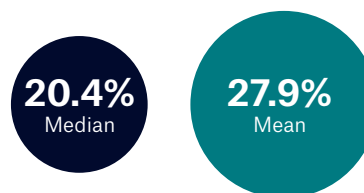
The proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

## Gender pay gap results

### Gender pay gap



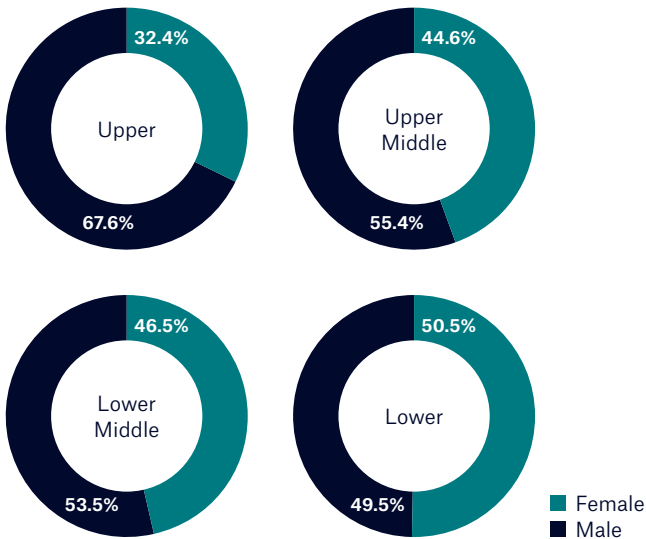
### Gender bonus gap



### Proportion of employees who received bonus pay



### Proportion of female and male employees in each salary quartile band



In line with the Government's gender pay gap regulations<sup>1</sup>, Munich Re's gender pay gap results as at 5 April 2023 are shown for the legal entity in the UK that engages 250 or more employees, Munich Re UK Services Limited ("MRUKS").

### How have our figures changed since 2022?

– As previously mentioned, we have seen a slight decrease in our pay gap this year. For 2023 the mean pay gap is 19.8% (20.6%, 2022).

The mean bonus pay gap has decreased to 27.9% compared to 68.1% in 2022. Bonuses (including long term incentives) are paid out in the month of April.

Following the change of bonus approach that took place in 2020, transitional allowances, which are commensurate in value to the difference between the level of bonus received under the old scheme and the level of bonus expected under the new plan, were introduced. These continue to contribute to the pay gap as we still have a higher proportion of men in senior positions and having, on average, a longer tenure than women. We expect to see a reduction in the bonus gap over the longer term following on from the harmonisation of bonus targets across MRUKS.

– Our workforce has shifted slightly with 43.5% being female (compared to 45% in 2022) however we now see a higher proportion of females in the upper quartile (32.4% compared to 28.7% in 2022). There is still progress to be made as we continue the work of developing a sustained pipeline of female leaders.

### What are we doing to close the Gap?

In January 2023, we launched our first Diversity, Equity and Inclusion (DEI) strategy and governance structure for the UK & Ireland region. Our 2023-2025 mission is to start embedding diversity, equity and inclusion principles in the employee experience and set DEI as a personal priority for all people leaders. Gender and pay is just one part of the broader picture of our DEI strategy.

Our multi-faceted strategy establishes three strategic pillars to drive change and a core set of foundations to enable successful DEI outcomes:

- Attract workforce diversity through inclusive recruitment by creating a debiased and inclusive recruitment process and building a diverse, sustainable, and engaged pipeline of candidates to recruit from.
- Grow workplace equity through inclusive sponsorship by widening access to sponsorship to ensure that all colleagues, particularly those from marginalized backgrounds, have access to career sponsors who can support their development.
- Inspire an inclusive culture by supporting all colleagues in developing an inclusive mindset by positioning it as a core competency that we can all acquire through phased and sustainable learning opportunities.

The three pillars are underpinned by four foundational elements:

- Data: our strategy will use workforce demographic data, obtained through self-identification, to determine which diversity dimensions are represented in our workforce and intentionally identify solutions that consider the unique experiences of each group at scale.
- Multi-dimensionality and intersectionality: with a multi-dimensional approach, we are able to see beyond one dimension of diversity and all possible forms of marginalisation and discrimination employees might face.
- Active employee engagement: our strategy is helmed by people leaders and to promote change from the top and underpinned by engagement from all employees because everyone has a part to play
- Consistent communications: to inform, educate and support all employees in contributing to our DEI efforts.

Governance is the structure through which we make progress and hold ourselves accountable for DEI. Our governance structure fosters collaboration and represents how dedicated groups support the execution of the strategy. We have a DEI steering committee, comprised of the CEOs of our UK&I region businesses, a DEI team, and a DEI Council and Champions Network, comprised of passionate employees that actively generate awareness and engagement for DEI.

<sup>1</sup> The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the "Regulations")


Since the launch of the strategy in January 2023, we have:

- Undertaken an end-to-end assessment of our recruitment processes and developed a best practice guide to make our processes inclusive and equitable.
- Launched a campaign to collect self-identification data across the region, asking employees to self-identify across eight dimensions of diversity via our new HR system.
- Developed a bespoke Inclusive Mindset framework, in collaboration with members of our leadership development programme, Oxygen. Launching in Autumn 2023, we will be:
  - rolling out learning workshops to help employees understand how to demonstrate Inclusive Mindset as a competency;
  - incorporating the Inclusive Mindset framework into our recruitment processes through the launch of an interview question bank;
  - providing employees with a toolkit to incorporate Inclusive Mindset into our performance management processes.
- Continued to deliver our bespoke DEI learning workshop. The workshop focuses on the fundamentals of DEI, and aims at creating a foundation for ongoing conversations around DEI.

## Declaration

*I confirm that the data reported is accurate and meets the requirements under the Regulations.*



  
Ian Davies (Dec 7, 2023 11:26 GMT)

**Ian Davies**  
**Chair, Munich Re UK Services Limited**

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