UK **gender pay gap** report

April 2025

CFC Underwriting Limited

Louise O'Shea
Group CEO

Together
AT CFC

Introduction

A diverse workforce is central to CFC's long-term success. Building a business for the future means creating a team that reflects the communities and partners we work with every day.

CFC has gender pay gaps that are substantially lower than the insurance sector and I'm pleased to confirm that we have continued to improve our positive position relative to the sector. As at April 2025, **our mean gender pay gap is 10.3%**, whereas the average gender pay gap in insurance is 31%[1] (this compares to the UK average across all sectors of 6.9%). Insurance has historically been male dominated, with a higher proportion of men in senior roles, making this a systemic challenge that we're committed to continuing to improve.

As highlighted in our previous gender pay gap report, **we have made progress in increasing female representation in senior roles**, including at Executive Committee level. During the reporting period, 48% of new hires in our upper-middle and upper pay quartiles were women. This improvement in senior representation was a key contributing factor to the reduction in our mean gender pay gap between April 2024 and April 2025 (from 24.8% to 10.3%).

In a number of cases, we have hired individuals from outside the insurance sector which has also brought a broader range of experiences and leadership styles into the business. Their presence helps challenge the status quo, promote equality in career progression, and sets a powerful example for internal talent.

At early career level, we continue to invest in our future talent pipeline with **53% of our 2025 intern offers made to women**, supporting our commitment to a more balanced gender representation at the most junior levels of the organisation.

We are also proactively **developing leaders of the future**, through internal development sessions, whereby we support diverse talent in their progression at CFC, going someway to help mitigate the structural challenges in the insurance sector.

We recently **increased our paid paternity leave** from 4 weeks to 8 weeks. Over time, this change is intended to support greater sharing of caring responsibilities and **address underlying factors** that contribute to the gender pay gap.

Together, these actions support longer-term progress towards a more equitable working environment and a narrowing of the gender pay gap.

While we have made good progress in narrowing the mean gender pay gap, the median gender pay gap is more challenging to influence over a shorter time period, as it is more affected by the sector's underlying historical structure. Our median gender pay gap has remained broadly stable, increasing slightly to 18.9% (from 17.2%).

There are no quick fixes to reducing the pay gap. However, we expect our **continued focus on diversity across talent acquisition and career development** to support continued improvement, as women gain greater representation at all levels of the organisation.

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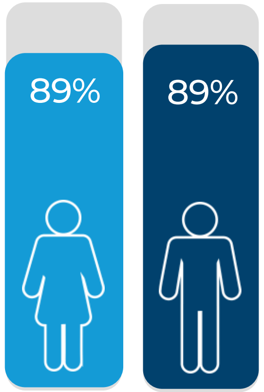
[1] 2025 Lloyd's Market Policies and Practices return
[2] https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/genderpaygapintheuk/2025

Our gender pay gap

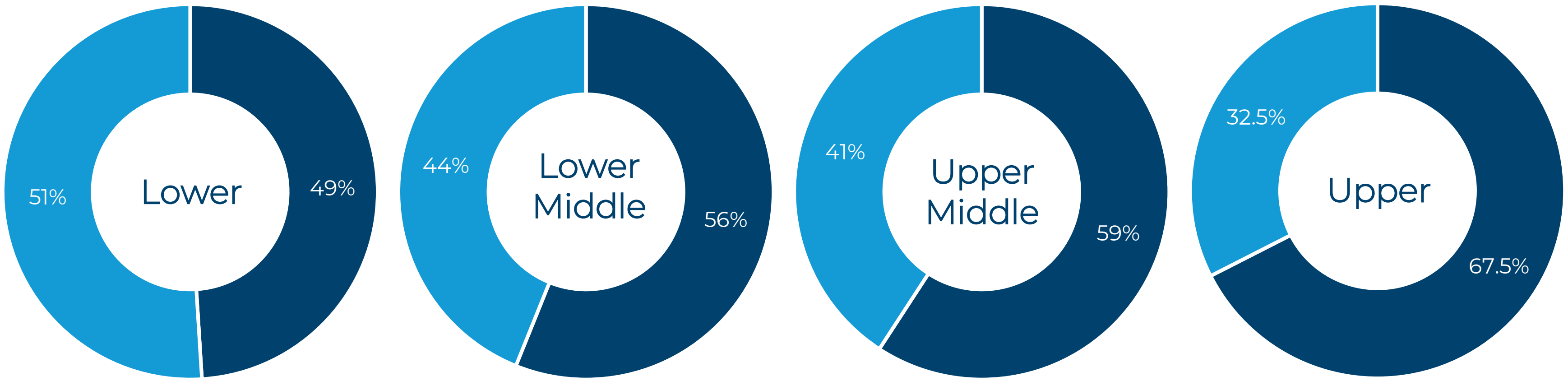
	Mean	Median
Gender pay gap	10.3% 2025 24.8% 2024 21.3% 2023	18.9% 2025 17.2% 2024 20.9% 2023
Gender bonus gap	21.7% 2025 40.4% 2024 50.4% 2023	34.3% 2025 37.7% 2024 29.6% 2023

