

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 third 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.

This includes continuing to ensure that all colleagues have equality of pay for equivalent roles and equality of opportunity at all stages of their careers with us. That's how we make sure we attract and retain the best talent in the industry.

We are 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. This pattern is not uncommon across the industry, however this is no excuse, and I am determined to build on the progress we've already made to reduce our gender pay gap. Some of our statutory

figures have increased, as seen in the progression from last year. I know that closing this gap will take time and we will do more to build on our progress to date.

This year we've launched several initiatives to give women the best environment to succeed and move us towards being an even more inclusive and diverse workplace. For example, we are training leaders on inclusive behaviours, taking action to attract candidates with diverse backgrounds and improving our approach to flexible working.

We've already seen an increase in the proportion of women hired into senior roles. One of our key actions is to continue this progress across our senior executive team through both internal talent development and external recruitment. This will be supported by a company-wide focus on gender neutral recruitment marketing and by implementing gender balanced internal and external shortlists for new hires and promotions.

We are constantly learning about how we can build a truly diverse organisation and we recognise gender balance is just one part of the story.

I am proud of the progress we have made so far, in particular meeting our commitment to the 30% club, of having women in 30 percent of senior leadership positions, ahead of our end of 2020 target date.

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...

Over the last twelve months we have successfully increased the representation of women across the organisation. We have also implemented a number of initiatives aimed at engaging and raising inclusion awareness amongst our colleagues. We are always seeking to do more by looking for effective ways to enhance our inclusion strategy. Here are some examples of what we have done over the past year:

Objective	Action
Increase our representation of women	<ul style="list-style-type: none"> Representation of women has increased at all levels of the organisation up to our senior leadership. The biggest increases were in our middle management bands, which increased by 12%. We met our commitment to the 30% club, of having women in 30 percent of senior leadership positions ahead of the 2020 target. During 2019 36% of women held director roles on the Board, as part of our commitment to the Hampton-Alexander Review, which aims to ensure that talented women at the top of business are recognised, promoted and rewarded.
Inclusive culture	<ul style="list-style-type: none"> Inclusion is embedded in everything we do, from recruitment and how teams work together, to leadership development. We aim to reflect the community in which we serve, and to create an environment that is diverse, where all colleagues are supported to develop, thrive and deliver strong performance. This year, we have: <ul style="list-style-type: none"> Celebrated the experiences of a number of our talented women throughout the business via a campaign called "Be who you are". Raised awareness of issues around menopause, also encouraging men to engage, to improve understanding, creating an age and gender-inclusive workplace to help in the recruitment and retention of skilled and talented colleagues. Continued to champion mental health awareness and to encourage people to be open about their experiences to reduce the stigma surrounding mental health. In addition, a number of teams and leaders have participated in mental health awareness training to further demonstrate our commitment to create support mechanisms within teams. Improved our approach to flexible working, adapting to colleague needs to increase take up. For example, having flexible start and finish times, or increasingly for colleagues to have the ability to work from home. With senior leaders role modelling to encourage take up. We are committed to supporting colleagues who take extended leave from work for family reasons such as maternity or caring responsibilities. We know it can be a stressful time for some colleagues so we have established our Family Friendly Workshops. Through the sharing of personal experiences we will increase awareness, support and line manager engagement, before, during and after leave periods. In addition, we have put in place a one-month phased return to work for returning mothers.

continued...

