

OUR 2017 UK GENDER PAY GAP REPORT MARSH



Marsh & McLennan Companies welcomes people from all walks of life and is committed to accelerating the advancement of women. The more diverse the backgrounds and experiences of our colleagues, the more opportunity we have as a company. This is at the core of what we do and delivers the striving, questioning environment and diversity of ideas which provides us with our competitive advantage and reflects the client communities that we serve.

Mutual respect, dignity, diversity and inclusion are at the heart of our culture. Ensuring women are able to further their careers is fundamental to this. We believe our strong culture enhances our ability to attract the most talented individuals to our organisation. We recognise that without the insight, knowledge and skills of our colleagues there is no Marsh & McLennan Companies.

Across our organisation we are committed to enhancing female representation. We have increased representation of women on our UK Board of Directors (currently three women and nine men). We have a female chair. Over the last five years we have made significant steps to increase female representation amongst our most senior levels across the firm. For example, within Marsh in 2018, 72% of the candidates nominated for Managing Director positions were women.

UK GENDER PAY GAP REPORTING

In this report, we detail our Gender Pay Gap across Marsh Services Limited (which incorporates the UK businesses of Marsh, Guy Carpenter and MMC Corporate), Jelf Group and Bluefin Insurance Group. Like many organisations we recognise we have work to do and are on a continuous journey to further women's progression in the workplace. Across our firm we are focused on what we can do better. This report highlights some of the initiatives that support our commitments.

The Gender Pay Gap and Bonus Pay Gap analysis looks at the mean and median across the entire company for men and women. This is different from equal pay, which relates to any difference in individual pay between women and men within specific jobs. Our results show a Gender Pay Gap. We know this is primarily related to our workforce profile and the higher proportion of men than women in senior roles. We have rigorous processes for reviewing and monitoring pay and promotions as a fundamental part of our annual compensation process.

Thank you for taking the time to learn more about our current position and our efforts across our firm on this important topic.



Mark Weil

Mark Weil
Chief Executive Officer
Marsh UK & Ireland



James Nash

James Nash
President
Guy Carpenter International

THE GENDER PAY GAP EXPLAINED

The gender pay gap is the difference between men's and women's hourly earnings in the organisation. This includes base pay, allowances and any other bonus and incentive pay paid in April 2017. The gender bonus pay gap is the difference in all incentive pay received by men and women in the 12 months up to April 2017. This includes all bonuses and long-term incentives.

The gender pay gap in the UK shows any **difference in earnings between all men and all women in a workforce**. The gender pay gap is entirely different from "equal pay," which relates to differences in individual earnings of **men and women who perform equal work**.

CALCULATIONS DEFINED

- **Mean:** The mean is calculated by adding up the total pay of employees and dividing by the number of employees. This calculation is completed separately for men and women and the totals are compared. While useful, this 'true average' is easily skewed by a small number of high or low earners. Reporting both mean and median figures provides a more rounded understanding of the Gender Pay Gap.
- **Median:** The median is the number which is in the middle of a ranking of pay from lowest to highest. This is broadly understood by statisticians to be the best view of 'typical' pay, as extremes of low and high pay do not affect the median.

THE GENDER PAY GAP...



the difference between the gross hourly earnings for all men and the gross hourly earnings for all women

...not to be confused with...

EQUAL PAY...

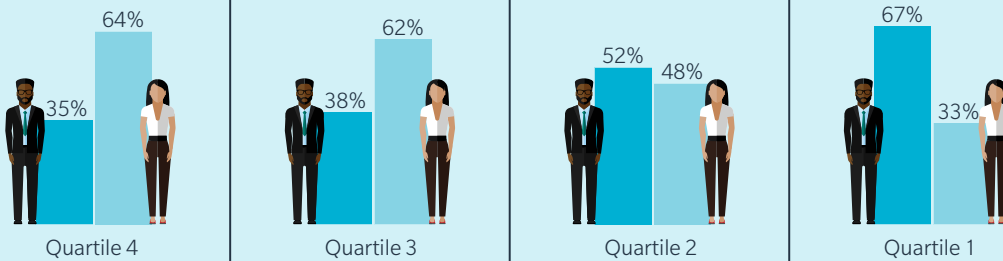


men and women being paid the same for the same work

OUR GENDER PAY GAP

Below you can see the overall results for Marsh Services Limited (which incorporates the UK businesses of Marsh, Guy Carpenter and MMC Corporate), Jelf Group and Bluefin Insurance Group:

PAY QUARTILES



WHAT THIS MEANS

- There are fewer men in lower paid roles. Female representation in our top two quartiles combined is 29%. We recognise that as a business and as an industry we have more to do to create diverse workforces which better reflect the client communities that we serve.
- In Jelf Group and Bluefin Insurance Group, female representation in our top two quartiles combined is over 40%. We are working to increase female representation at senior levels across all of our Operating Companies.

GENDER PAY GAP



42.5%
MEAN

41.1%
MEDIAN

WHAT WE KNOW

- Our workforce profile with more men in senior roles is primarily responsible for our overall gender pay gap.

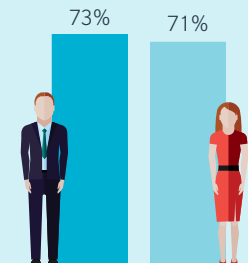
GENDER BONUS GAP



60.2%
MEAN

71.4%
MEDIAN

Proportion of men and women receiving a bonus



WHAT WE KNOW

- Our Gender Bonus Gap is primarily driven by our pay philosophy, which puts a greater proportion of pay at risk (bonuses), for colleagues in senior level positions. This combined with a gender imbalance at the higher levels leads to our overall bonus gap.

