

# Unum 2021 Diversity pay report

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At Unum, we're there for people when they need us the most. What we do is good for society, and our ambition is to extend this beyond our employee benefits and wellbeing offering. As a responsible business, we excel at corporate social responsibility, go the extra mile to look after our people and our customers and we're now widening our positive impact by taking an even more strategic view of how we work and what we do. We're committed to having a diverse workforce, and understand the importance of fostering an inclusive culture to attract and retain great people — whatever their identity or background.







In our fifth year of reporting our gender pay gap data, we're proud of the progress we've made to ensure everyone can bring their true self to work. Our median pay gap has reduced since last year, and, as at date of publication, we've exceeded our Women in Finance charter targets, with 40%\* female representation on our leadership team and 43%\* on our Executive Committee. Although we are seeing incremental progress, we'll continue to review and set aspirational targets that will challenge ourselves moving forwards.

We have also chosen to voluntarily publish our Ethnicity Pay Gap for the second year, reflecting our dedication to the Race at Work Charter. We encourage our employees to feel comfortable to share their diverse backgrounds. By understanding our demographics, we can remove any barriers or biases to ensure everyone has a fulfilling experience at Unum.

Data is clearly important to us, and we also take the time to listen to the feedback from our people. In our Employee Engagement Survey (February 2022), 88% of our employees felt that they could be themselves at work, and 88% said that Unum is committed to providing equal opportunities for employees of all backgrounds. This positive feedback shows that we are moving in the right direction — however, we know that there is always more work to do.

The goal of our new Inclusion & Diversity (I&D) strategy is to increase diversity of thought, as we recognise that this helps us to make better decisions, support our customers and deliver our business strategy.

In addition, the pandemic has given us a unique insight into the lives of our people and what they need to achieve balance between work and homelife. We've seen that working flexibly does work and we are providing a workplace where people can make choices about where to locate for their working day.

We're keeping our focus on driving positive change. We will continue to build an inclusive and future-focussed workplace where all our people can thrive.

**Jane Hulme**  
Human Resources Director

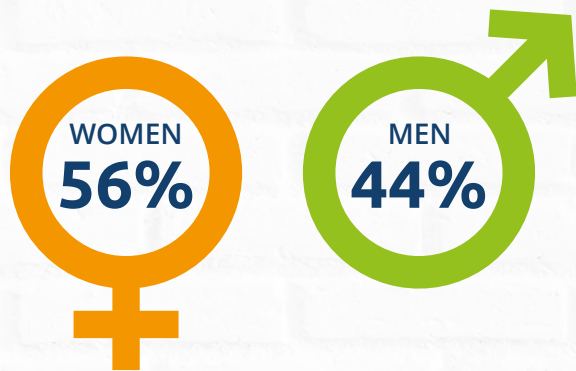
\*Figures correct as of 5-year target date (December 2021)

# Gender pay gap results

The table below shows our overall median (middle figure) and mean (or average) gender pay gap, at the snapshot date of 5 April 2021.

The bonus gap calculation is based on all bonus payments paid between 6 April 2020 and 5 April 2021. We are confident that women and men in our organisation receive equal pay for equivalent jobs. Analysis of our data shows that we don't have enough women in higher-paid senior, technical, and sales roles. We support flexible working, and 23.5% of our female workforce are part-time as at 5 April 2021. However, this contributes to our gender bonus gap because employees who work reduced hours receive pro-rated bonuses.

## WORKFORCE DIVERSITY



## GENDER IDENTITY

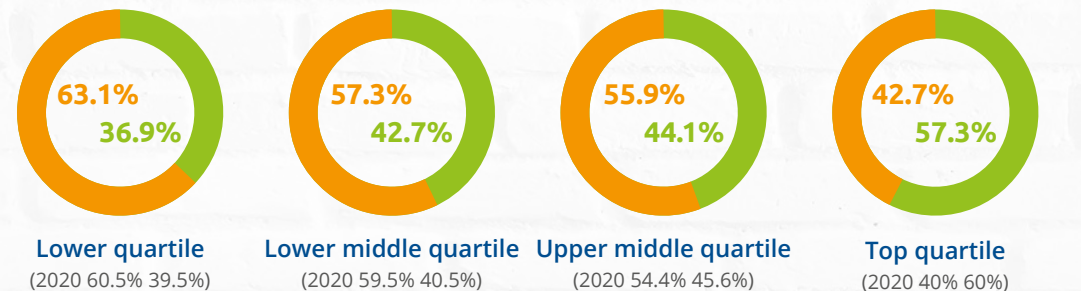
As an inclusive employer, we take our responsibility seriously towards our non-binary and gender-fluid colleagues. Although Gender Pay Gap regulations mean we have to identify our colleagues as men and women, we actively support our colleagues of all gender identities through our robust inclusion strategy and our bePROUD employee network.

	Gender pay gap		Gender bonus gap		Proportion of women and men receiving a bonus*	
	Median	Mean	Median	Mean	Women	Men
2021	14.8%	22.7%	35%	56.9%	93.4%	92.1%
2020	15%	21.9%	36.8%	56.4%	92.2%	89.7%
2019	13.6%	24.8%	28.4%	61.4%	87.7%	88.9%
2018	15.8%	27%	32.4%	62.5%	92.5%	91.7%

\*New employees hired after 30 September 2020 were not eligible to receive a performance-based bonus.

## PAY QUARTILES

Below illustrates the proportion of women and men in each of the four pay quartiles.





