



UK **gender pay gap** report

April 2023 – April 2024

| CFC Underwriting Limited

2025



Louise O'Shea
Group CEO



Introduction

Pay equity is a critical pillar of our diversity strategy and we are committed to ensuring colleagues are compensated equally for their work. It not only boosts morale and productivity, it drives innovation and a stronger, more cohesive team. As we build CFC for the future, our people must reflect our customers, brokers, carriers, and external partners.

The gender pay gap in insurance continues to be a challenge when compared to other industries: current data shows there is still a long road ahead, with financial services and insurance sectors having significantly higher pay gaps of 29.8% and 35%¹ respectively, compared to the UK average of 7%². For some time now, CFC has bucked this trend, with pay gaps that are substantially lower than the sector as a whole. However, prevailing trends in a sector which has historically been male dominated and with a higher proportion of men occupying senior roles, make this a systemic challenge that will take some time to address.

We believe there are several opportunities in which we can deliver change. Firstly, we redress the balance by hiring more senior female leaders, who in many cases may be from outside insurance. This not only goes some way to addressing the gender pay gap by having a higher proportion of women in senior positions, but also brings diverse perspectives, experiences, and leadership styles to the industry. Their presence helps challenge the status quo, promotes equality in career progression, and sets a powerful example for internal talent. Secondly, by creating opportunities for emerging talent to join the sector and developing them accordingly, we create a pipeline of female leaders for the long term. The impact may not be immediate, but we believe will serve the sector well in years to come.

Progression is not always linear, and during the UK tax year ending 5 April 2024, our gender pay gap figures plateaued, with our mean pay gap increasing from 21.3% in 2023 to 24.8% and the median gender pay gap decreasing from 20.9% in 2023 to 17.2%. While we're proud of our DE&I efforts overall, our gender pay gap remains higher than we would like.

That said, in the intervening period between the reporting cycle of this report and its publication, we have made some great strides in addressing the pay gap, including enhancements to our recruitment process and onboarding several new senior female leaders. This demonstrates our commitment to inclusivity and equal representation, which can inspire change across the industry, fostering a more equitable work environment and ultimately narrowing the gender pay gap.

While there are no quick fixes to reducing the pay gap, we are confident that our focus on diversity for talent acquisition, career advancement and talent development will lessen this pay gap over time, as women take on wider representation at the most senior levels of the organisation.

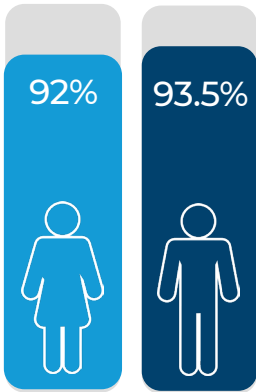
Louise O'Shea

Our gender pay gap

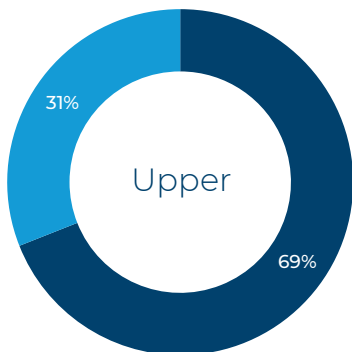
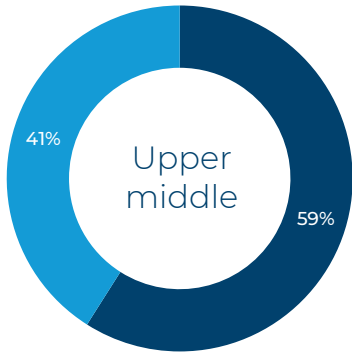
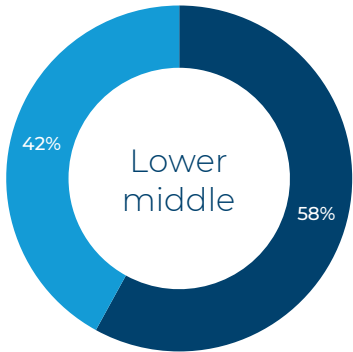
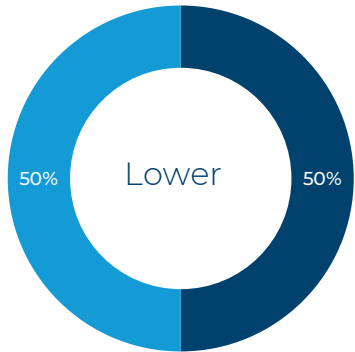
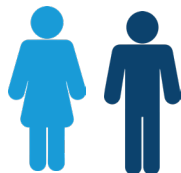
	Mean	Median
Gender pay gap	24.8% 2024 21.3% 2023 22.6% 2022	17.2% 2024 20.9% 2023 21.0% 2022
Gender bonus gap	40.4% 2024 50.4% 2023 57.8% 2022	37.7% 2024 29.6% 2023 35.4% 2022

Proportion of employees paid bonus

CFC operates a single group-wide performance based annual cash bonus plan which is calibrated at ExCo level. All staff participate in the bonus plan but each year, some employees join after the cut-off date for bonus eligibility, so do not receive a bonus.



Male & female pay quartiles



Understanding the pay gap

This year's data suggests a plateauing of CFC's pay gap, with the mean pay gap increasing from 21.3% in 2023 to 24.8% and the median pay gap decreasing from 20.9% in 2023 to 17.2%. We also saw a similar trend in bonus gaps, with the mean bonus gap decreasing by almost 20% to 40.4%, while the median bonus gap increased from 29.6% in 2023 to 37.7% in 2024.

