

Legal & General publishes UK Gender Pay for 2019

Legal & General Group Plc (Legal & General) has reported a continued narrowing of its median gender pay gap for 2019.

In new figures published today, Legal & General disclosed that the median gender pay gap across all its UK businesses narrowed by 1.8% in 2019, and by 3.2% across its investment management division. This also marks the first year that pay gap figures from CALA, Legal & General's recently acquired house-building business, were integrated into group-wide reporting.

Like many organisations across the diverse range of industries in which Legal & General operates, particularly financial services and investment management, the gender pay gap is the result of having historically employed more men than women in more senior, higher-paid roles – something Legal & General is working to change.

Legal & General's goal is to create a workplace environment that allows people from all backgrounds to feel supported and thrive. To do this, the organisation is implementing a systemic response to remedy the gender pay gap and improve diversity and inclusion more broadly. This involves taking comprehensive action based on a data-driven approach, to drive incremental improvements to the conditions that cause inequality:

- Collecting data to identify causes of inequality:** In 2019 Legal & General has taken steps to improve its understanding of the diversity of its people and how this might affect their experiences. This includes gathering data at additional stages of employment, such as recruitment and onboarding, as well as enabling employees to share their data with the company throughout the year. Legal & General continually analyses this data to understand how best to address inequalities like the gender pay gap.
- Using data insights to make positive changes:** Based on insights from this data, Legal & General implemented a number of initiatives to address the gender pay gap in 2019. This included reviewing HR processes to identify obstacles that might prevent women from progressing; developing and expanding its 2020 Apprenticeship programme to hire from a wider range of backgrounds; reviewing family-friendly policies and increasing the number of employees on agile contracts; and implementing a digital toolkit that employs strength-based talent assessment to remove bias from hiring and talent-development decisions.
- Holding senior leaders to account:** Diversity and inclusion is an issue that is regularly addressed by Legal & General's most senior leaders, including the Executive Committee and Board of Directors. All members of the Executive Committee have a percentage of their bonus linked to culture, which includes improvement in diversity indices. For 2019, Legal & General improved its score in the Bloomberg Gender Equality Index to 79.1%, an increase of 10.59%.

Emma Hardaker-Jones, Group HR Director at Legal & General commented: “At Legal & General we want to create an inclusive environment where everyone can contribute, grow and succeed. Not only is this the right thing to do, it also leads to better business outcomes. We are encouraged that our median gender pay gap continued to decrease in 2019, and by our rise in the Bloomberg Gender Equality Index, but we know we have a long way to go. We believe that societal gaps, like the gender pay gap, are an outcome of systemic inequality and that's why we are implementing a systemic response. In 2019, we laid the foundations to take a more data-led approach and as we enter a new decade, we're focused on using insights from that data to implement measures that will help us attract, retain and promote the very best talent.”

		All UK business ¹		L&G Resources		LGIM(H)	
		2019	2018	2019	2018	2019	2018
PAY ²	Mean	27.6%	27.2%	25.6%	24.3%	21.3%	21.8%
	Median	28.5%	30.3%	21.2%	19.2%	19.6%	22.8%
BONUS ³	Mean	58.4%	59.0%	49.7%	49.9%	51.8%	54.6%
	Median	45.5%	46.5%	35.2%	37.1%	52.8%	58.3%

¹ L&G Resources, LGIM(H), CALA Homes, Group Plc, L&G Homes, L&G Home Finance, IDoL

² Based on the average hourly rates of pay as at 5 April 2019

³ Based on bonus payments made in the 12 months prior to 5 April 2019; 84.4% of men and 87.8% of women received a bonus

Legal & General has three employing entities with more than 250 people in the UK: Legal & General Resources Ltd Plc (“L&G Resources”), Legal & General Investment Management (Holdings) Ltd (“LGIM(H)”) and CALA Homes. CALA Homes was fully acquired in 2018, so for the first time, its gender pay gap data has been consolidated into Legal & General’s group report. Note that CALA Homes also will publish its own report in the first half of this year.

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Further information

John Godfrey

Group Corporate Affairs Director

☎ 0203 124 2090

✉ John.Godfrey@group.landg.com

🌐 www.legalandgeneral.com

Notes to editors

Legal & General’s Gender Pay report can be found here

Legal & General Group

Established in 1836, Legal & General is one of the UK’s leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With almost £1.2 trillion in total assets under management at 31 December 2019, we are the UK’s largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £25 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

