

MRSO UK Services Limited (MRSO UKS)

Our gender pay gap report

April 2024

Diversity, equity and inclusion are core values and a critical part of our business strategy. Gender pay gap reporting is essential in helping us achieve this strategy. The data we gather helps us understand why we have gender pay gaps and what we can do to close them.

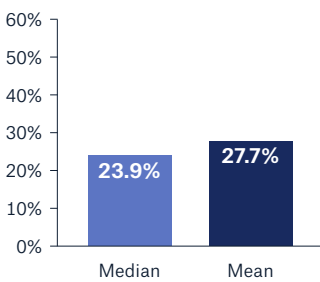
This report summarises the progress we've made towards closing our gender pay gaps, and some of the key actions we're taking to continue closing the gaps.

We're pleased that our gender pay gap continued to reduce in the reporting period between 6 April 2023 and 5 April 2024. We're pleased to note that this positive trend has continued since 2020. Our bonus pay gap increased marginally by 0.5% since April 2023, but we've seen an overall downward trend in our bonus pay gap over the last few years.

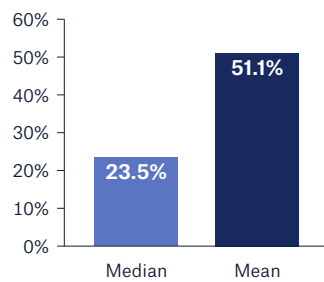
Progress towards closing our gender pay gaps may be incremental, and it may take time to see the full benefits. However, we're confident our strategic initiatives will drive positive outcomes over time and foster a more inclusive and equitable work environment.

Our 2024 gender pay gaps at a glance

Our gender pay gap



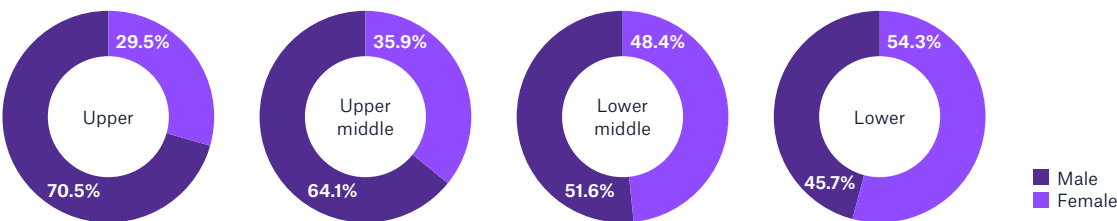
Our gender bonus gap



Individuals receiving a bonus



Proportions of employees within each quartile



Understanding our pay gaps

This report outlines our gender pay gap reporting figures in relation to April 2024 and provides an update on our long-term strategy to close the gaps.

Analysis of our pay and bonus gaps was independently carried out by PwC.

Our gender pay gap

Definitions

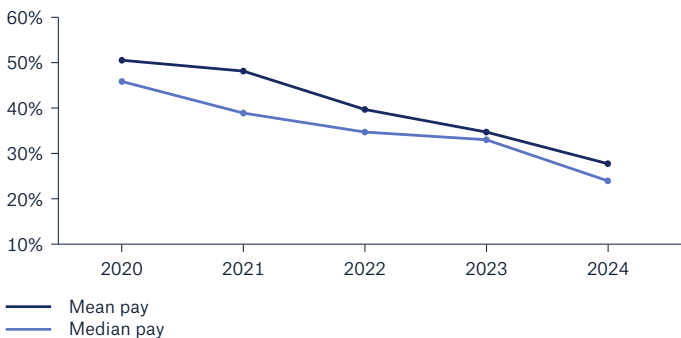
Mean pay gap: the percentage difference between the average hourly rate of pay for female employees and the average hourly rate of pay for male employees across all roles.

Median pay gap: the percentage difference between the median hourly pay rate for female employees and the median hourly pay rate for male employees across all roles.

Our median gender pay gap has narrowed to 23.9% in 2024, a significant drop of 9.1 percentage points from 2023. This accelerates a downward trend from 45.9% in 2020 when we first started reporting. Our progress highlights the effectiveness of our long-term, strategic and collaborative approach to achieving greater equality in our workplace.

Mean and median pay gaps over time

This visual illustrates our gender pay gaps over time, based on hourly pay.



We have made notable progress in reducing the gender pay gap, with a steady downward trajectory observed each year, culminating in the lowest reported mean and median gender pay gaps in 2024.

Our mean pay gap is aligned with the average for the insurance sector, which stood at 24.7% last year, as well as the 2025 Lloyd's Market Policies and Practices return, which indicated a gap of 31% across our specific industry sector. This suggests that while there's still work to be done to close our gaps, we are making strides in the right direction, and are comparable to our peers in the industry.

Sources: [Mandatory UK Gender Pay Gap Reporting 2023](#) and [Lloyd's](#) shows continued progress towards inclusivity and talent ambition.

We know we still have work to do. Closing our gender pay gap will require a concerted effort – and it won't happen overnight – but we're committed to fostering a more diverse and inclusive organisation, particularly in senior leadership positions.

