

GENDER PAY GAP REPORT 2023

OVERVIEW

As Ireland's largest nationwide insurance brokerage, with over 18 locations across the country, Arachas is committed to providing a respectful, inclusive work environment which is productive, positive, and fair for all employees. Arachas has an equal pay ethos, meaning that men and women performing equivalent work with equivalent experience receive equal pay, regardless of gender, race, belief, or any other factor.

It is important to highlight that the traditional Insurance industry is a male dominated one, across all levels, and is reflected not only in the industry figures but also in our figures below. Arachas has a rigorous equal opportunity policy across all of our business and believes in appointing the best candidate to the role.

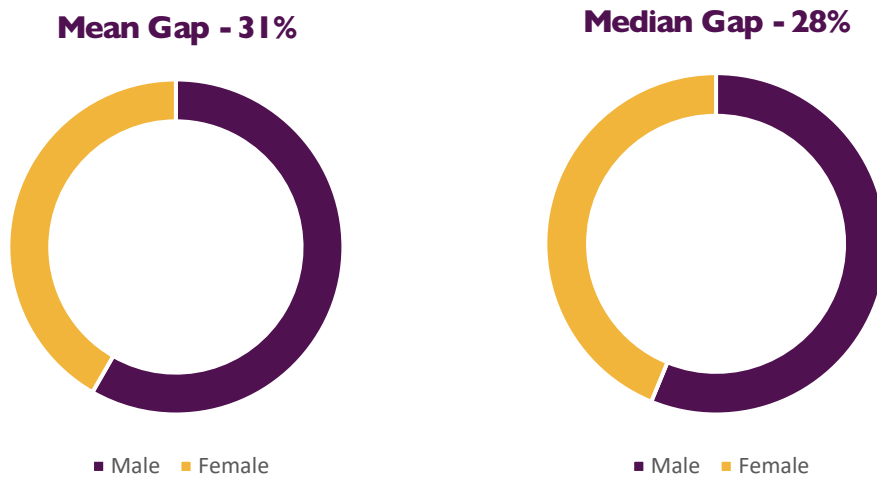
In line with the Gender Pay Gap Information Act 2021, Arachas is publishing a Gender Pay Report for the second time. The results this year indicate a Gender Pay Gap, which is reflective of an overall imbalance of women in leadership or highly specialist roles. Arachas has progressed its action plan related to Gender Pay Gap, during 2023 implementing a number of initiatives under the key pillars of our action plan. We are aware that making impactful change in this area will take time. Arachas is tracking progress against our action plan, alongside the Gender Pay Gap reporting, to understand our progress and drive gender diversity across the business and at all levels. As flagged in our 2022 report, we continue to balance progressing our gender pay gap initiatives to make change and also managing the integration of businesses to our group, which were yet to adopt actions and initiatives to reduce the gender pay gap.

For several years now, Arachas has conducted employee engagement surveys, with high participation rates and scores, reflecting that employees like working at Arachas and are highly engaged. Arachas is part of the Ardonagh Group, one of the world's largest independent insurance distribution platforms and a top 20 global broker, with a combined workforce of over 10,000 colleagues and a network spanning 200+ locations in more than 30 countries. In line with UK legislation, Ardonagh has been publishing a Gender Pay Gap report since 2018 and has put a series of measures in place to narrow the gender pay gap across the Group's businesses. We continue to work with our group partners to take learnings from measures which have proven successful in reducing the gender pay gap.

GENDER PAY GAP DATA POINTS WITH COMMENTARY

The gender pay gap is the difference between the total remuneration received by the male population, compared to that received by the female population. The Irish Gender Pay Gap reporting requirements, look at the mean and median hourly remuneration for all males and females, and does not take into account any variances in the roles held by the individuals. Currently in Arachas two thirds of leadership positions are held by men and this influences the gap in favour of the male staff population.

Arachas GPG 2023 – Hourly Remuneration (Full Time Employees)



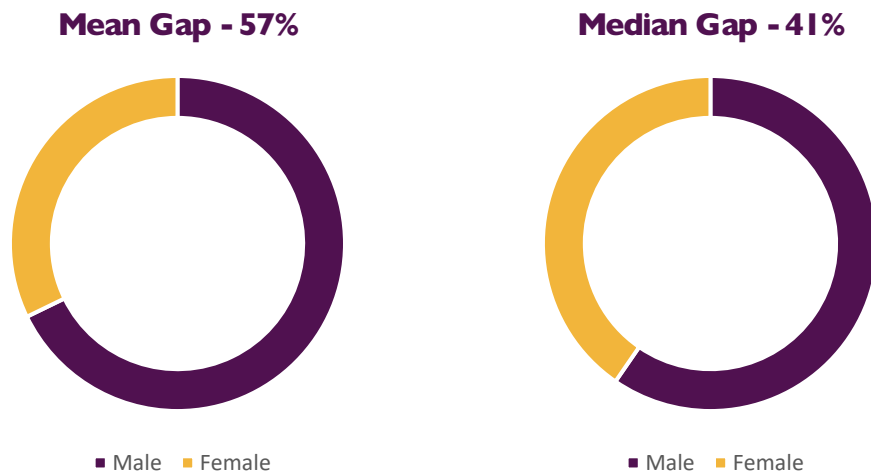
COMMENTARY

Mean Hourly Remuneration between Males and Females across the organisation shows gap of 31%. *i.e. the Male Mean Remuneration figure is 31% higher than the Female Mean Remuneration figure.*

