



Aegon UK gender pay gap report 2023



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What is the gender pay gap?

The gender pay gap is a measure of the difference between males' and females' average earnings across a population, regardless of the nature of the work of the individual. It's expressed as a percentage of males' earnings.

The gender pay gap is separate and distinct from equal pay which involves a direct comparison of the earnings of males and females carrying out the same, similar, or equivalent work for an employer.

The gender pay gap at Aegon UK is primarily driven by the under-representation of women among our executive and senior leadership population. This means that more of the higher paid roles in the company are occupied by men than women, driving the differential in both pay and bonuses. As part of our wider inclusion and diversity commitments and to reduce the pay gap we're acting to address the under representation of women in senior roles.

Our commitment to Inclusion and Diversity

'At Aegon UK, we're committed to creating a diverse organisation with an inclusive culture, where everyone can be their authentic self. I truly believe that this makes us stronger as a business through diversity of thought, it enriches our decision making and drives better customer outcomes.'

We're passionate about driving a purpose-led culture and our colleagues are critical to our success. Our working environment at Aegon UK provides equality of opportunity and empowers our colleagues to be the best they can be.

Everyone should feel heard, supported, proud and inspired.'

Mike Holliday-Williams
CEO



In the recent Inclusion and Diversity survey, 81% of our respondents felt included at Aegon UK



At the end of 2023, Aegon UK achieved 40% against a target of 38% for women in leadership roles

Why is it important to us?

'We pride ourselves on being a socially responsible business – and we ask our colleagues to act as a force for good. Whether that's reducing our environmental footprint, helping our customers invest responsibly or supporting our local communities.

We're committed to creating an inclusive workplace that embraces diversity in all its forms to ensure we not only meet our big ambitions but leave a lasting impact.

We want to create a great place to work – a business that attracts and keeps hold of talented people who are representative of our communities and who can thrive, whatever their personal circumstances.

We are proud of the continued reduction in our gender pay gap but we still have some way to go before we'll achieve true gender balance. We believe being transparent about our actions will help us improve progress in our business and across our sector.'

Arlene Stokes
Chief People Officer



Actions taken

Since the publication of our Gender Pay Gap Report in April 2023, there have been a wide range of initiatives that have positively contributed towards addressing the pay gap and gender balance more holistically.

In 2023 we further advanced our Inclusion and Diversity agenda by embedding this into our Talent Acquisition practices and strengthened links to our wider People Strategy.

In Talent Acquisition we achieved this by creating an inclusive hiring strategy to not only broaden our routes to market but to also equip our teams with labour market intelligence tools to place data at the centre of their approach. In addition, improvements were made in recruitment marketing collateral as we deployed gender neutral language in adverts and communications.

The propositions we offer our colleagues as they grow, develop and advance their careers are also of paramount importance. This year we launched Talent Marketplace, an intuitive AI enabled digital platform that enables greater inclusion by increasing visibility of career opportunities, promoting mentoring opportunities and short-term assignments known as gigs.

As a founding partner of the [Women in Banking and Finance \(WIBF\) Accelerating Change Together research programme](#) we continue to analyse and discuss the 'Missing Middle' to identify potential causes for a lack of pipeline into senior positions.

Annually we sponsor several of our current and aspiring female leaders through Women in Banking and Finance memberships which includes a mentoring programme.

From the analysis, recommendations on potential practical interventions have been created in the [Good Finance Framework](#). We continue to advance our discussions on embedding these recommendations or, running pilots where applicable.

The [100 Diverse Voices report](#) proposes the UTOPIA framework. This is an action-based guide for future of work for financial services firms and it also aligns to the Good Finance Framework. As a founding partner we'll continue to test and validate these interventions.

An integral part of this and advancing our agenda is our colleague led Women@Aegon network. The network has a clear purpose - for women at Aegon to be seen, heard and inspired.

Alison Morris, our Chief Risk Officer sponsors this network, which continues to share development opportunities, facilitates mentoring and showcases strong female roles models, all with the aim of creating a thriving community.

