

Munich Re UK Services Limited Gender Pay Gap Report 2022

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.

Across its global operations, Munich Re is committed to creating a workplace where all employees are treated equally and have the same opportunities to advance their careers irrespective of

their gender, background or sexual orientation. We believe that diversity and gender balance are essential to the success and strength of our organisation.

As our UK gender pay gap data shows, we have seen a decrease in the pay gap for 2022 when compared to the previous year. We recognise that some of the actions we have taken will cause fluctuations in the gap over the short term but we remain focussed on effecting long term change. We believe we will see our gender pay gap reduce further 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

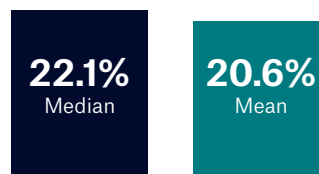
The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

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



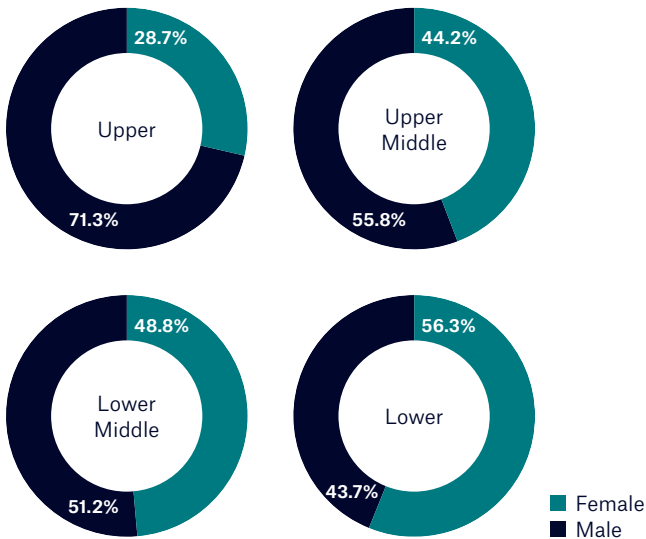
Gender bonus gap



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 regulations¹, Munich Re's gender pay gap results as at 5 April 2022 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 2021?

– As previously mentioned, we have seen a decrease in our pay gap this year. For 2022 the mean pay gap is 20.6% (26.1%, 2021).

The mean bonus pay gap has increased to 68.1% compared to -7.3% in 2021. The 2021 numbers reflected the new annual bonus scheme where performance parameters were not met for the performance year 2020, subsequently there was no pay out in 2021. 2022 is therefore the first reporting period to reflect the scheme change. Bonuses (including long term incentives) were paid out under the new schemes, now 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. Over the longer term we expect to see a reduction in the bonus gap following on from the harmonisation of bonus targets across MRUKS.

– Continuing the trend the composition of our workforce has shifted with 45% of the workforce being female (compared to 44% in 2021 and 43% in 2020). Each of the salary band quartiles shows a narrowing of the gap since our first report in 2017. The upper quartile percentage in our first report (2017) was 14% female and the upper middle was 31% which has increased to 29% and 44% respectively in 2022. There is still significant 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?

Munich Re continues to further develop initiatives and programmes to strengthen Diversity, Equity, and Inclusion (DEI) and ultimately improve gender diversity overall and gender diversity in senior management roles.

- Working collaboratively in the UK & Ireland on DEI through our newly defined governance structure, which includes a DEI Executive Steering Committee, a dedicated DEI team, an employee-led Council, and an employee Champions Network.
- Defining a comprehensive DEI strategy to accelerate our efforts on increasing workforce diversity, creating a culture of inclusion, and promoting workplace equity.
- Continue championing our "Together@Work" hybrid working policy, which enables all employees to work in a way that suits them individually.
- Supporting a better work-life balance by delivering a range of wellbeing initiatives focussed on both physical and emotional health alongside other wellbeing topics.

Declaration

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


Ian Davies (Feb 2, 2023 13:47 GMT)

Ian Davies
Chair, Munich Re UK Services Limited

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¹ The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (the "Regulations")