Please see the 'How we're addressing our pay gaps' section for more information on what we're doing to narrow this gap.

Our bonus pay gap

Definitions

Mean bonus pay gap: the percentage difference between the average bonus pay we paid female employees and the average bonus pay we paid male employees across all roles.

Median bonus pay gap: the percentage difference between the median bonus pay for female employees and the median bonus pay for male employees across all roles.

	Apr 2023	Apr 2024	Difference 23-24
Median	23.00%	23.50%	0.50%
Mean	53.60%	51.10%	-2.50%

Since we started reporting in 2020, our bonus gap has narrowed steadily. Over the last 12 months, our mean bonus pay gap narrowed from 53.6% to 51.1%.

Our median bonus pay gap has remained relatively consistent, with a minor increase of 0.5%.

Bonus pay gaps can vary from year to year due to factors such as payout variation across different plans, the number of bonuses paid and changes in the gender balance among senior leadership roles, where bonuses are usually higher.

Whilst progress in reducing our bonus pay gaps is conditional on many factors, an impactful reduction will depend on how many females we have in senior positions. We've made progress in diversifying our senior leadership team, and have set targets to increase the number of females in management positions. It's likely that we'll start to see more of a positive impact over time, taking into consideration aspects such as long-term incentive payments for senior female leaders and the time lag to vest.

Please see the 'How we're addressing our pay gaps' section for more information on what we're doing to narrow this gap.

Proportions of employees within each quartile

Pay quartiles give an indication of female representation at different levels of the organisation. The table below shows the changes within these quartiles in the past year. In particular, we're pleased to report an 8.9% increase of females in the 'upper middle' quartile, which underlines the progress made to increase female representation in senior roles.

	Apr 2023		Apr 2024		Difference 23-24	
	M	F	M	F	M	F
Upper	70.70%	29.30%	70.50%	29.50%	-0.20%	0.20%
Upper middle	73.00%	27.00%	64.10%	35.90%	-8.90%	8.90%
Lower middle	56.70%	43.30%	51.60%	48.40%	-5.10%	5.10%
Lower	42.90%	57.10%	45.70%	54.30%	2.80%	-2.80%

Demographic analysis of our gender pay gaps

Definitions

Demographic pay gap: The proportion of the mean pay gap that is due to differences between how much we paid males and females across **all grades**.

Non-demographic pay gap: The proportion of the mean pay gap that is due to differences between how much we paid males and females **at the same grade**.

PwC carried out a deeper demographic analysis of our mean gender pay gap data to get a better understanding as to whether our pay and bonus gaps are caused by differences between how much we paid males and females within particular grades in our job architecture.

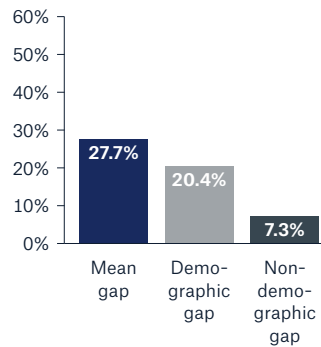
They found that:

- Our demographic pay gap is 20.4%. This means that 20.4% of our 27.7% gender pay gap is due to differences in the numbers of males and females in particular job roles across **all grades**.
- The remaining non-demographic gap of 7.3% is due to differences in the amount we paid males and females at the **same grade**.
- Our demographic bonus pay gap is 40.6%. This means that 40.6% of our 51.1% bonus pay gap is due to differences in the numbers of males and females in particular job roles across **all grades**.
- The remaining non-demographic gap of 10.5% is due to differences in the amount of bonus we paid males and females who were at the **same grade**.

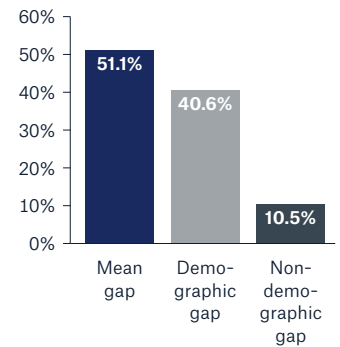
Demographic analysis

This visual shows the breakdown of the mean hourly and mean bonus gap, between demographic and non-demographic effects.

Hourly pay gap analysis



Bonus pay gap analysis



The majority of the pay gap is due to differences in representation of males and females across grades.

The non-demographic pay gap is 7.3%. The Equality and Human Rights Commission recommend a 5% threshold for further investigation of potential equal pay risk. We acknowledge that we need to review our non-demographic pay gaps to identify which factors are contributing to them. We've committed to undertaking a detailed review of the demographic data – and any outlier cases impacting these numbers – with a view to identifying what we can do to reduce this gap to 5% or lower.

How we're addressing our pay gaps

We're evolving and embedding our Diversity, Equity and Inclusion (DEI) strategy

We strongly believe that investing in DEI is about more than the commercial benefits it brings. Making sure all employees are treated fairly and with dignity, and providing them with equal opportunities to develop, progress and be rewarded, is the right thing to do. Our DEI strategy aligns these values with the strategic and financial benefits that we'll gain as a result.

