

CNA / HARDY

UK Gender Pay Gap Report 2022

Specialist Insurance Solutions



The Main Message Overview

In 2017, we made a commitment to publish our CNA Hardy UK gender pay gap report. Analysing this data allows us to stop, reflect, and take targeted actions to accelerate the pace of change within our organisation.

Though we have made significant strides towards gender parity in the past five years, this year's report reflects the persistent challenge that our organisation and the wider insurance industry faces, in increasing the number of women in senior leadership positions. Reducing the gender pay gap edges us closer to our goal of becoming a more inclusive workplace – one which celebrates diversity of all forms and creates innovative solutions tailored to the varied needs of our customers.

The road to closing the pay gap is neither short nor easy, but we are committed to continue making changes to create an improved, more inclusive workplace.

The gender pay gap is not to be confused with equal pay

Gender Pay Gap:

This measures the difference between the average pay received by men and women across our CNA Hardy UK workforce.

Equal Pay:

Organisations across the UK are legally required to pay men and women equally where they perform equal tasks.

The results

Brief Overview of our 2022 Gender Pay Gap Data

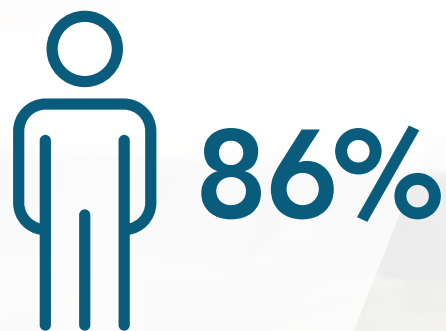
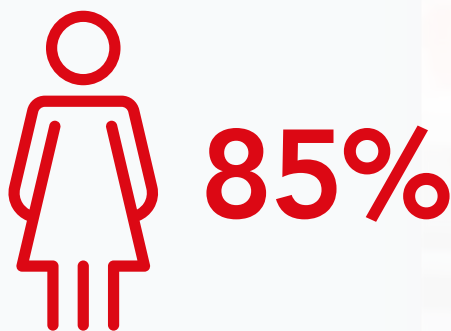
In the past year, we have observed a **3%** improvement in our average gender pay gap (**mean**). During the same period, we saw an **8%** improvement in the average gender bonus gap (**mean**).

Hourly Pay Gap

- **Mean gender pay gap:** This measures the percentage difference in the average hourly earnings between men and women across the UK workforce.
- **Median gender pay gap:** The median hourly earnings tells us the hourly earnings figure that falls in the middle of a range between the lowest and highest paid man and the lowest and highest paid woman. The median pay gap measures the percentage difference in the median hourly earnings between men and women across the UK workforce.

HOURLY Pay Gap	2021	2022
Mean gender pay gap in hourly pay	31%	28%
Median gender pay gap in hourly pay	29%	30%

