



Gender pay report  
2023

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## Foreword

Over the past few years, sustained effort across our business has meant that we've been able to reduce our gender pay gap substantially, by almost half on a mean basis since we began reporting in 2017.

This year, our gender pay gap remains broadly unchanged at 16% on a mean basis and 17.5% on a median basis. So while we've come a long way, we know we still have work to do and we remain as fully committed to building a diverse and inclusive environment as ever.

It's important to remember that these measurements reflect the higher proportion of men than women in higher-paid, senior roles and should not be confused with 'equal pay'. We have established structures and processes which ensure that men and women are paid equally for equivalent roles.

Our efforts are focused on getting more women into senior roles, and we look to achieve this in a number of ways; we have DEI action plans in place across the business that are measured and monitored, looking at everything from recruitment and career development to succession planning.

We've always been passionate about recruiting based on talent and talent alone. This means striving for gender-balanced shortlists for all of our roles, gender-balanced interview panels, as well as partnering with a breadth of organisations such as The Bright Network, Visionpath and SEO London to reach more diverse early years talent.

Our talent review process is focused on building a strong pipeline of women leaders and mentoring is available to all employees, as we look to improve readiness for leadership roles at mid-manager level. We've focused particular attention on building gender diversity into our succession plans, including at Board level.

Only by looking at diversity in all its forms across our organisation will we truly understand how well Hiscox is working for our people, and I'm pleased that we're making strides when it comes to building our data capability in this area. We've collected data on gender and race/ethnicity on a global basis for some time and this year we published our employee ethnicity metrics in our Annual Report and Accounts for the first time. We're also encouraging colleagues to 'self-ID', where local laws allow, giving employees the opportunity to define themselves across a range of characteristics, including sex, race/ethnicity, and in some countries sexual orientation, disability, as well as gender identity.

This data will help us make the invisible more visible and build a more complete picture of our workforce (including intersectionality), help us understand our progress against our DEI strategy, and enable us to make smarter, more inclusive policy decisions that support both career and business success.

I hope you find this report useful, and I can confirm that the data set out in the following pages is accurate.

A handwritten signature in black ink, appearing to read 'K. Markham'.

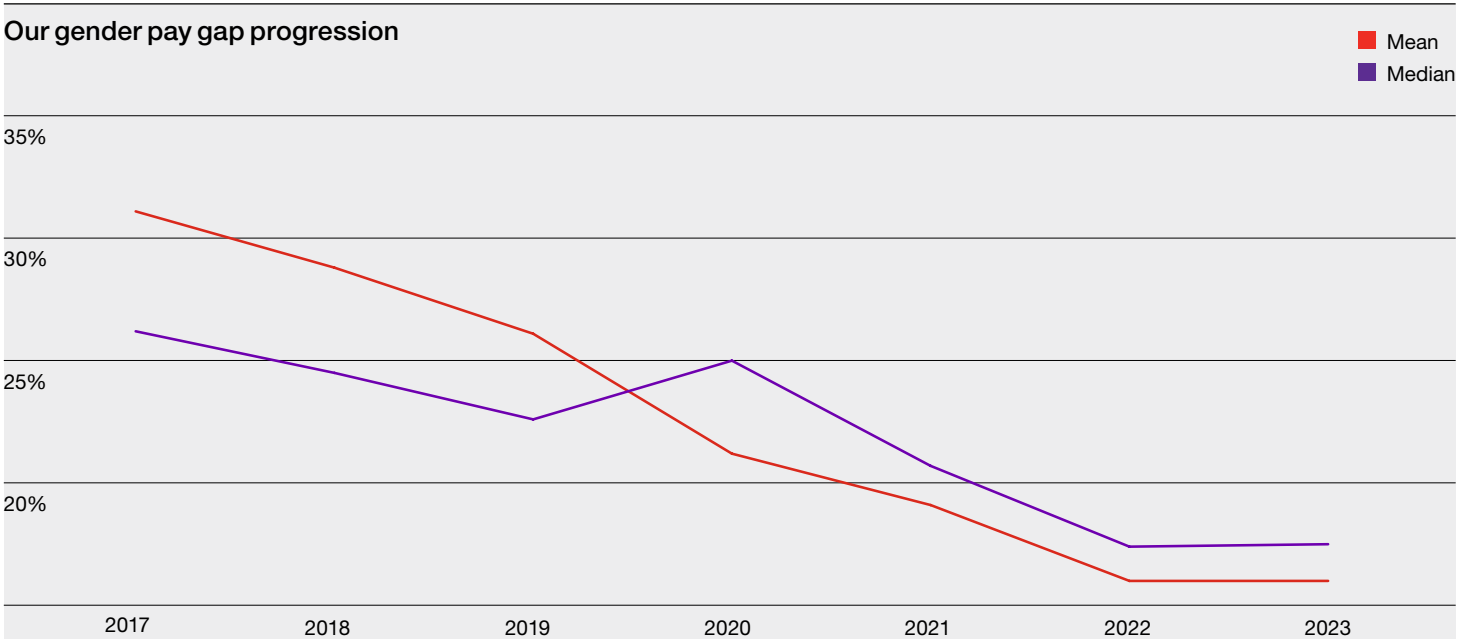
**Kate Markham**  
Chief Executive Officer, Hiscox London Market  
Executive Sponsor, diversity, equity and inclusion