Our results

This Gender Pay Gap Report sets out the gender pay gap data for the Aegon UK business, alongside the aggregated Aegon UK Corporate Services Limited data. The data includes UK based employees of Aegon Asset Management (AAM), Aegon GTS (Global Technology Services) and Corporate Centre who are on the UK payroll. (See appendix 1 for full details)

We're required to report our gender pay gap data at the Aegon UK Corporate Services Limited level. However, we also share our Aegon UK position, as this is the part of our business which our Aegon UK leadership can directly influence.

We're pleased to see that we have made real progress in addressing our gender pay gap. For Aegon UK, the mean pay gap has reduced by 3.53% and median pay gap has reduced by 4.25%. We've also seen a reduction in the mean bonus gap, but the median bonus gap has increased significantly.

The increase in the median bonus gap is due to changes in the Aegon UK bonus structure which were implemented in the 2022 performance year and therefore are reported for the first time in the 2023 snapshot data. The on-target bonus for our most junior Level 1 and 2 roles was reduced from 10% to 5%, with a corresponding 5% increase in base pay for these colleagues.

Although this was a positive change for colleagues because this quartile has more females than males, it has driven an increase in the median bonus gap.

The rebalancing between bonus and base is a beneficial change as not only does it increase the fixed pay for this population but, it also feeds through into other salary linked elements of their package, such as bonus and pension.

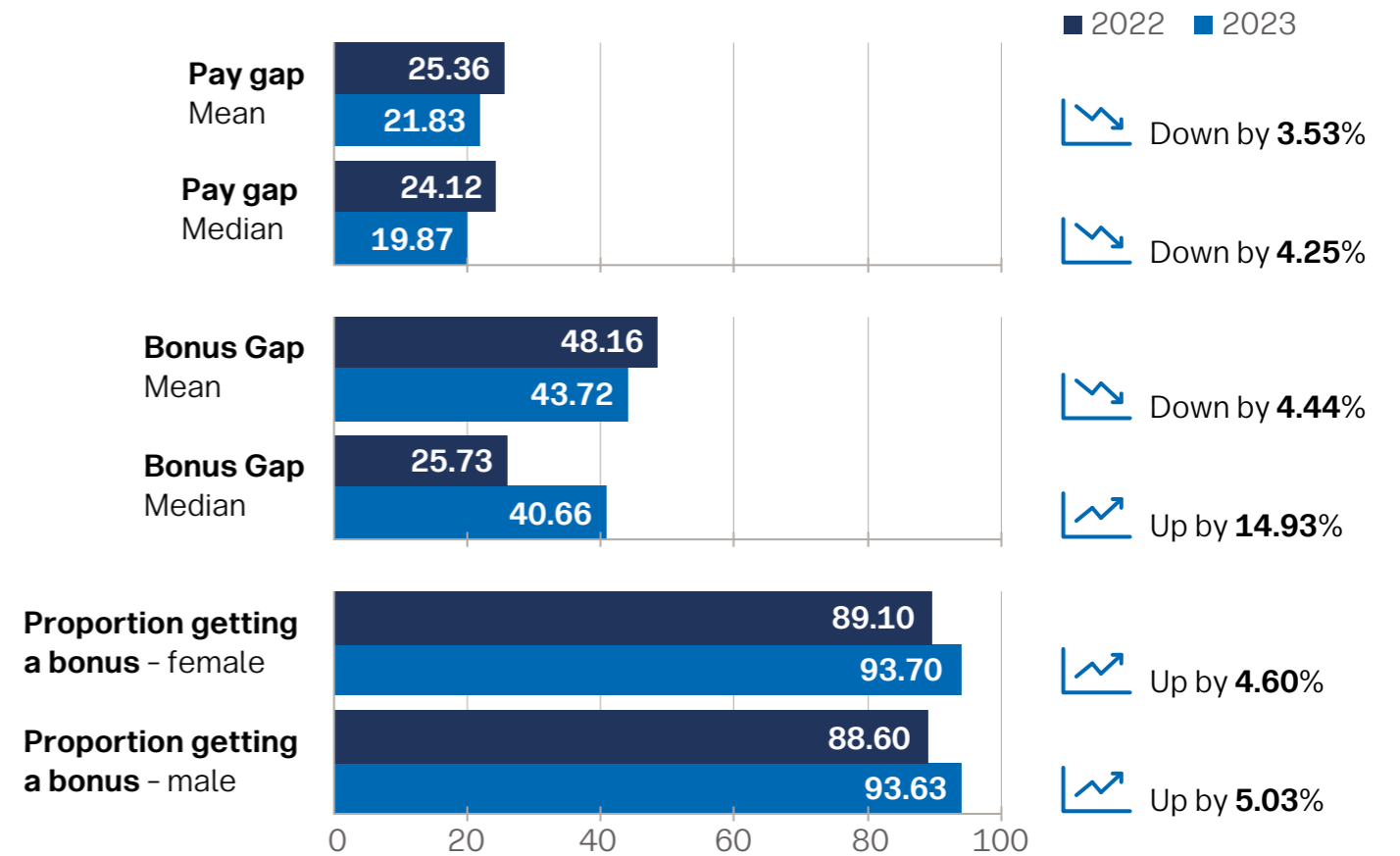
The proportion of our colleagues receiving a bonus increased for both men and women in 2023. We're pleased to see that the distribution across genders continues to be very consistent, with 93.7% of women and 93.6% of men receiving a bonus.

