

# Active is: Working to achieve gender equality

## UK gender pay gap report 2018

April 2019

Gender equality is a strategic priority for Allianz Global Investors. We support the UK government's legislation, which requires companies with more than 250 employees in the UK to publish differences in average and median pay between women and men. We believe that scrutiny of this kind is a positive step forward and should act as a catalyst to ensure greater female representation in management and leadership roles over time.

### Why report on gender pay?

As at 5 April 2018, AllianzGI UK Branch together with AllianzGI Holdings Ltd, had 245 employees\*. Although we are below the employee threshold as defined in the law, we deem this topic very important and thus have chosen to disclose our numbers. The purpose of this legislation is to put a spotlight on gender pay. In doing so, it should encourage employers to put solutions in place that achieve a better gender balance throughout their organisations.

### What is a gender pay gap?

The gender pay gap is a high-level snap-shot of pay within a company and shows the difference in the average pay between men and women in the workforce, regardless of their role or seniority. The data is expressed in terms of mean and median.

The gender pay gap is different to equal pay. Equal pay is about paying women and men equally for carrying out the same or equivalent role. It is a legal requirement in the UK. A gender pay gap does not equate to the existence of an equal pay issue, though a gender pay gap should trigger further analysis of the reasons why the gap exists.

\*Excludes Allianz Capital Partners



### Gender pay gap – 6 measures

- 1. Mean hourly pay gap** – difference between average hourly earnings of men and women.
- 2. Median hourly pay gap** – difference between the midpoints of men's and women's hourly earnings. To calculate this, the hourly pay rates are sorted from lowest to highest and the midpoint per gender is picked.
- 3. Quartile pay bands** – the proportions of males and females in equally divided quartiles based on hourly pay.
- 4. Mean bonus gap** – as above, but looking at average bonuses paid rather than salary.
- 5. Median bonus gap** – as above but for bonuses rather than salary.
- 6. Bonus proportions** – percentage of men and women receiving a bonus payment.

Note: Hourly pay includes base salary and other fixed components, if any. Bonus includes payout amounts of cash bonus and paid out deferral elements during the reporting period.

# Our 2018 figures

At AllianzGI – as at many other companies in the UK and in our industry – the gender pay gap that we observe for both hourly pay and bonus pay is driven by the fact that fewer women occupy more senior and therefore higher-paid roles in our organization.

The gender distributions below do not differentiate between seniority, function and other factors, and are driven by the gender proportions across the hierarchy of the organization.

Females' mean hourly pay is

**17%**

lower than mean hourly pay for males.

Females' median hourly pay is

**28%**

lower than median hourly pay for males.

Females' mean bonus pay is

**39%**

lower than mean bonus pay for males.

Females' median bonus pay is

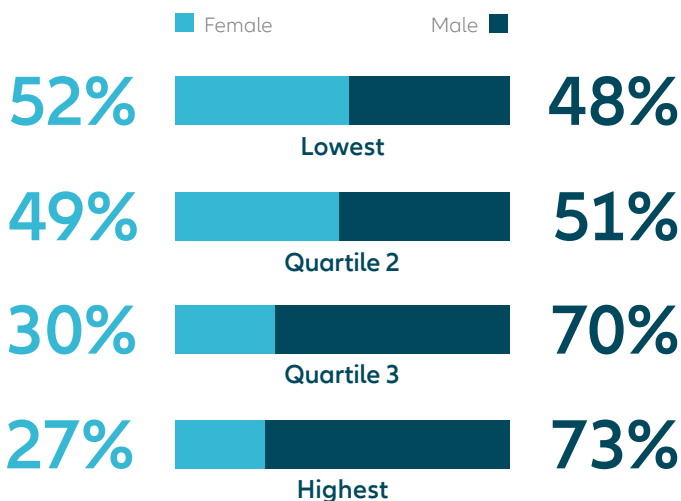
**52%**

lower than median bonus pay for males.

**92%** of female and **96%** of male employees received a bonus payout in the 12 months leading up to April 2018.

## Gender distribution by hourly pay quartile

Although women represent 40% of the total UK workforce, the female representation within the highest hourly pay quartile is only 27%. Female representation in the lowest hourly pay quartile is 52%.



Each quartile contains ~ 61 employees.