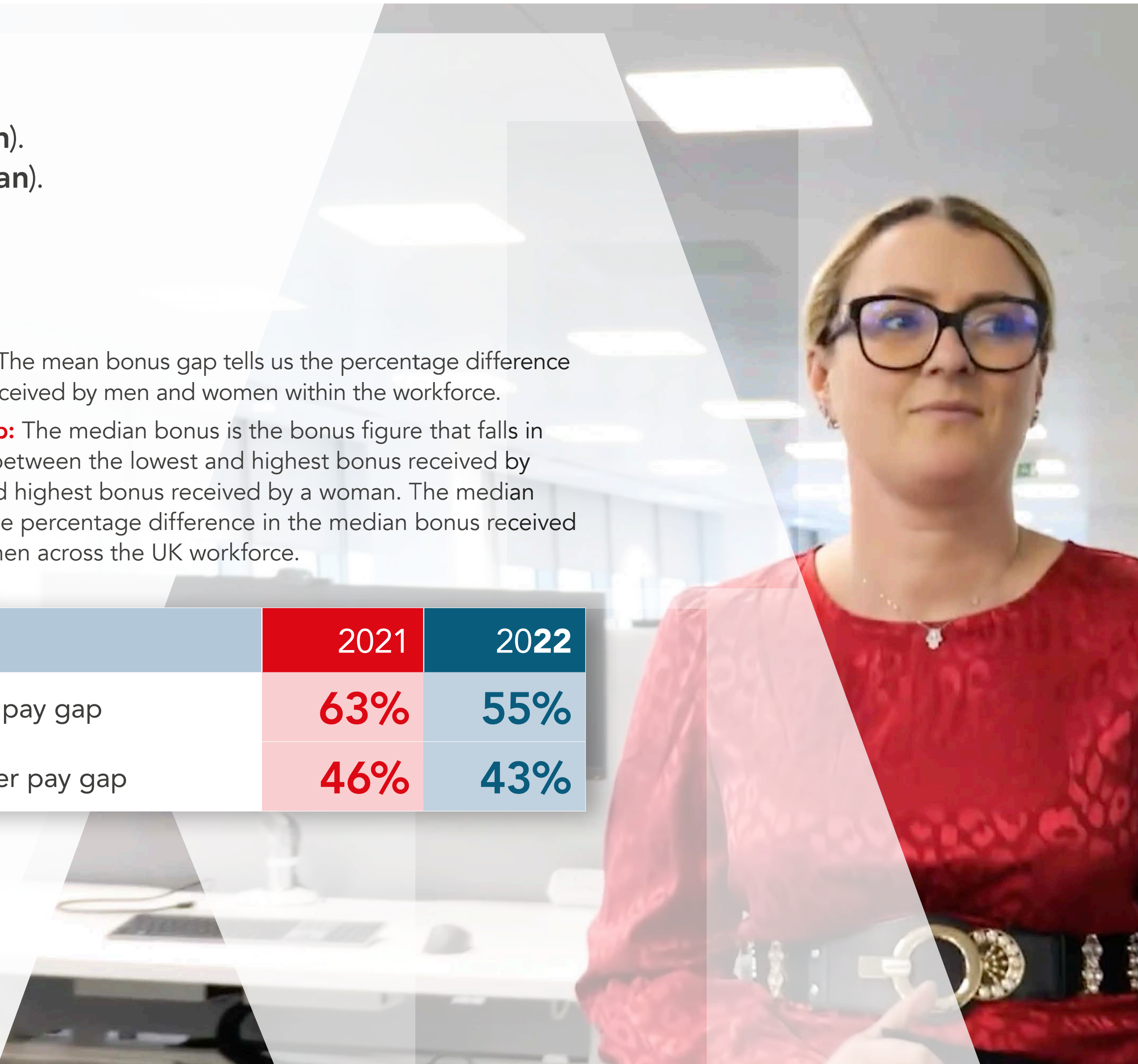
Proportion of Men & Women who received a bonus in 2022



Bonus Pay Gap

- **Mean bonus pay gap:** The mean bonus gap tells us the percentage difference in the average bonus received by men and women within the workforce.
- **Median bonus pay gap:** The median bonus is the bonus figure that falls in the middle of a range between the lowest and highest bonus received by man and the lowest and highest bonus received by a woman. The median bonus gap measures the percentage difference in the median bonus received between men and women across the UK workforce.

BONUS Pay Gap	2021	2022
Mean bonus gender pay gap	63%	55%
Median bonus gender pay gap	46%	43%