Median Hourly Remuneration between Males and Females across the organisation shows gap of 28% *i.e. the Male Remuneration Median point is 28% higher than the Female Remuneration Median point.*

The above is due to underrepresentation of Females in the Upper Quartile (33%), rather than an inequality in pay bands between Males and Females. 2023 saw some key acquisitions, and while these added value to our business, it has compounded the GPG, due to pre-existing gaps within the acquired businesses.

Arachas GPG – Bonus Remuneration Gap (Full Time Employees)



COMMENTARY

Mean Bonus Remuneration between Males and Females across the organisation shows gap of 57%.

Median Bonus Remuneration between Males and Females across the organisation shows gap of 41%.

As per earlier data sets This is due to under representation of Females in the Upper Quartiles, as an hourly remuneration gap will impact the annual bonus monetary amounts paid.

Arachas GPG – Other Data Sets

Mean and Median Remuneration Gap for Part Term employees - both the mean and median hourly remuneration shows a gap of 42% for both.

Mean and Median Hourly Remuneration for temporary employees shows there is a gap of 5%.
The Median hourly remuneration shows no gap.

In 2023, 81% of females were paid a bonus.
1.3% Males and 0.5% Females Paid BIK.

Arachas GPG - % of Males and Females in the 4 Pay Band Quartiles

Lower Remuneration Quartile Pay Band



■ Male - 39% ■ Female - 61%

Lower Middle Remuneration Quartile Pay Band



■ Male - 30% ■ Female - 70%

Upper Middle Remuneration Quartile Pay Band



■ Male - 37% ■ Female - 63%

Upper Remuneration Quartile Pay Band



■ Male - 67% ■ Female - 33%

This chart shows the % number of Males and Females in each of the 4 quartiles.

While in the 1st 3 quartiles the majority of employees are female, in the Upper Quartile, the majority are male. It is not indicating males are paid more for the same role, but that we have a larger male population of high earners. This will have been further impacted in 2023 by recent acquisitions. This also is due to more males holding leadership and specialist positions and leads to a disproportionate impact on the overall pay gap. The impact of this is further magnified by acquisitions which reflect the traditional makeup of the insurance industry.

KEY FOCUS AREAS

Fostering a Diverse and Inclusive Culture

At Arachas, we are committed to fostering a culture which is diverse and inclusive and in which all employees are valued for their skills, knowledge, and contribution to the business, and within which we can all feel free to be ourselves at work. We strive to give all employees equal opportunities to develop their careers within our business. In 2023, the Company set about enhancing our HR policies to promote more flexibility and diversity within the organisation. This process will be ongoing throughout 2024. In addition, unconscious bias training is being conducted annually throughout the Company for all employees.

Developing our People

At Arachas, we believe our success is due largely to the talented people who helped to drive and support its growth. Our vision is to empower the talent of today with the modern leadership mindset needed to create the company of tomorrow in a rapidly changing world. It does this through a series of programmes that support colleagues throughout their career at Arachas, complementing existing learning frameworks and centred on building a legacy that will continue to benefit clients and employees for years to come.

Engaging our People in Driving Change

Each year, Arachas conducts an employee survey, looking at several factors, including Health and Wellbeing, Diversity and Inclusion and Engagement. Our most recent results show the vast majority of our employees are very positive about our culture and are highly engaged. We do not believe we can effect real change without the input and engagement of our people. Therefore, these surveys will continue to be an important element of our journey is addressing the gender pay gap.

Establishing Key Metrics

While moving the dial on the Gender Pay Gap will take time to achieve, Arachas has committed to identifying key metrics internally which will ensure this goal continues to be a key focus point for the organisation's senior management. We commit to reviewing these periodically throughout the year and, where required, acting in response. Our initial focus will assess all stages of the recruitment process, internal and external, to understand in greater detail the driving factors to less female representation in senior roles in our organisation.

CONCLUSION

At Arachas we are committed to driving greater gender equity and supporting the progression of women into senior leadership roles. Arachas has an equal pay ethos and the results do not show that men are being paid more than women for comparable roles. While we are aware that impactful change takes time in this area, as an organisation, we are committed to narrowing the gender pay gap and developing a culture that is rich in its diversity and supportive of all.