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Objective	Action
Recruitment	<ul style="list-style-type: none">We have seen an increase in the proportion of women hired into senior roles. In 2018 25% of senior appointments (internal and external) were women, and in 2019 this increased to 33%.Refreshed our recruitment website, including all of our diversity and inclusion information.Following the build of a new selection toolkit and implementation of new applicant tracking technology, we have improved our ability to monitor our performance with respect to diversity and inclusion trends throughout the recruitment process.We have focused on recruiting future leaders as an opportunity to bring in diverse talent into the organisation.
Tackling Unconscious Bias	<ul style="list-style-type: none">We are helping all colleagues to be aware of the impact of unintentional biases, including those based on gender. All leaders have completed an online unconscious bias awareness module and attended an action learning session to bring the concept to life and encourage a culture where any circumstances of bias can be raised with colleagues and leaders. We will look to roll this out to all colleagues in 2020.
Expanding diversity awareness	<ul style="list-style-type: none">We have redesigned and deployed a colleague mandatory training module focused on diversity and inclusion that includes more insight on our guiding principles of 'fairness and transparency without bias'.
Collaborate with partners to help us build a more balanced workforce	<ul style="list-style-type: none">Working in partnership with others helps us stay up to date with best practice, and share our successes and challenges. Some recent examples include:<ul style="list-style-type: none">We re-signed as members of the 30% Club. Ten of our talented women leaders are taking part in a cross-industry mentoring scheme and an additional ten men and women leaders are mentors to women in other organisations.We continued to partner with Women in Data as a silver sponsor of their annual event and have signed up to the Women in Finance charter to support the progression of women into senior roles in areas that are historically dominated by men.We partnered with Women of Silicon Roundabout in 2019 and delivered a workshop called 'Does agile level the gender playing field' at their conference in November.

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Headline gender pay gap*

This report provides a snapshot of the gender pay gap* at Hastings Insurance Services Limited on 5th April 2019 taking data over the preceding 12 months.

Difference between men and women		
	Mean difference	Median difference
Pay gap (hourly rate)	19.1% (2018 - 19.1%)	7.7% (2018 - 6.5%)
Bonus gap	51.5% (2018 - 61.6%)	29.4% (2018 - 17.5%)

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. 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 **19.1% to 4.8%**
- Median pay difference drops from **7.7% to 2.6%**
- Mean bonus difference drops from **51.5% to 8.3%**
- Median bonus difference drops from **29.4% to 20.3%**

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. **80.6%** (2018 - 72.4%) of **men** received a bonus against **84.0%** (2018 - 73.2%) **women**.

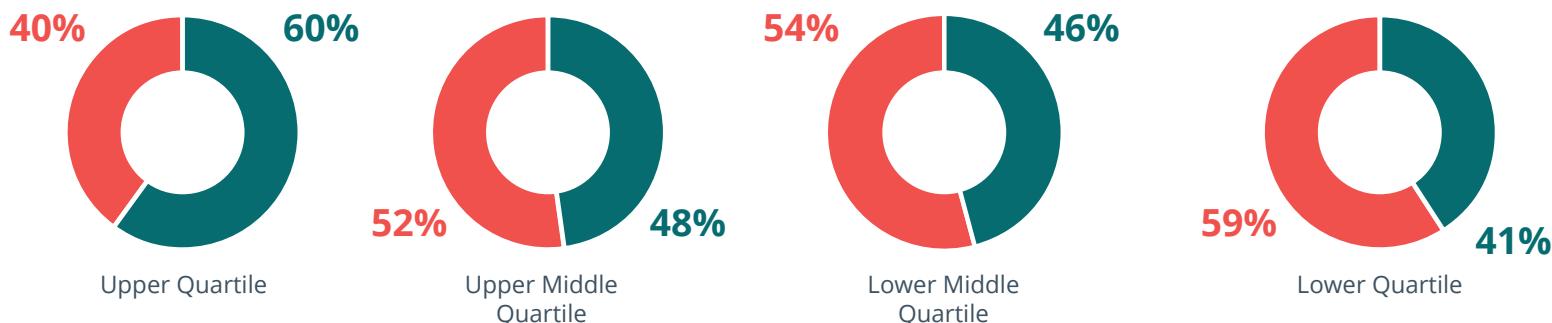
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Proportion of men and women in each pay quartile

● Women ● Men

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



How our diversity strategy will help narrow our gender pay gap*

We are continuing to devise and implement a broad diversity programme, **sponsored** by our **Executive Committee**:

Focus area	What we're doing:
Diversity Building Blocks	<ul style="list-style-type: none"> Following the build of a new recruitment selection toolkit and implementation of new applicant tracking technology during 2019, we have now improved our ability to monitor our performance with respect to diversity and inclusion trends throughout the recruitment process. We will use this improved tracking to build further recruitment guidance and provide insights to our leaders during 2020. We have incorporated awareness discussions and guidance in our performance management guide, our leadership briefings and our training for new leaders to enable performance and pay decisions to be made without bias. In 2020 we will use a blend of development approaches to ensure that colleagues and leaders are aware of the importance of acting without bias and how to create an inclusive working environment for all. We will provide additional training and coaching for talented individuals to increase diversity in the succession pools for team and contact centre leader roles. We continue to be active members of the 30% club, and already have 30% of women in senior leadership positions, in data and finance.