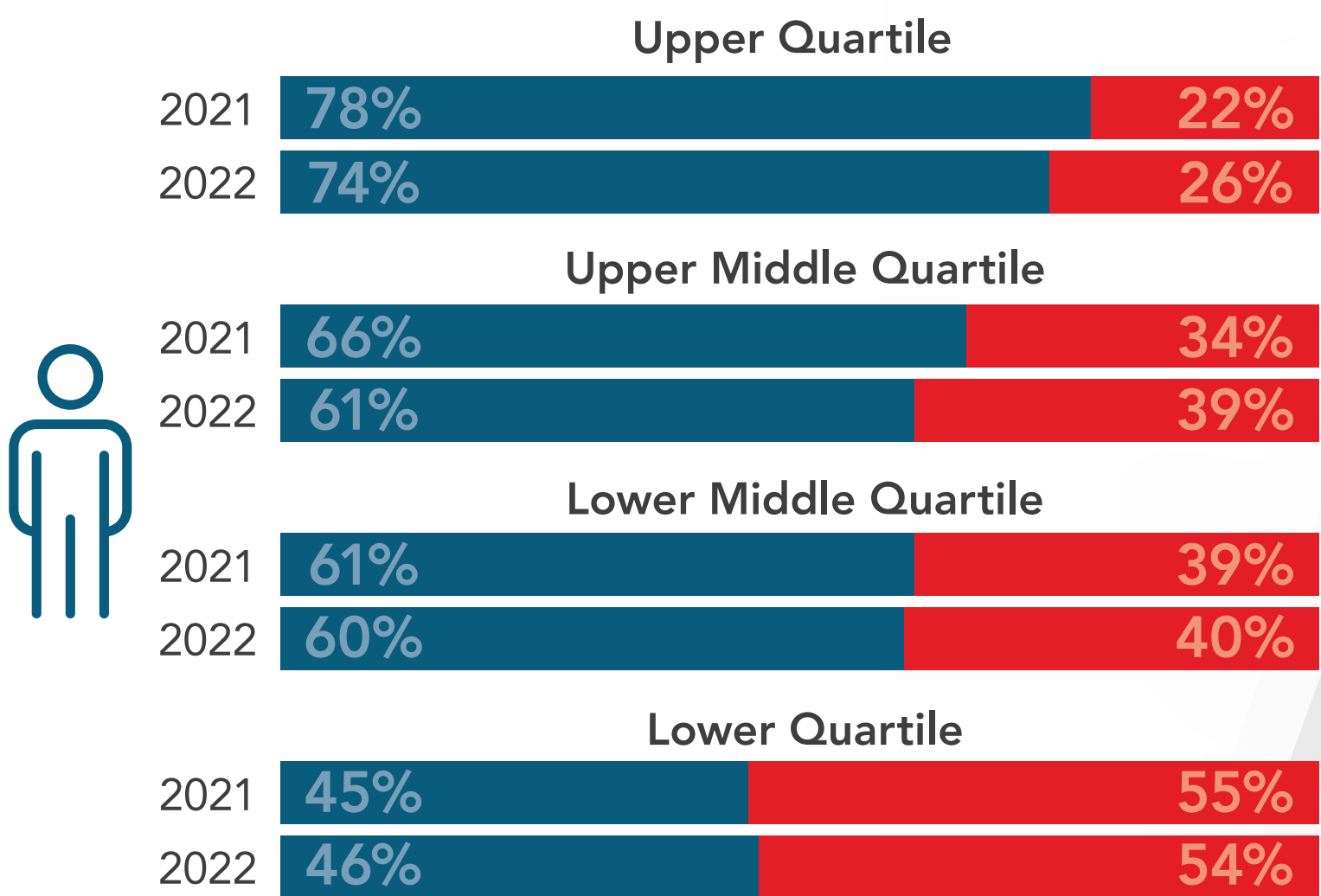
Why is there a pay gap?

The primary reason for the 2022 pay gap is the difference in the distribution of men and women in roles within our organisation:

- We have fewer women in senior and executive roles – a trend which is consistent across financial services institutions
- Women make up a higher proportion of the more junior roles within our organisation
- We have a higher proportion of women working part-time hours

