

This report is for Hastings Insurance Services Limited, the main employer and only entity with more than 250 employees in the Hastings Group.



**Doing the right thing today for our 4Cs – colleagues, customers, company and community – is at the heart of our decision making at Hastings.**

This is the fourth year that we have published information on our gender pay gap and we continue to focus on enhancing gender diversity, alongside other diversity initiatives as part of our 4Cs approach.

The COVID 19 pandemic brought unforeseen challenges in 2020 but I am immensely proud of how our team adapted to continue to do the right thing by all stakeholders. This period has been challenging for all colleagues, but we know that caring responsibilities have fallen disproportionately on female colleagues putting significant strain on working parents and carers.

Despite these challenges a positive outcome from this period has been the widespread recognition that working flexibly works. Going forward we are committed to building on the positive outcomes from increased flexibility as this is likely to support colleagues with balancing the responsibilities within and outside of work. One of the widely reported barriers to career progression for women has been a need for more flexibility so I am hopeful that we can overcome this as we adjust to new ways of working.

We remain confident that men and women in equivalent roles at Hastings are paid equally and we understand why we have a gender pay gap. It is mainly due to having more women than men in junior roles and more men than women in senior roles. Our gender pay gap has slightly increased this year which is disappointing but reinforces that making progress requires long term commitment and focus. Our median bonus pay gap however has decreased. I know that closing this gap will take time and we will do more to build on our progress to date.

We continue to embed several initiatives launched previously to give women the best opportunity to succeed. We are actively seeking the best female talent to join us in key senior roles crucial to the achievement of our strategic ambitions. This, and specific focus on spotting and developing our high potential internal female colleagues in middle management, will be a key priority for us this year. We also aim to play our part in diversifying the workforce in our industry over the long term so are revising our early careers strategy to attract female and ethnic minority students to join

us through a range of opportunities from 2022 and beyond.

We are constantly learning about how we can build a truly diverse organisation and gender balance is just one part of the story. Our focus on the full spectrum of diversity and inclusion remains strong as we recognise that intersectionality means a colleague's identity can be made up of a combination of elements of diversity.

We are at a compelling time in our journey at Hastings meaning that there are many opportunities to have an exciting and fulfilling career with us. Combining this proposition with our inclusive culture and the possibility to work flexibly makes us an increasingly appealing option for ambitious people wanting to make a difference.

My executive team and I are fully committed to continuing to build an inclusive workforce, and making sure that Hastings remains a place where all colleagues can be who they are, contribute and thrive.

*Toby van der Meer*  
Toby van der Meer CEO

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## The story so far...

Despite the challenges due to COVID 19 we maintained our focus on Diversity and Inclusion. Our revised D&I strategy, launched in 2020, is based on three areas of focus designed to accelerate how we distribute general insurance products to an increasingly diverse world. By taking action to continue to build an inclusive **culture** and striving for balanced representation in our **workforce**, we will further enhance our **reputation** as a company that truly values diversity in all forms.

### Culture



We continued our efforts to build an inclusive culture. It is important to us that all colleagues feel that they can #bewhoyouare and that #weallbelong.

By sharing stories of female leaders juggling responsibilities whilst having a fulfilling career we were demonstrating that this is possible and that we are supportive of doing what we can to make that a reality for more colleagues.

We established an Inclusion council of colleagues passionate about making progress on D&I. Sponsored by the Executive Committee, the council has made real progress on areas important to our female colleagues including a review of our family friendly policies, championing International Women's Day, taking active involvement in our partnership with the 30% Club and more.

All colleagues took part in unconscious bias training.

### Workforce



We signed up to the Women in Finance Charter to achieve 30% women in Leadership roles. We met this target early in 2020 but unfortunately slipped back to 27% as of Jan 2021. This remains a key target for us and we have actions in place this year to achieve this again.

Although female colleague representation has remained relatively stable at our most senior levels, we have achieved a 25% growth in female representation at Band 4 (middle management) since January 2020. This is positive as this is the succession pool for senior leadership roles.

We continue to be signatories to the 30% Club and have achieved four Band 4 to Band 5 promotions from 30% Club mentee population over the last two years (from 19 colleagues who participated).

We continue to implement gender neutral recruitment marketing and gender balanced shortlists.

### Reputation



We partner with several organisations championing best practice in Diversity and Inclusion.

We are proud to have partnered with Carers UK this year, which enabled us to provide our colleagues and leaders with free online support and resources and helped us establish a network of Carer Ambassadors. We know that caring responsibilities typically fall on women, however we aim to do all we can to provide resources to be supportive of all colleagues juggling these responsibilities.

At the end of the 2020, we were delighted to be recognised in the 2020-21 Inclusive Top 50 UK Employers league table, placing us alongside other leading organisations working hard to promote diversity and inclusion for all.

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## Headline gender pay gap\*

The gender pay gap\* at Hastings Insurance Services Limited is based on a snapshot of hourly rates of pay on 5th April 2020. The bonus gap is based on bonus pay in the 12 month period leading up to 5th April 2020.

