

Rothestay

Rothestay Limited
Gender pay gap report 2024

Rothesay is committed to promoting diversity, equity and inclusion, and a culture that actively values difference. Our cultural values speak to how we treat everyone as an individual, with equal opportunity to thrive, and guide us to create a stronger, more dynamic business today and for the long term.

The Gender Pay Gap report measures the difference between the aggregate pay for all men and women employed by Rothesay in the UK regardless of the nature of their work. It does not compare pay on an individual level for men and women undertaking the same role – Rothesay has fair and equal pay practices and men and women at Rothesay are paid the same for equal work.

The main driver of Rothesay’s gender pay gap is workforce composition: in common with other financial services companies, there are more men than women in leadership and senior roles as well as some specialist functions where average pay is higher. Rothesay also has a low attrition rate.

Our gender pay results for 2024 show an improvement in our mean fixed pay gap and bonus pay gap. The proportion of women in the upper quartile of pay has also risen by 7.9% and the proportion of women who received a bonus increased.

Who this data covers

The results in this report are based on our permanent UK employees as at 5 April 2024. All 472 employees are employed by our service company, Rothesay Pensions Management Limited. As at 5 April 2024, 68% (2023: 69%) of our employees were men and 32% (2023: 31%) women.

Gender pay gap 2024

Fixed pay	Bonus pay	Proportion of men and women by pay quartile (dividing employees into four equal bands)
<div>18.4%</div> <div>(2023: 19.9% -1.5%)</div> <div>The average (mean) hourly rate of fixed pay received by women employees is 19% lower than the average (mean) hourly rate received by men employees.</div>	<div>53.2%</div> <div>(2023: 60.9% -7.7%)</div> <div>The average (mean) bonus pay received by women employees is 53.2% lower than the average (mean) bonus pay received by men employees.</div>	<div>Lowest:</div> <div>57.0% men / 43.0% women</div> <div>(2023: 61.0%/39.0% +4.0% women)</div> <div>Quartile 2:</div> <div>69.6% men / 30.4% women</div> <div>(2023: 65.25%/34.75% -4.4% women)</div> <div>Quartile 3:</div> <div>73.6% men / 26.4% women</div> <div>(2023: 67.9%/32.1% -5.7% women)</div> <div>Highest:</div> <div>74.6% men / 25.4% women</div> <div>(2023: 82.5%/17.5% +7.9% women)</div>
<div>20.0%</div> <div>(2023: 15.4% +4.6%)</div> <div>The midpoint (median) hourly rate of fixed pay received by women employees is 20.0% lower than the midpoint (median) hourly rate received by men employees.</div>	<div>29.0%</div> <div>(2023: 25.7% +3.3%)</div> <div>The midpoint (median) bonus pay received by women employees is 29.0% lower than the midpoint (median) bonus pay received by men employees.</div>	
	<div>92.9% of men employees and 89.3% of women employees received bonuses. (2023: 92.9%/85.6%)</div>	

The reasons for Rothesay's gender pay gap

Comparison of like-for-like roles shows that our gender pay gap is not as a result of equal pay issues. The results in this report reflect the demographic issues facing Rothesay and the pensions and insurance industry as a whole, namely:

- there are more men than women in leadership and senior roles;
- there are more men than women in highly remunerated specialist roles such as technology and quantitative analysis;
- there are more women than men in administrative and support roles; and
- there are more men than women in roles where variable pay is a significant part of total compensation.

We support part-time and flexible working to provide employees with the opportunity to balance their personal and professional lives. Part-time salaries are adjusted pro rata to reflect the hours worked, but this pro-rata adjustment is not reflected in the data we use to calculate the gender bonus gap, so it looks as if part-time workers are paid less than full-time workers, which is not the case. Of the 17 employees who were working part-time in 2024, 14 were female.

Closing the gender pay gap

The actions that we are taking in order to continue to narrow our gender pay gap are driven by our Diversity and Inclusivity (D&I) strategy which is based around three pillars:

- Culture – ensuring we have a working environment where everyone feels valued;
- People – having a clear and transparent approach to talent development along with inclusive workplace and recruitment policies; and
- Community – supporting the communities we work in, and businesses we partner with, to promote equality and inclusivity.

Positive progress in implementing our D&I strategy throughout 2024 includes:

Talent Acquisition

We continue to focus on more diverse and inclusive recruitment and have further enhanced our interview framework with the aim of hiring more diverse talent. We have also hosted and supported women-focused talent events as part of our Early Careers strategy and ensure that all candidates are interviewed by a diverse interview panel and our employees are trained on inclusive interviewing best practice.

Talent Management

We have a clear and transparent approach to Talent Management along with inclusive workplace policies. Rothesay's Executive D&I Working Group ("DIWG") formed in 2023, consists of five women and three men, supported by our HR Business Partners. The DIWG focuses on the diversity of our employees and our inclusive culture through an enhanced D&I programme and strategy to ensure further targeted action to raise awareness across all areas of diversity and further embed best practice. As part of this programme, we enhanced our mandatory inclusive environment training for all employees in 2024.

Flexible working is available in the business which we believe is important for employee retention and attracting a diverse pool of talent. We also have an Emergency Family Care benefit, providing an emergency support service for employees who are carers of children and adults of all ages.

Leadership

Seven women sit on Rothesay's Board and four women are members of our Executive Committee, contributing to greater diversity at the top-level decision-making process, as well as bringing wider industry experience. Our compensation structure, which defers a high proportion of compensation over several years for senior

employees, means that the impact of changes in senior level diversity will take some years to be fully reflected in the data.

In February 2024, Rothesay became the first insurer to partner with The Female Forum's Pension Chapter, a dynamic network dedicated to empowering professional women and advancing gender equality. We also support the industry-wide initiative, led by the Association of British Insurers, aimed at ensuring transparent, easily accessible information is available on parental leave and pay policies.

Declaration

I confirm that the gender pay gap information contained in this report is accurate.

A handwritten signature in black ink, appearing to read 'G Butcher', enclosed within a light grey rectangular border.

Graham Butcher
Chief Financial Officer