Proportion of Men and Women in each Pay Quartile

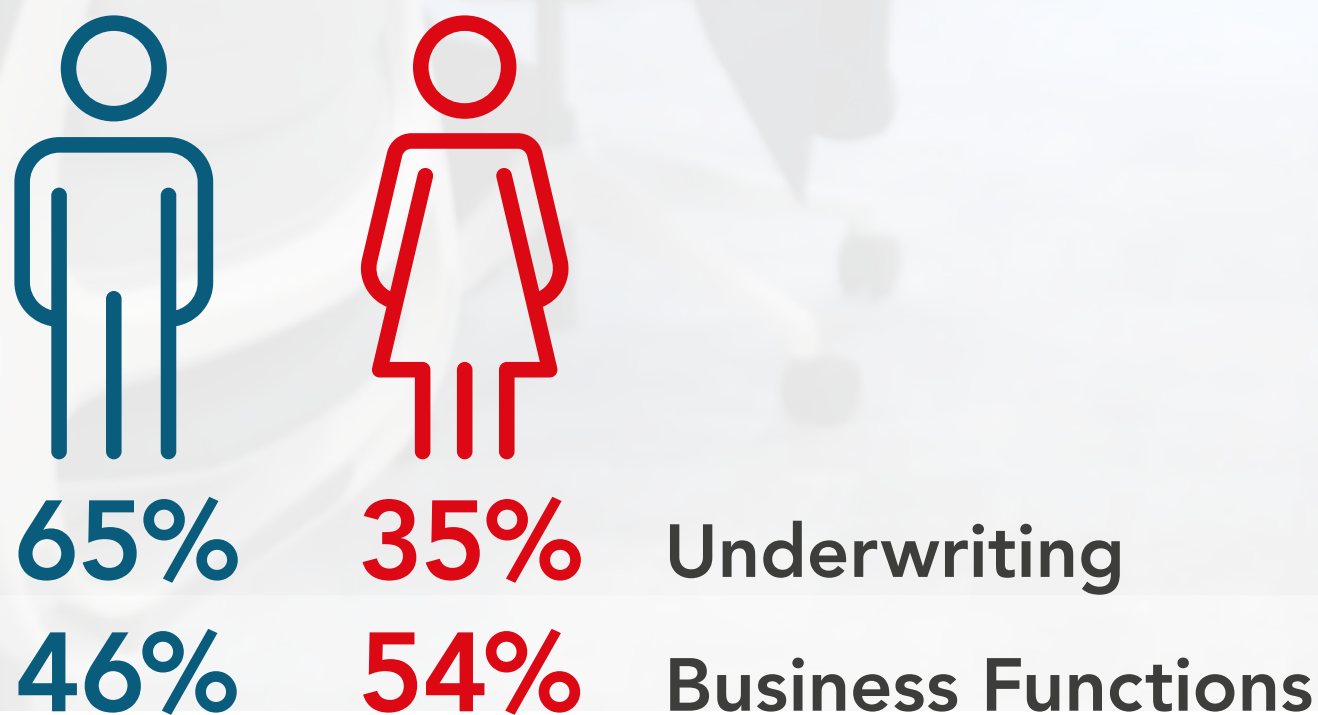
We rank the hourly earnings of men and women from the lowest to the highest earnings and divide them equally into four groups (quartiles).



Our bonus gap for 2022 is driven by two factors:

- Our Underwriting roles, which typically attract higher levels of annual incentives in line with market forces, are made up, of a larger percentage (**69%**) of men
- A larger proportion of men are in senior leadership and executive roles, which attract higher bonus targets and qualify for annual long-term incentives

We are committed to improving our gender hiring distribution. **Between 2021 and 2022**, 35% of our underwriting professionals and 54% of the business functions professions were women.



The actions we are taking to reduce the gender pay gap at CNA Hardy

- Our Diversity, Equity and Inclusion (DEI) Council continue to work co-operatively towards a more inclusive culture and have prioritised data driven decision making as one of the drivers of change. We continue to promote membership in our Employee Resource Groups, including Women Impacting Leadership (WIL) which inspires women of CNA to realise their full potential by being part of a supportive community.
- In partnership with our DEI Council, we continue to review our policies and make changes to ensure that they are more family friendly and have recently enhanced our maternity benefits.
- We've introduced an Empowerment series for women at CNA Hardy and external stakeholders in the wider industry. We recognise the importance of women having a sense of community to safely share their experiences and ideas, while learning together.
- Our business has flexible working options in place to encourage a healthy work-life balance. We prioritise all elements of our people's wellbeing and work with our leaders to ensure that they are able to identify any sources of imbalance, such as work load and working hours.

- Our Early Careers and summer internship programmes continue to be an avenue for us to attract future talent and expose them to careers in insurance through integration in the business and exposure to our people at all levels, including our leadership team.
- We continue to focus on succession planning for critical business roles to ensure that there is a pipeline of diverse talent, especially at senior levels.
- We're constantly reviewing and adjusting our recruitment strategy to attract a diverse, high quality talent pool. We work in close partnership with recruitment companies that have committed to diversity, equity and inclusion. This has led to more gender diverse candidates who generally experience mixed-sexed interview panels, encouraging more gender diverse hires.

*We reported on 374 employees, which was our UK employee population as at 1 April 2021 with a split of **41% female, 59% male.***



Legal requirements

Companies with more than 250 employees in the UK are required to report on the following metrics:

- Mean and median gender pay gap
- Mean and median gender bonus gap
- Proportion of males and females receiving a bonus
- Proportion of males and females by quartile

Declaration

We confirm that CNA Hardy's gender pay gap calculations are accurate and meet the requirements of the Regulations.



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CNA Hardy



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