As a company with more than 250 employees we are required by the UK Government to publish details of the gap in pay between men and women, which we have done since 2017.

This report examines the gender pay gap which the government defines as, ‘...an equality measure that shows the difference in average earnings between women and men’. It is not the same as equal pay, which is the amount paid for carrying out like-for-like roles.

Our report also explores the gender gap in bonus payments. We see more volatility in this measure year-on-year due to both the nature of our business and the personal decision of employees when it comes to exercising their share options.

We also explain what we are doing to close the gap in both salary and bonuses, by making sure more women have a better chance to progress to senior roles within Hiscox.



Pay and bonus gap – difference between men and women				
	2023		2022	
	Median	Mean	Median	Mean
Hourly pay gap	17.5%	16.0%	17.4%	16.0%
Bonus pay gap	18.9%	31.8%	26.0%	24.0%

The proportion of women receiving a bonus during the year was 91.0% versus 88.1% of men.

**The difference between ‘mean’ and ‘median’**

The ‘mean’ is the average. It is the total of all hourly rates, divided by the total number of employees.

The ‘median’ is the middle value, or the midpoint of hourly rates, when listed in order.

It can be useful to look at the median as it is less affected by numbers at the top end of the pay spectrum, such as the earnings of a small number of senior executives.

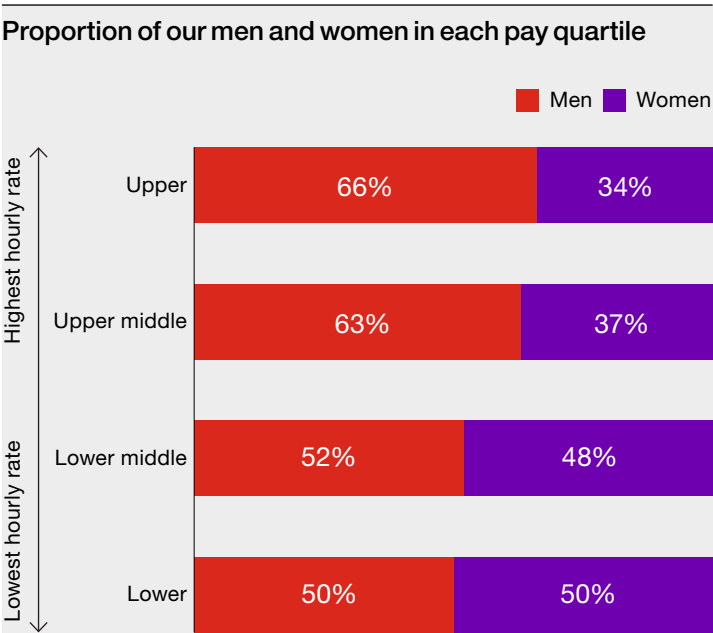
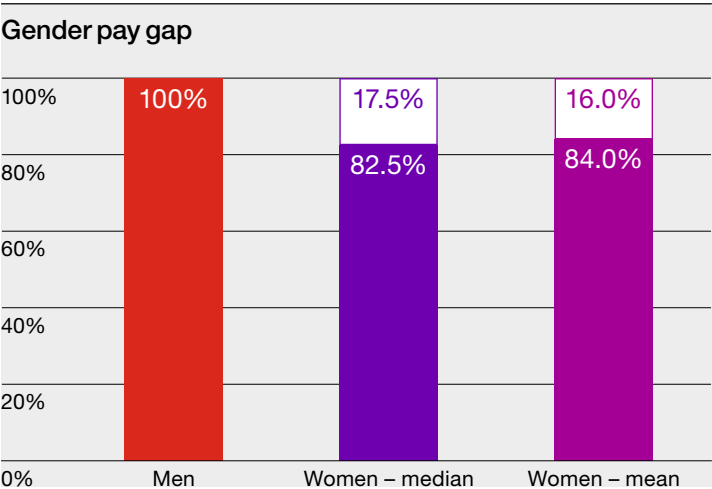