“Since reporting our gender pay gap last year, we have continued to focus on addressing the underlying drivers in the UK and across the organization. I am encouraged by the progress we are making, which is reflected in the improvement in our 2018 gender pay gap statistics. However, the data show we have more to do. Meaningful and sustained change requires our steadfast focus on developing and retaining talented women, and increasing the number of women in senior positions across the firm. We are committed to making this change happen because we believe that investing in our employees’ growth and development is critical for their success and for the success of Allianz Global Investors.”

**Andreas Utermann**  
Chief Executive Officer

# What we are doing to address the causes of the gender pay gap

Achieving gender equality is one of our key inclusion and diversity commitments. It is critical for the growth and long-term development of our business, as it will help us to take better decisions, be more innovative, attract and retain the best talent available, and better serve our clients globally.

We have implemented a number of initiatives that aimed at fostering a truly inclusive company culture and supporting our employees' career development opportunities. They are embedded in our recruitment and promotion processes, and reflected in our reward and benefit offerings.

## Actions

AllianzGI seeks to foster a culture where all employees can be at their best and truly belong. This focus applies across hiring, promotion, development, reward, and flexible work practices.

In addition to taking company-specific measures to address the gender pay gap, we are keen to make our industry more attractive for women and therefore actively collaborate with peers in the "Diversity Project", "CFA UK gender diversity" programme, "She can Be" programme and "SEO Her Capital" initiative.

## Addressing Inclusion and Diversity as any other business topic

In 2018 we appointed a global I&D focused team, supported on the gender equality topic by two dedicated work streams sponsored by senior management. The mission of the two work streams is to foster women in leadership and equally engage men to encourage them to reflect on their role as partners in achieving a more gender equal company and how they are also benefiting from better gender equality.

## Nurturing and attracting diverse talents

We have the ambition to achieve by 2020 a global female representation of:

**50%** at

Vice President level

**35%** at

Director level

**30%** at

Managing Director level

To support these ambitions, we have enhanced our talent acquisition practices to ensure we are recruiting and hiring the best person for the position. Enhancements include a systematic review of our job postings language to ensure they are phrased in an inclusive way and we have developed a Diversity Charter that we use as an addendum to our contracts with recruitment partners to state our expectation of gender-diverse slates of candidates.

We are regularly supporting initiatives that help us scout and attract future female talent from all backgrounds. For instance, in partnership with the CFA Gender Diversity Partner Programme, we are sponsoring the HerCapital Programme. This programme for female undergraduate students from ethnic minority or disadvantaged socioeconomic backgrounds will include a four-day Insight Session co-held by AllianzGI providing unique exposure to the investment industry and the relevant career opportunities available.

In 2019, as part of the Lord Mayor's Appeal "She Can Be" initiative, we hosted 10 young women to help them appreciate the variety of options available to them in the asset management industry.



"Continuing to provide career development opportunities in a diverse and inclusive work environment is an important priority for Allianz Global Investors. We offer a number of programmes in the UK and around the world to help our employees thrive professionally and personally within the firm. We do this because we believe that achieving our ambition as a globally recognised investment leader will require us to harness the wide variety of skills and experiences that a diverse and gender-balanced workforce brings."

**Petra Trautschold**  
Global Head of Human Resources

# What we are doing to address the causes of the gender pay gap

## Monitoring progress towards our gender diversity ambitions

We measure our hiring, retention and promotions on a quarterly basis. This allows us to track the effectiveness of our actions to attract and advance women and to conduct dedicated conversations with our business leaders about our progress and areas for improvement.

## Ensuring equal reward and personal development opportunities

We have in place equal pay practices to ensure unbiased compensation proposals. We regularly discuss individual pay at local level with managers along with market references and we conduct functional and regional reviews to ensure fair pay decisions.

We also offer equal access to a variety of learning and development programmes, including training, networking, sponsorship and mentoring programs tailored to support our employees in their career development as well as introducing targeted programmes designed to develop and retain high-potential female colleagues (“Unlocking your potential” and “Advancing Women in their Leadership”).

## Shaping new ways of working well

We provide an agile working environment, which is supported through the promotion of global flexible working. A core aim of this is to empower employees to achieve better integration between their work, career development and personal priorities.

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