

Rothestay

Rothestay Limited Gender pay gap report 2021



From day one, Rothestay has been committed to actively promoting diversity and inclusivity. We know that our success depends on our people and that a culture that values difference creates a stronger, more dynamic business. We believe that everyone should be treated as an individual and have an equal opportunity to thrive in their career.



Addy Loudiadis
Chief Executive Officer

Introduction

Rothesay is committed to promoting diversity, inclusivity and equality, and a culture that actively values difference. Our cultural values speak to how we treat everyone as an individual with equal opportunity to thrive as it helps 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 males and females undertaking the same role.

Women and men doing similar roles at Rothesay are paid equally. However, differences arise because in common with other financial services companies, there are more men than women in leadership roles and the company has a low turnover at executive level.

With this, our second Gender Pay Gap Report, we can see some modest improvement in results but progress is slower than we would like and we remain focussed on initiatives to help close the gender pay gap.

Who this data covers

The results in this report are based on our UK employees as at 5 April 2021. All 300 employees are employed by our service company, Rothesay Pensions Management Limited. As at 5 April 2021, 69% of our employees were male and 31% female. The ratio of male to female employees is unchanged from 2020.

Gender pay gap 2021

Fixed pay

28.4%

(2020: 29.5% -1.1%)

The average (mean) hourly rate of fixed pay received by female employees is 28.4% lower than the average (mean) hourly rate received by male employees.

28.2%

(2020: 31.8% -3.6%)

The midpoint (median) hourly rate of fixed pay received by female employees is 28.2% lower than the midpoint (median) hourly rate received by male employees.

Bonus pay

52.6%

(2020: 50.2% +2.4%)

The average (mean) bonus pay received by female employees is 52.6% lower than the average (mean) bonus pay received by male employees.

54.5%

(2020: 55.6% -1.1%)

The midpoint (median) bonus pay received by female employees is 54.5% lower than the midpoint (median) bonus pay received by male employees.

95% of male employees and 94% of female employees received bonuses.

Proportion of men and women by pay quartile

(dividing employees into four equal bands)

Lowest:

51% male / 49% female

(2020: 54%/46% +3% female)

Quartile 2:

66% male / 34% female

(2020: 62%/38% -4% female)

Quartile 3:

73% male / 27% female

(2020: 82%/18% +9% female)

Highest:

87% male / 13% female

(2020: 86%/14% -1% female)

Progress since 2020

In common with many other organisations, our gender pay gap arises as a result of having a higher number of men in senior roles than women and low turnover of staff, particularly at senior levels, means that progress in closing the gap is likely to be slow.

The data shows modest improvement in the fixed pay gap (hourly pay).

More encouragingly, the data also shows an increase in the proportion of females in the upper middle quartile.

Data from our employee engagement survey also shows that there is now little difference in engagement between male and female employees (74% male vs 75% female).

The reasons for our gender pay gap

Comparison of like-for-like roles shows that our gender pay gap is not as a result of equal pay issues.

Instead, the results in this report show the demographic challenges facing Rothesay and the financial services sector as a whole, namely:

- there are more men than women in leadership and senior roles;
- there are more women than men in administrative and support roles; and
- there are more men than women in roles where variable pay plays a significant part in total compensation.

In addition, we support part-time working to give employees the opportunity to balance their personal and professional lives. Bonuses are adjusted pro rata to reflect the hours worked but this is not reflected in the calculation of the gender bonus gap. Of the 13 employees who were working part-time in 2021, 12 of them were female.

Closing the gender pay gap

In 2021, we have increased our focus on diversity and inclusivity with a strategy 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.

We recognise that parenting responsibilities can be a key issue impacting women at work. We aim to support all parents at Rothesay, recognising that individuals need to be supported in managing their personal and professional commitments. This includes the introduction of a formal flexible working policy, offering training and support to all new parents and their managers alongside one-to-one coaching for any employees taking extended parental leave to help with their return to work. We fully endorse 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.

As recruitment plays an important role in supporting diversity and inclusivity, we work closely with our third party recruiters to ensure we have a diverse candidate base for all our roles. In 2022, we will continue to look for ways in which we can close the gender pay gap and improve diversity, equality and inclusivity at Rothesay.

Declaration

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



Andrew Stoker
Chief Financial Officer and
Diversity & Inclusivity Champion