The quartile data shows that progress has been made in addressing the proportion of women in more senior roles. Whilst the percentage of females in the upper quartile has remained static, the upper middle quartile has now reached a 50/50 gender balance.

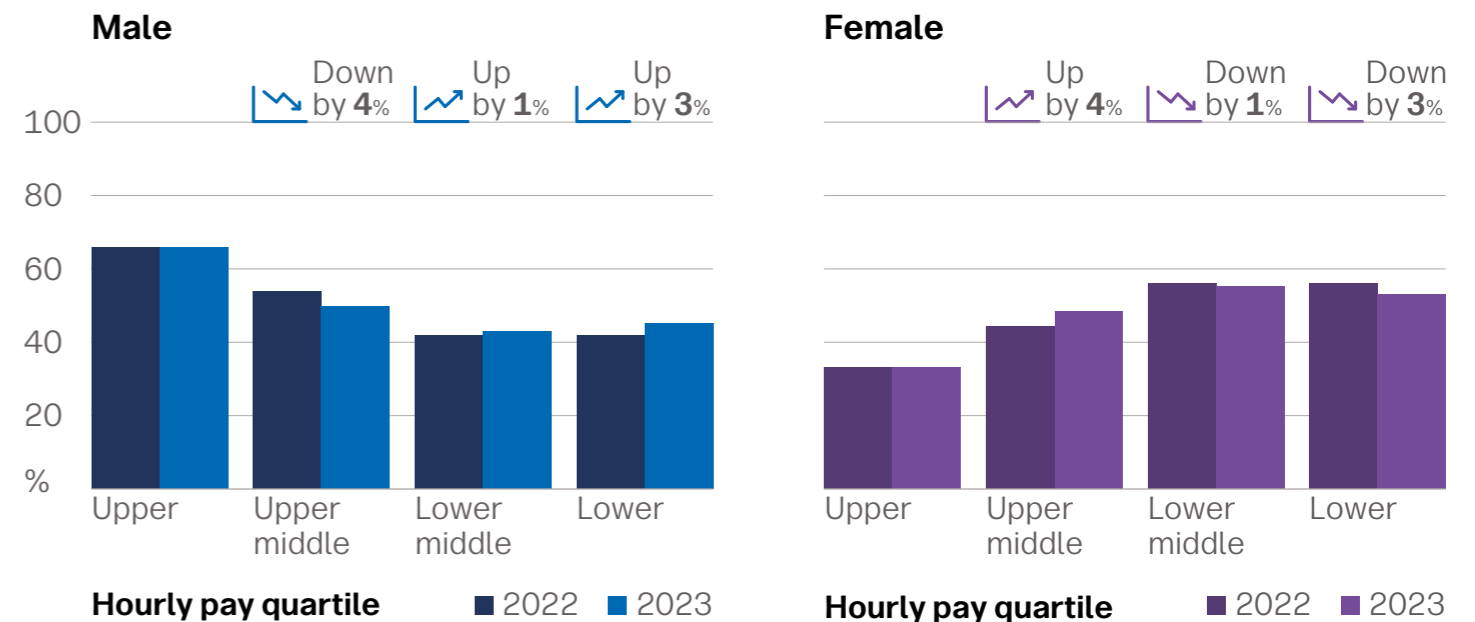
Achieving a gender balance at this level is positive for the longer term as it indicates that Aegon UK is building a pipeline of female talent for potential future promotion to the most senior roles in the company.