We launched our first DEI strategy for the UK and Ireland region in January 2023. The strategy aims to embed DEI principles in the employee experience and makes DEI a personal priority for all people leaders.

We're accountable to our DEI Steering Committee, DEI team, DEI Council and Champions Network for delivering our DEI strategy. The DEI Steering Committee is made up of the CEOs of our UK and Ireland businesses, while the DEI Council and Champions Network is made up of dedicated and passionate employees who promote engagement in DEI matters.

Our DEI strategy has three pillars:

1. Attracting a diverse workforce

We're creating a debiased and inclusive recruitment process. We've carried out an end-to-end assessment of our recruitment processes, and rolled out a best practice guide to make them more inclusive and equitable. At the same time, we're building a diverse, sustainable and engaged pipeline of internal candidates to recruit from.

2. Growing workplace equity

We're widening access to career sponsorship by making sure all colleagues, particularly those from marginalised backgrounds, have access to career sponsors to support their development.

3. Inspiring an inclusive culture through continuous learning

We're supporting all colleagues to develop an inclusive mindset by positioning it as a core competency that we can acquire through phased and sustainable learning opportunities.

These three pillars are underpinned by four foundational elements:

Data: We ask employees to voluntarily share eight diversity dimensions, collected as part of our self-ID campaign. We use this data to get an understanding of the different identity groups that make up our workforce. We're continuing to focus our efforts on building our dataset, which will help us to find solutions that take the unique experiences of each group into consideration.

Multi-dimensionality and intersectionality: Intersectionality looks at the connections between different diversity characteristics. Recognising intersectionality gives us a better understanding of the discrimination and marginalisation people face because of their characteristics.

Active employee engagement: We believe everyone has a part to play when it comes to DEI. Our people leaders promote change from the top and engage employees at all levels in the business.

Consistent communications: We use clear and consistent communications to inform, educate and support all colleagues to contribute to our DEI strategy.

We're diversifying our senior teams

We're committed to increasing diversity in our senior roles, particularly in underwriting, distribution, finance and IT. We've put high-potential development programmes in place to attract diverse candidates to senior positions in these areas. This is a long-term plan, but we've already seen some improvements.

Our executive team is a model for gender equality, having moved from all-male representation in 2018 to equal gender representation. At the time of our report publication, the current balance is 56% female and 44% male.

These changes demonstrate our commitment to driving positive change and creating a more inclusive organisation. The journey is ongoing, and we're keen to build on these successes.

We're developing and delivering DEI-related learning programmes

We continue to develop and deliver DEI-related learning programmes, in line with our DEI strategy. In 2024, we have:

- Delivered mandatory 'DEI 101' workshops to all new employees. The workshops help colleagues understand the basics of DEI, establish a shared language and create a foundation for ongoing conversations around DEI. Employees who have taken these workshops gave them a very high satisfaction rating of 96%.
- Introduced our Inclusive Mindset Framework and associated workshop. These help employees understand and demonstrate Inclusive Mindset as a competency. Employees gave the workshop a 93% satisfaction rating.

We've set gender specific targets

We have a target to increase the proportion of females in all management positions to 40% globally and Group-wide by the end of 2025. Our Accelerated Development programmes have a 50% gender target to support growing the proportion of females in management positions.

We've reviewed our remuneration processes

Over the past 18 months, we've collaborated with specialist compensation consultants to carry out a comprehensive review of our remuneration principles, with the aim of ensuring integrity and transparency in our job and reward structure.

The review confirmed our approach to job benchmarking and job architecture is well defined, structured and credible. We're building on these findings by carrying out additional analysis to make sure our pay decisions are fair and equitable.

We continually review our employee benefits

Our employee benefits are designed to actively support our DEI goals and not lead to financial disparities between males and females. To achieve this, we offer employees a range of benefits they can personalise to fit their individual circumstances.

Our employee benefits include flexible working, financial wellbeing and support for people with health issues. We've also made some recent enhancements to our family-friendly policies. We continually review our benefits to make sure they're in line with our DEI goals.

We celebrate different identities

Our employee-led DEI Council continues to celebrate different identities through speaker sessions, celebration events and awareness building initiatives. We've held them for International Women's Day, Pride Month, Social Mobility Awareness Day, Black History Month and the International Day for Persons with Disabilities, as well as other celebrations throughout the year.

Closing statement

Our company is committed to reducing our gender pay gaps as part of our broader DEI strategy. As we continue to drive progress, we remain committed to achieving our vision of being a pioneering leader in DEI and Environmental, Social and Governance (ESG) excellence.

Our approach is based on three pillars:

1. Building a diverse and inclusive workforce that reflects the communities we serve and the markets we operate in.
2. Unlocking potential by providing equal opportunities for growth and development.
3. Fostering fairness and transparency in our culture and rewards.

We've made sustained and progressive strides in reducing our gender pay gaps over the past five years, and remain committed to achieving a more inclusive and equitable work environment. Our leadership team and the MRS&GUKS Board are united in our shared goals, and we're determined to maintain our competitive edge whilst delivering exceptional service to our clients.

Declaration:

We confirm that the 2024 gender pay gap calculations for MRS&GUKS are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



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