Difference between men and women		
	Mean difference	Median difference
Pay gap (hourly rate)	<b>19.7%</b> (2019 - 19.1%)	<b>9.3%</b> (2019 - 7.7%)
Bonus gap	<b>53.0%</b> (2019 - 51.5%)	<b>13.0%</b> (2019 - 29.4%)

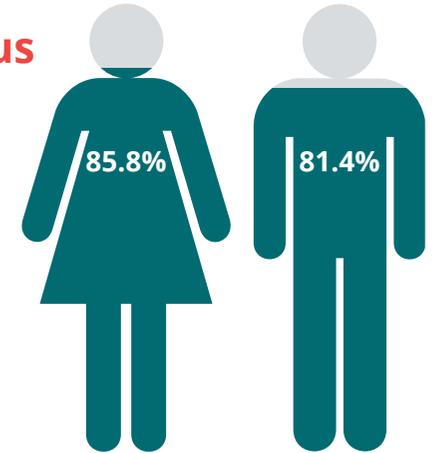
## Why we have a gender pay gap\*

We are confident that, overall, our pay processes do not favour men over women either on a statutory basis or based on our internal research. However, we are conscious that the reported data is impacted by the fact that we have a higher number of men than women in roles attracting the highest average rates of hourly pay. Closing this gap will take time, and we are confident that the initiatives we have put in place will bring about meaningful lasting change in the longer term. Notwithstanding that we accept there is more to do to close the gap, we have calculated that, **if the top 10% of higher earners is excluded, the gender pay gap reduces significantly** as follows:

- Mean pay difference drops from **19.7%** to **0.6%**
- Median pay difference drops from **9.3%** to **1.6%**
- Mean bonus difference drops from **53.0%** to **1.5%**
- Median bonus difference drops from **13.0%** to minus **16.4%**

## Proportion of men and women receiving a bonus

Colleagues at all levels across Hastings are eligible to be considered for a bonus depending on performance. **81.4%** (2019 - 80.6%) of **men** received a bonus against **85.8%** (2019 - 84.0%) **women**.

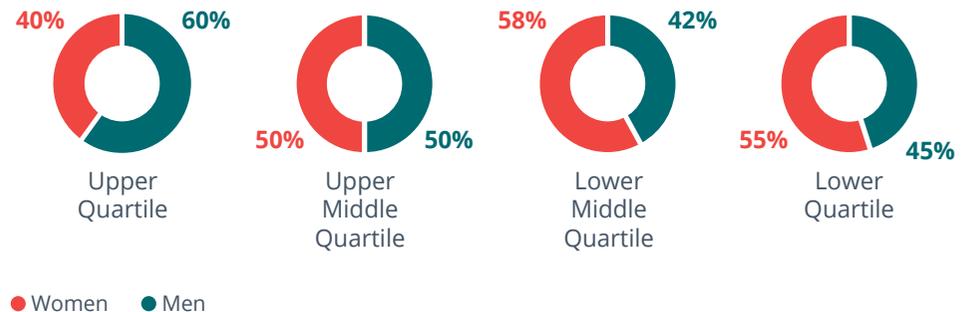


- Did receive a bonus
- Did not receive a bonus

Based on performance

## Proportion of men and women in each pay quartile

These charts shows the gender split when we order hourly rates of pay from the highest to lowest and group into four equal quartiles:



\*The gender pay gap is defined as the difference between the mean or median hourly rate of pay that men and women receive. The mean pay gap is the difference between average hourly earnings of men and women. The median pay gap is the difference between the midpoint in the ranges of hourly earnings of men and women.

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## What are we doing to help narrow our gender pay gap

We are in the second year of delivery against our Diversity and Inclusion strategy **sponsored** by our **senior executive management**. Improving representation of female colleagues in our middle management and senior leadership roles is a key part of our gender diversity strategy. To achieve this, we are taking action on:

- how we attract and source experienced female talent and ensuring our early careers approach encourages more women into historically male dominated specialisms key to the delivery of our business strategy;
- unlocking any barriers to progression for our female colleagues.

## Attracting and sourcing female talent

We continue to run all our adverts through our gender decoding tool ensuring our language is as neutral as possible.

We've briefed search partners we work with for senior roles on our requirements for gender balanced shortlists. We will no longer accept shortlists featuring only male candidates.

We are implementing gender balanced interview panels to mitigate against the impact of unconscious bias.

Unconscious bias awareness is included in our hiring manager training which colleagues participate in before hiring for a role.

We are working with specialist partners such as Women in Data to source female leaders into our Underwriting and Pricing functions. Going forward we intend to target Women Returners, professional women who are returning to the workforce after a career break.

To widen our attraction pool in early careers we are targeting universities with strong results in STEM subjects to run a specific attraction campaign aimed at attracting female talent. This will initially be for students to join us for a summer internship programme in specific departments with the longer term aim of attracting them to apply one of our graduate entry programmes after graduation.



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## Unlocking barriers to progression for our female colleagues



We are active members of the 30% Club and Women in Finance Charter. We currently have ten female colleagues on the 30% Club mentoring programme. 20% of our 19 participants over the past two years have been promoted into our senior leadership roles.

Before the Covid 19 pandemic, we were offering more flexible working options for colleagues requesting this. As we plan our route out of lockdown, our proposals for hybrid working will offer greater flexible for colleagues looking to balance a fulfilling career with responsibilities outside of work.

We will introduce a reverse mentoring programme for aspiring female leaders providing an opportunity for our senior leaders to gain valuable insights into how the mentee experiences our culture, challenges they face and their suggestions on improvements we can make to be as inclusive as possible.

Following our mid-year talent review process, we will identify high potential and key female talent across our business to work with 1:1 in support of their career advancement.

We have committed to advertising all new roles internally (except by exception from the Group HRD) to improve transparency and give all colleagues the opportunity to apply.

We revised the application process for our apprenticeship programmes from manager nominated to self-nomination again to improve transparency and give all colleagues the opportunity to advance their career through learning.

All colleagues continue to complete our Diversity and Inclusion training annually and we are developing an inclusive leadership module to be included in our people leadership fundamentals programme.



### In summary

We're committed to taking action to reduce our gender pay gap. We will do this by:

- supporting our female talent in middle management to progress through the organisation;
- attracting the best female senior leaders to join us for this exciting next stage of our journey;
- opening up opportunities for aspiring female leaders to join us through any of our early career initiatives.