Aegon UK - excluding AAM and GTS

Pay and bonus gap comparison 2022 vs 2023.



Aegon UK quartile data - overall gender split of 51% male, 49% female



What do our results show?

We're making progress

We recognise the gender pay and bonus gap is primarily driven by the under-representation of women among the executive and senior leadership population.

Women represent 49% of our workforce, however they're underrepresented in our most senior, highest paid roles, and overrepresented in less senior, lower paid roles. This is demonstrated by the analysis of our gender balance by quartile, where women make up 34% of the upper quartile population. As part of our wider Inclusion and Diversity commitments, we're taking actions to address this under representation of women in senior roles.

Aegon UK's reward structures are based upon job evaluation and are gender neutral by design. We're confident that the Gender Pay Gap does not represent a problem with equal pay for equal work.

To continue improving diversity among leadership and to reduce the gender pay gap further, Aegon UK has signed the Women in Finance Charter.

As part of this commitment, targets have been set to improve gender representation among the CEO-2 senior leadership population (defined as the CEO of Aegon UK, the CEO's direct reports, and their direct reports, excluding non-leadership roles).

After meeting the original 33% target in early 2022, Aegon UK reset its target to aim for 50/50 by 2030, with milestone targets of 35% by the end of 2022 and 40% by the end of 2025.

At the end of 2023, Aegon UK achieved 40% against a target of 38%. For 2024 we agreed a target of 41% - we continue to track in line with this and to exceed the original 2025 target. These targets are reflected in executive performance objectives for 2024.



Creating an inclusive workplace

Helping people live their best lives starts from within our team. There were a range of initiatives in 2023 that demonstrated an advancement in our Inclusion and Diversity agenda.

Independent Non-Executive Directors

Leveraging expertise, experience and embracing different perspectives is paramount to Inclusion and Diversity. Our Independent Non-Executive Directors (NED's) bring this to Aegon UK, and we've made great progress with the diversity of this group.

As at the end of 2023, we had a 50/50 gender split across this cohort. We're also pleased to share that, at the start of 2024 we appointed our first female chair taking female representation to 67% for Independent Non-Executive Directors.

Aegon UK engagement scores

We see Inclusion and Diversity as a clear facilitator in becoming an organisation with upper quartile engagement. We use the employee engagement measurement tool 'Culture Amp' to do regular surveying of employee attitudes to Inclusion and Diversity.

There were five questions included in this survey that provide key insight into Inclusion and Diversity at Aegon UK:

82% of our colleagues are positive about diversity and equity (increase of 6% from 2022)



83% believe we display openness and inclusion (increase of 5% from 2022)



84% of our colleagues said that they can be their authentic self at work (increase of 1% from 2022)



87% think that Aegon UK values diversity (increase of 1% from 2022)



92% feel included by their direct manager (increase of 3% from 2022)



Policy review

As part of our 2023 Pay Deal, we made a commitment to review our Family Leave polices.



We simplified our Parental Leave policies and combined all five current policies into one new Parental Leave policy for improved accessibility and colleague experience.



From 1 January 2024, we significantly enhanced our parental leave financial support to bring us in line with the external market.

This means that for any colleague with periods of Parental Leave commencing on or after 1 January 2024, the following apply:



26 weeks full pay for both Maternity and Adoption leave.