Pay and bonus gaps continue to exist in our organisation, caused by significantly more men than women occupying the most senior, specialist, and therefore highest paid, roles.

Gender pay gap

The gender pay gap reflects the difference in average earnings between all males and females who work for the organisation, without considering roles and seniority. The key driver of our gender pay gap is a disproportionately low representation of women in the most senior or specialist roles, which make up the higher-paying positions (i.e. there are significantly more men in higher-paid roles than women with a ratio of 69% male to 31% female). As a result, comparatively small fluctuations can have a significant impact on overall figures.

Our gender pay gap data illustrates that the average woman working in CFC UK earns 24.8% (mean), and 17.2% (median) less than the average man. Despite concerted efforts to address this, our overall figures plateaued compared to 2023, highlighting that there remains a significant amount of work to do.

One of our longer-term goals is to make the representation of men and women more proportionate throughout all levels of the organization. The impact on remuneration is particularly high at senior levels, so we are working to address gender disparity in our senior teams. Up to April 2024, our wider leadership team now comprises of 36% women at a group level, and 26% at a combined ExCo and board level.

Bonus pay gap

We operate a group wide discretionary bonus plan for all employees where everyone, regardless of gender, has equal opportunity to be rewarded for their performance and contribution. Much like the pay gap, our bonus gap plateaued in 2024, with the mean bonus gap decreasing significantly in 2024 to 40.4% but our median gap increased to 37.7%. This is not the right direction of travel for CFC; in the intervening period between the reporting cycle of this report and its publication, we have been addressing the bonus gap by onboarding several new senior female leaders and creating a pipeline of female talent through enhanced recruitment processes. In addition, and although smaller in impact, it is worth noting that the bonus gap does not account for pro-rated bonuses for part-time workers, the large majority of whom are women.

Closing the pay gap

During the last several years, we have made steady progress in driving more diversity across CFC, particularly in talent acquisition, career advancement and leadership development. We also made inroads in promoting diversity, equity and inclusion initiatives across the UK business through our 'Together at CFC' program.

Leadership development

- At CFC we are proactively developing female leaders of the future.
- In April 2024, we kicked off our cultural leadership development programme, where 36% of delegates were female, which is consistent with other leadership programmes in previous years.

Talent acquisition

- During the reporting period, 45% of our new hires identified as female. Of those hired in the upper middle and upper quartile (44% of all new hires), 38% were female.
- Our talent acquisition team has actively developed existing recruitment partnerships to ensure talent pools are diverse and inclusive. This includes Equity, a Lloyds backed DE&I recruitment agency and networking partner and The Brokerage, a social mobility focused partnership aimed at entry talent within Insurance.
- We attended and supported female focused recruitment events such as 'Women of Silicone Roundabout' and have continued ensuring job advertisements attract more diverse applicants by using gender inclusive language and highlighting available wellbeing support.
- We are proud that 40% of our intern placements were offered to women, inspiring the next generation of female employees across all teams and creating our potential talent pipeline of the future.
- We also delivered Inclusive Hiring Training throughout 2023-24 to 100+ line managers within the UK organisation.

Career advancement

- 33% of management title promotions were awarded to women in 2023-2024 which is consistent with previous years, and 41% of women actively took part in the CFC mentoring program.
- Through our investment in learning and development, we continued to fully fund professional certifications to ensure that eligible CFC employees, regardless of gender, attain meaningful professional qualifications supporting career advancement. For the year up to April 2024, we had 153 employees studying for a professional qualification, 45% of whom were women.

'Together at CFC'

- We continued to partner with and sponsor several D&I focussed networks including Link (LGBTQ+), iCAN (Insurance Cultural Awareness Network), The Brokerage and Equity
- In celebration of 2024 International Women's Day, we hosted a panel event entitled 'Navigating your career path to success' with three senior CFC female leaders, including CEO Louise O'Shea. In the session they shared stories, experiences and career defining moments that shaped them as individuals and professional leaders within the insurance industry.
- We promoted and funded colleague attendance at key female-focused insurance conferences, including 'Every Women in Insurance' forum and the 'Women in Insurance' summit.

Gender pay gap reporting

All UK employers with 250 or more employees are required to report on their gender pay gap under The Gender Pay Gap Reporting Regulations 2017. We calculate our gender pay gaps in line with UK government regulations. The snapshot date to calculate pay data for this report is 5th April 2024, and bonus gap data has been calculated on bonuses paid between 6th April 2023 and 5th April 2024. This is our sixth annual pay report.

Gender pay gap definitions

- The gender pay gap is the difference in pay / bonus earnings for all men and all women within the Company.
- The **mean** pay gap number represents the difference in **average** pay between all male and all female employees.
- The **median** pay gap number represents the difference in pay between the **middle point** of all male employees, and the middle point of pay for all female employees.
- The male and female pay **quartiles** represent ranking pay from lowest to highest across the organisation and dividing into four evenly sized groups

Gender pay gap reporting does not measure equal pay (relating to what men and women are paid for performing equal work). The principle of equal pay is a legal UK requirement. CFC is committed to meeting its equal pay obligations, and to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, disability or gender reassignment.

I confirm that the data provided for CFC Underwriting Limited in this 2024 report is accurate and in line with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.




Louise O'Shea
Group CEO