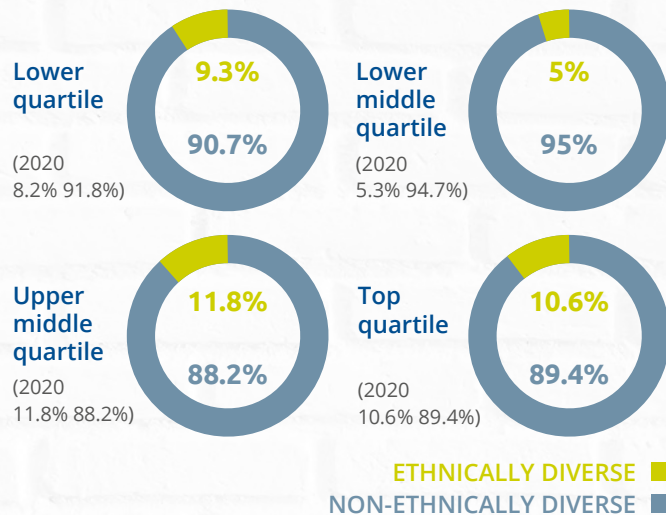
# Ethnicity pay gap results

The table below shows our overall median (middle figure) and mean (or average) ethnicity pay gap, at the snapshot date of 5 April 2021.

This is based on 89.4% of employees who shared their ethnicity data with us. The bonus gap calculation is based on bonus payments paid between 6 April 2020 and 5 April 2021. Analysis of our data shows that a higher proportion of those who have self-identified as ethnically diverse are in higher-paid roles.

## PAY QUARTILES

The charts below illustrate the proportion of ethnically diverse and non-ethnically diverse employees in each of the four pay quartiles.



## SELF-IDENTIFICATION



	Ethnicity pay gap		Ethnicity bonus gap		Proportion receiving a bonus*	
	Median	Mean	Median	Mean	Ethnically diverse	Non-ethnically diverse
2021	-17.3%	-4.9%	-12.5%	-14.9%	88.5%	92.5%
2020	-23.5%	-10.5%	-6.6%	-0.7%	83.9%	90.5%

\*New employees hired after 30 September 2020 were not eligible to receive a performance-based bonus.

## OUR I&D STRATEGY

The pillars of our strategy support us in achieving diversity of thought across Unum, which will:

- Increase innovation and our ability to better serve our customers
- Improve decision making
- Mitigate unforeseen risks

Our I&D structure is centred around Employee Networks, where employees with similar life experiences support new employees, identify opportunities for community engagement and champion inclusion and diversity.



# Making a difference in our workplace

Our gender pay gap shows that we have more work to do to increase the number of female employees in higher-paid senior, technical and sales roles. Our negative ethnicity pay gap is driven by a higher proportion of those who have self-identified as ethnically diverse being in higher-paid roles.

The following sections illustrate how we are working towards closing the gap; however, we realise this will take time.

## LEADING BY EXAMPLE

- As well as staying committed to the Race at Work Charter, we continue to make good progress against our HM Treasury Women in Finance Charter targets. We committed to have 35% women within our Executive Committee and 40% within our wider senior leadership team by the end of 2021. We are pleased that we've hit this target.
- One of the top three priorities of our new I&D strategy is women in leadership. Our executive team are sponsors for each of our five employee networks.
- We are keen to support the industry and regulators through their I&D agendas. We took part in the I&D pilot survey and provided data to the ABI to help create a benchmark for the industry.
- Starting in 2022, we will add focus to leadership team accountability by including I&D goals as part of their annual bonus calculation.

## OUR PEOPLE

- We highlight the importance of our I&D strategy to all new starters by hosting a session that shares our goals, structure and how they can get involved.
- Our Gender Equality and Race and Ethnicity Employee Networks host a range of awareness events for all employees, for example safe space conversations, International Women's Day and Black History Month.
- We provide our employees with a range of family-friendly policies, plus regular health and wellbeing support that includes resources for working parents and carers.
- To embed hybrid working, we're encouraging our employees to 'locate for their working day', which provides a more flexible approach and promotes a healthy work life balance.
- We plan to launch I&D training across the business to ensure all employees engage in the topic and understand the role we all have to play.





# Making a difference in our workplace

## USING OUR INSIGHTS

- Our 2021 employee engagement survey saw a 5% increase in our overall inclusion index which is now 88%. 88% of our employees feel that our company is committed to providing equal opportunity for employees of all backgrounds (up 3% since 2021), and 89% of employees sharing that they feel part of a team (up 4% since 2021). In our belonging index, we saw a 6% increase which is now 85%.
- We have reviewed all our HR policies and we recently introduced a transitioning at work policy. We are planning to introduce new policies including a specific I&D policy and Reproductive Health policy.
- We are increasing the use of our employee data. This includes tracking the number of new hires and promotions split by gender. In 2021, 50% of new hires and 61% of internal promotions were female.
- We've introduced T-Cup, an interactive tool which provides our people with wellbeing scores and gentle nudges to help them make positive changes.

## IN OUR COMMUNITIES

- We continue our charity partnership with Aletto Foundation, a social mobility charity. In 2021, they held a webinar for our people during Black History Month.
- Through our educational volunteering programme, our employees continue to mentor and coach students from disadvantaged backgrounds, helping to equip them with the skills and confidence as they approach working life.
- We continue to tackle hygiene poverty through our partnership with The Hygiene Bank by donating both products and funding for essential toiletries and personal care items.
- For the last 5 years, we have partnered with Birkbeck, University of London, to provide bursaries to support students who face significant barriers to education through the Unum Access to University Fund. In 2021, we expanded our partnership by funding a fully-paid bursary to a female BAME student participating in Birkbeck's MSc programme in Data Science.