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Helen Edwards Actuarial Modelling Manager



"I joined Hastings Direct in August 2010 and after just nine months of working here I secured a Management Information Analyst role in Underwriting Services. Not long before this, I'd also started studying part-time for a degree in maths and soon

after completing my studies, I was asked if I wanted to train to become an Actuary – an opportunity I jumped at!

Last year I asked my manager if there were more development opportunities available, and I was subsequently chosen to give a presentation at a Women in Data event in London, the UK's largest data event and network of its kind. Then in September I was promoted to manage the Actuarial Modelling team.

Before joining Hastings Direct, I'd never worked in such an open and diverse environment. Despite working in a industry dominated by men, I'm proud to say there is strong representation of women in my team – and not by design as colleagues here are judged on their merit, not their gender, race or background."

Sasha Jory Chief Digital & Change Director

"I joined Hastings in 2019 as Chief Digital and Change Director, having worked in Financial Services for 26 years. Since I've been at Hastings, I've been really struck by the company's efforts to create an open and inclusive culture where all colleagues feel their views are valued. In project meetings and steering committees everyone is given the opportunity to share their ideas, concerns and opinions before we reach a consensus on decisions – it's a really healthy way to progress change.

Hastings is also very keen to support flexible and agile working, which has enabled me to arrange my work schedule to best meet business needs, excel in my role and enjoy a life outside work."



Terri Zecchin Colleague Development Leader

"I've been working at Hastings for nearly seven years and my experience has been very positive. Individuality is encouraged, we're all recognised for our strengths and supported to use these in a way that benefits everyone.

To help create a workplace that's truly powered by different perspectives, Hastings strives to offer its colleagues agile working options so they can juggle their career demands with commitments and interests outside of work and achieve a healthy work-life balance. This together with our progressive salary framework helps colleagues perform at their best and pursue career development.

There are also lots of opportunities at Hastings to support a diverse and inclusive environment. For example, I've been able to train as a Mental Health First Aider.

I feel recognised as an expert in role, and very importantly, I'm given the opportunity to help shape our company strategy for colleague development."



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In summary

- We continue to **promote** and **recruit women at all levels of the organisation**, and through our internal development opportunities and external recruitment processes, we are hiring more women into senior roles.
- Following the build of our new recruitment selection toolkit and implementation of new applicant tracking technology during 2019, we now have **improved our ability to monitor our performance** with respect to diversity and inclusion trends throughout the recruitment process.
- **Raised awareness of issues around menopause**, also encouraging men and leaders to engage, to improve understanding.
- Improved our approach and take up to **flexible working by adapting to colleague needs**. For example having flexible start and finish times, or increasingly for colleagues to have the ability to work from home.
- Our continuing **commitment to the 30% Club, Women in Data and Women in Finance** provides a visible focus on our intent to continue to increase the number of women in senior leader roles.
- Our mandatory diversity training module will continue to provide more insight to colleagues on our guiding principles of 'fairness and transparency without bias'.
- Our continually **evolving programme of diversity and inclusion**, particularly in the areas of attraction, induction, talent identification and leadership will allow our colleagues to come to work knowing they have an equal opportunity. We are confident that men and women are paid equally for doing similar jobs across the organisation.
- We will make sure **Hastings remains a place where colleagues can contribute, thrive and be who they are**.
- There are a range of actions continuing, to address our gender pay gap, including **creating the best environment for women to succeed**, and **introducing more women into senior roles** through **internal development and recruitment**.



We confirm that the data contained within this report is accurate and meets the requirements of the Gender pay gap* reporting regulations.

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