6 weeks full pay for Paternity leave.

Menopause friendly employer

In early 2023 we initiated our journey to be accredited as a Menopause Friendly Employer. As part of this, we're looking at 5 areas - culture, engagement, policies and practices, facilities and training.

We're aware that changing the way we think about menopause and the way we support it, can mean a cultural shift and embedding change in the long term.

We want to raise awareness of menopause and the impact it can have on the individual in the workplace. From encouraging open conversations between managers and their teams, to signposting the relevant advice and support for those who need it.

Data collection

Knowing more about our candidates and colleagues through the collection of diversity data is critically important.

At the end of 2023 we launched a voluntary, data collection campaign for candidates and colleagues using our HR system, Workday.

This is enabling us to collate data including caring responsibilities, socio-economic background, disability, gender identity, sexual orientation, ethnicity, and religion.

Having greater insight into these characteristics will enable us to not only monitor our progress, but enable us to develop the right initiatives and solutions for Aegon UK.

Moving forward

We want Aegon to be a great place to work - one that makes a positive impact on our customers, colleagues, candidates, and communities.

We've made a positive impact on advancing our Inclusion and Diversity agenda, creating a workplace culture where everyone feels heard, supported, proud and inspired.

We're pleased to say that since 2017 we've seen our mean pay gap fall from 29.9% to 21.8% and our mean bonus gap from 62.2% to 43.7%, **these are a both reductions of around one third.**

This has been driven by the actions we've taken to enable our female colleagues to progress to more senior roles, fulfilling their aspirations and potential.

We've achieved equal representation of men and women in our upper middle quartile, building a pool of talent ready to progress to the most senior levels.

We're proud of the progress we continue to make but we're committed to being proactive in our efforts to continually improve.

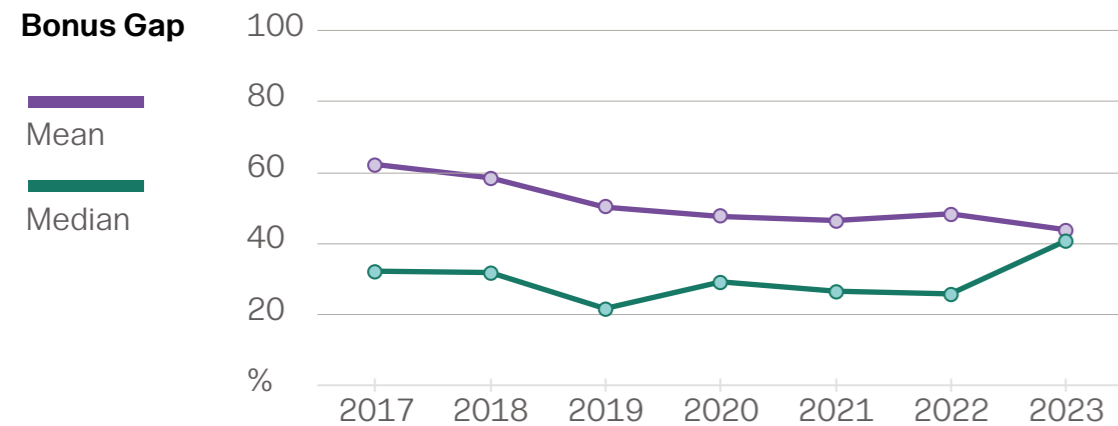
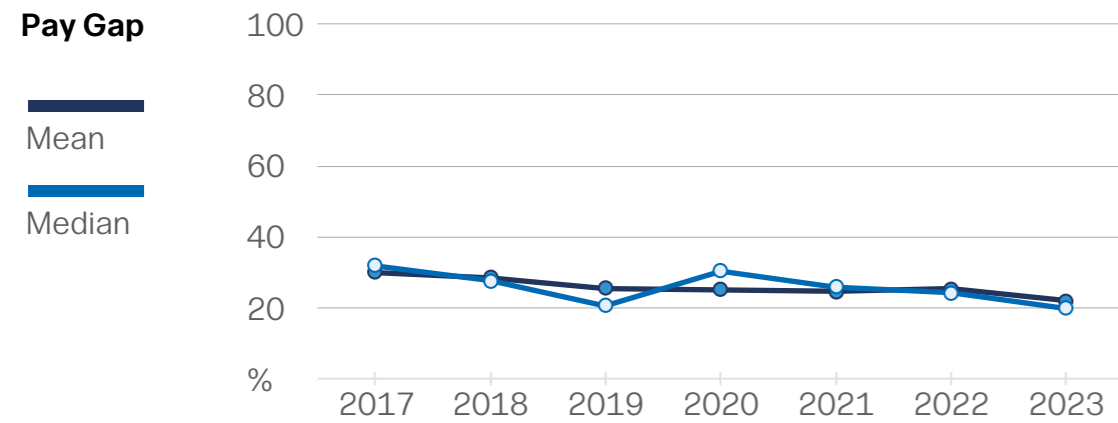
We believe creating a diverse organisation and a truly inclusive culture will see us deliver our purpose of **helping people live better lives.**