OUR COMMITMENT

The diversity of our people is a fundamental pillar of our culture and, we believe passionately, our success. We know our reported gap is primarily related to our workforce profile and the higher proportion of men than women in senior roles. Below we detail some of our current initiatives on which we will build to drive our agenda and support greater gender parity across our organisation:

- **Recruitment and early career support:** We are focused on ensuring the diversity of our talent reflects the broader population and this starts in our recruitment activities. Through our Graduate Development Programme we strive to achieve a gender balanced intake each year. Our two-year Apprenticeship Scheme, which operates across Jelf Group and Marsh, has extended our ability to recruit from diverse backgrounds. Additionally, our Marsh Summer Talent Programme provides eight weeks of work experience to support career development and raise awareness of opportunities within the insurance and finance industry.
- **Growing our future leaders:** We are proud to have made significant progress across our businesses, but change takes time – within Jelf Group and Bluefin Insurance Group, over 60% of upper middle (Quartile 2) earners are women – providing a strong female pipeline for our future leaders. We are working hard to increase senior representation across all of our Operating Companies.
- **Supporting female careers:** Our talent review and succession planning processes are actively managed to promote gender diversity across our pipeline of future leaders. We review our decisions, including promotions, through a diversity lens. This is helping us to drive stronger female representation at more senior levels across our firm. In addition we run a number of networks which actively support career development, for example the Guy Carpenter and Marsh Young Professionals Programmes, and support external networking groups within our industry. These groups provide opportunities for our emerging and established professionals to network, gain access to key industry figures, increase knowledge and build their careers.
- **Engaging across the business:** Our Colleague Resource Groups, including Balance, Pride and Young Professionals, provide a platform for mentoring to support career development, leadership progression and promote work/life balance. We are proud to promote the stories of those individuals in senior positions as a basis to inspire others to further their careers.
- **Aligning our policies:** Across our firm, we have grown through the acquisition and integration of many owner-managed small businesses. We are working to align our policies across our Operating Companies to ensure these support our goals; for example, in Jelf Group and Bluefin Insurance Group, all colleagues will now be eligible for a bonus. Across Jelf Group and Bluefin Insurance Group, we have enhanced our benefits offering to reflect our work/life balance commitments.
- **Supporting change across our industry:** We recognise that as an industry we have more to do to create the diverse workforces which better reflect the client communities that we serve. We are actively involved in driving industry change, for example, through Guy Carpenter's involvement in Mission INCLUDE, developed by Oliver Wyman and Moving Ahead, Jelf Group's participation in Dive In, which promotes diversity and inclusion across the insurance sector, and Marsh's participation in the Inclusion@Lloyd's Forum. We are proud that a Jelf Group colleague is Co-Chair of the LINK, the LGBT Insurance Network. These programmes and individuals are championing change and promoting the business case for diverse and inclusive workplaces which will be fundamental to delivering enhanced business culture and performance.

We recognise that addressing the Gender Pay Gap requires both short term actions and long term commitment. As a firm, we are focused on ensuring the initiatives outlined deliver meaningful impact and will monitor our progress. We are aware however that delivering change takes time and will work within and outside our organisation to promote gender diversity and support the furthering of women's careers.

OUR COMMITMENTS IN ACTION

We are proud to be recognised externally for our Diversity and Inclusion initiatives, including:

- 2017 Winner of Diversity and Inclusion Excellence Awards from Insurance Times.
- 2017 British LGBT Awards: Samantha Jayne Nelson received the Diversity Champion of the Year Award.
- 2017 WeAreTheCity Awards: Salome Santos was recognised as a Rising Star in Insurance.
- Winner of the Employer Newcomer of the Year award in 2016 from the City of London Business Traineeship Programme, run by City of London Corporation: City View and The Brokerage Citylink, for the Summer Talent Programme.



City of London
Business Traineeship Programme

STATUTORY DISCLOSURE & DECLARATION

STATUTORY DISCLOSURE

	GENDER PAY GAP		BONUS PAY GAP				QUARTILE 4 (LOWER)		QUARTILE 3 (LOWER MIDDLE)		QUARTILE 2 (UPPER MIDDLE)		QUARTILE 1 (HIGHER)	
	Mean	Median	Male (Proportion Receiving a Bonus)	Female (Proportion Receiving a Bonus)	Mean Gap	Median Gap	Male	Female	Male	Female	Male	Female	Male	Female
Marsh Services Limited*	35.2%	41.6%	80%	76%	69.6%	66.4%	46%	54%	49%	51%	64%	36%	80%	20%
Jelf Group	42.1%	37.0%	69%	87%	74.0%	39.9%	30%	70%	34%	66%	40%	60%	80%	20%
Bluefin Insurance Group	40.1%	29.1%	48%	46%	72.2%	65.8%	26%	74%	33%	67%	39%	61%	74%	26%

DECLARATION

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



Roy White
(on behalf of Marsh Services Limited)



Iain Gibson
(on behalf of Jelf Group)



Jane Barker
(on behalf of Bluefin Insurance Group)

* Marsh Services Limited inclusive of Marsh UK, MMC Corporate UK, and Guy Carpenter UK



The information contained herein is based on sources we believe reliable and should be understood to be general risk management and insurance information only. The information is not intended to be taken as advice with respect to any individual situation and cannot be relied upon as such.

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