Proportion of employees paid a bonus

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



Male & female pay quartiles



Understanding the pay gap

The April 2025 data shows a significant narrowing of the mean gender pay gap, to 10.3% (from 24.8% in 2024). Several senior female hires, including at Executive Committee level, are a significant contributing factor to this change. Our median pay gap has remained at a similar level to previous years at 18.9% (17.2% in 2024). This reflects the organisation's structural profile, with men continuing to make up the majority of the top two pay quartiles.

We saw a similar trend in bonus gaps, with the mean bonus gap decreasing significantly to 21.7% (from 40.4% in 2024). The median bonus gap also decreased slightly to 34.3% (from 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 and 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 in the 2025 data. There are significantly more men in higher-paid roles than women, with males comprising 67.5% of our highest paid quartile (compared to 69% male to April 2024).

Our gender pay gap data illustrates that the average woman working in CFC UK earns 10.3% (mean), and 18.9% (median) less than the average man. We have taken targeted steps to address this, including hiring more females at the Executive Committee level. This has significantly narrowed the mean gender pay gap; however, the median pay gap remains broadly consistent with previous years, reflecting the longer-term structural nature of this challenge.

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 mean bonus gap decreased significantly in 2025 to 21.7% (from 40.4% in 2024). Our median bonus gap also decreased but by a smaller margin, to 34.3% (from 37.7% in 2024).

Closing the pay gap

Over recent years, we have made steady progress in increasing 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' programme.

'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 2025 International Women's Day, we hosted an event entitled "A discussion on women in sport with Sara Cox MBE" and an internal panel event with senior CFC female leaders.
- We promoted and funded colleague attendance at key female-focused insurance conferences, including the 'Everywoman in Insurance' forum and the 'Women in Insurance' summit.

Talent acquisition

- During the reporting period, 48% of our new hires were female. Of those hired in the upper middle and upper quartile (43% of all new hires), 48% were female.
- Our talent acquisition team has actively developed existing recruitment partnerships to ensure talent pools are diverse and inclusive. This includes Equity, a Lloyd's backed DE&I recruitment agency and The Brokerage, a social mobility focused partnership aimed at entry talent within Insurance.
- We attended and supported female-focused recruitment events and are partnering with SheCanCode. We have continued ensuring job advertisements attract more diverse applicants by using gender inclusive language.
- We are proud that 53% of our intern placements in 2025 were offered to women, supporting greater early-career representation across teams and strengthening our future talent pipeline.

Career advancement

- During the year to April 2025, women represented 60% of participants in the CFC mentoring programme.
- 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 their career advancement. For the year up to April 2025, women represented 48% of employees who completed a professional qualification.

Leadership development

- At CFC we are proactively developing leaders of the future, 104 leaders attended one or more development sessions during 2024. By developing our own leaders, we can ensure that female talent has an equal opportunity to progress at CFC.

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 5 April 2025, and bonus gap data has been calculated on bonuses paid between 6 April 2024 and 5 April 2025.

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 report is accurate and in line with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Louise O'Shea
Group CEO