Appendix

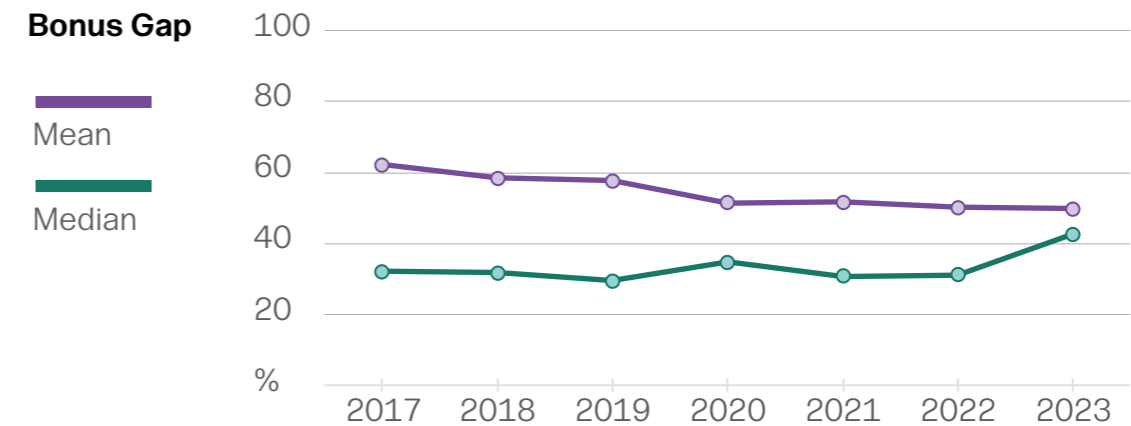
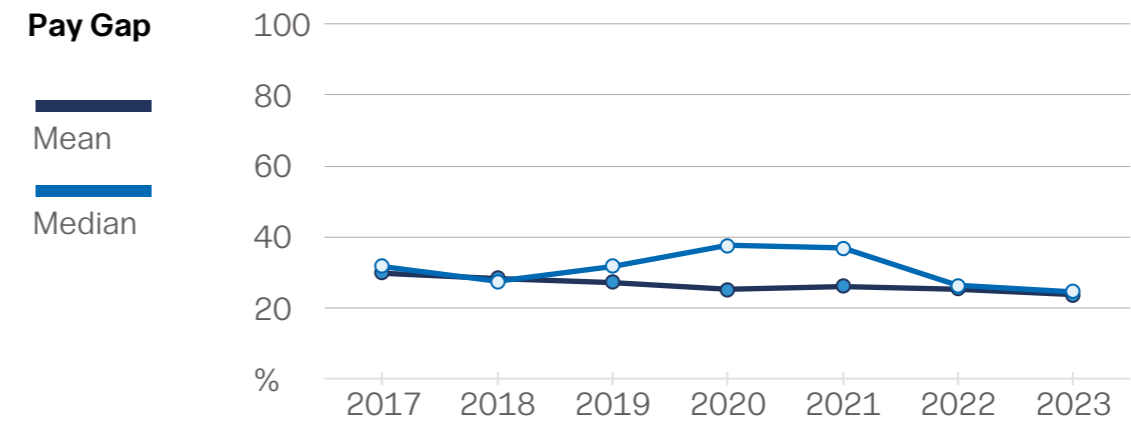
Aegon UK - historic trends

Year	Pay gap		Bonus gap	
	Mean	Median	Mean	Median
2023	21.83%	19.87%	43.72%	40.66%
2022	25.36%	24.12%	48.16%	25.73%
2021	24.53%	25.91%	46.37%	26.49%
2020	25.09%	30.35%	47.72%	28.99%
2019	25.56%	20.65%	50.34%	21.46%
2018	28.53%	27.58%	58.40%	31.76%
2017	29.92%	31.96%	62.17%	32.03%



Aegon UK Corporate Services Limited - historic trends

Year	Pay gap		Bonus gap	
	Mean	Median	Mean	Median
2023	23.89%	24.74%	49.80%	42.58%
2022	25.53%	26.51%	50.09%	31.22%
2021	26.18%	36.95%	51.61%	30.79%
2020	25.24%	37.74%	51.50%	34.76%
2019	27.36%	31.95%	57.72%	29.48%
2018	28.53%	27.58%	58.40%	31.76%
2017	29.93%	31.96%	62.17%	32.03%



Aegon UK Corporate Services Limited - Including AAM and GTS

Pay & bonus gap comparison 2022 vs 2023.

Year	Pay Gap		Bonus Gap		Proportion getting a bonus	
	Mean	Median	Mean	Median	Female	Male
2023	23.89%	24.74%	49.80%	42.58%	94.03%	93.71%
2022	25.53%	26.51%	50.09%	31.22%	89.72%	89.07%
Summary	Down by 1.64%	Down by 1.77%	Down by 0.29%	Up by 11.36%	Up by 4.31%	Up by 4.64%

Aegon UK - excluding AAM and GTS

Pay & bonus gap comparison 2022 vs 2023.

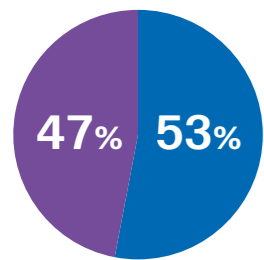
Year	Pay Gap		Bonus Gap		Proportion getting a bonus	
	Mean	Median	Mean	Median	Female	Male
2023	21.83%	19.87%	43.72%	40.66%	93.70%	93.63%
2022	25.36%	24.12%	48.16%	25.73%	89.10%	88.60%
Summary	Down by 3.53%	Down by 4.25%	Down by 4.44%	Up by 14.93%	Up by 4.60%	Up by 5.03%

Quartile data - Overall gender split of 53% male, 47% female (mirroring 2022)

Hourly Pay Quartile	Male %			Female %		
	2022	2023	Change	2022	2023	Change
Upper	68%	68%	Same	32%	32%	Same
Upper Middle	58%	55%	Down by 3%	42%	45%	Up by 3%
Lower Middle	44%	44%	Same	56%	56%	Same
Lower	43%	44%	Up by 1%	57%	56%	Down by 1%

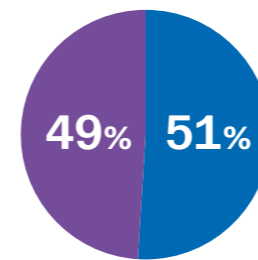
Aegon UK quartile data - Overall gender split of 51% male, 49% female

Hourly Pay Quartile	Male %			Female %		
	2022	2023	Change	2022	2023	Change
Upper	66%	66%	Same	34%	34%	Same
Upper Middle	54%	50%	Down by 4%	46%	50%	Up by 4%
Lower Middle	42%	43%	Up by 1%	58%	57%	Down by 1%
Lower	42%	45%	Up by 3%	58%	55%	Down by 3%



Overall gender split of:
53% male **47%** female

■ Female ■ Male



Overall gender split of:
51% male **49%** female

■ Female ■ Male

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