# Hourly pay gap

Our data was taken from the April 2023 pay period and converted to an hourly rate of pay for each of our UK employees regardless of their job role, level of seniority, or location. The average hourly pay for men and women was calculated on a mean and median basis.

	Median	Mean
Hourly pay gap	17.5%	16.0%

While we know men and women employed at Hiscox are paid equally for carrying out equivalent jobs – we have a robust process in place to ensure pay levels are reviewed fairly and consistently – our analysis shows that the pay gap is still largely due to having fewer women at senior levels.

We still have more to do to improve the representation of women at more senior levels, particularly in our big-ticket underwriting business. You can find out more about some of the steps we are taking to address this on page 5.



# Bonus pay gap

Turning to the difference in bonus pay between men and women, we took bonus payment data from the 12 months to 5 April 2023. We have not adjusted the amounts to reflect the impact of part-time working and temporary absence.

All employees who joined the business prior to 1 October 2022 were eligible to receive a bonus. Anyone who joined after this date, or who resigned prior to the bonus payments being made, would not be eligible for a bonus.

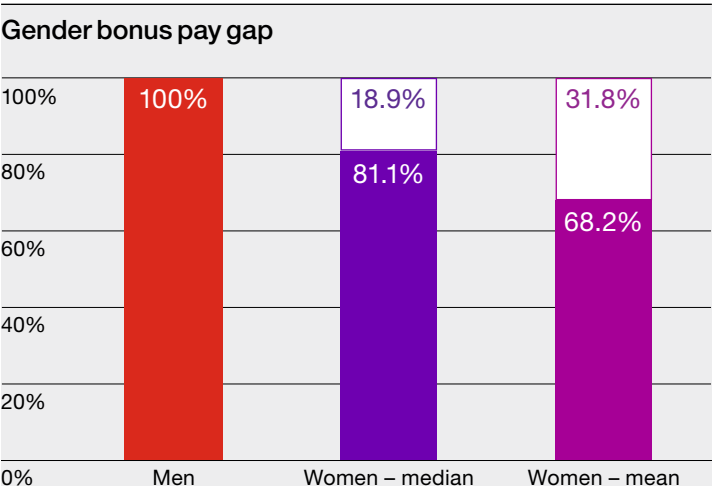
	Men	Women
Received a bonus	88.1%	91.0%

Since there is a higher representation of men at senior levels in the organisation in roles which attract higher variable pay, men’s bonuses are, on average, larger than women’s bonuses. You can find out more about some of the steps we are taking to address this on page 5.

	Median	Mean
Bonus pay gap	18.9%	31.8%

The bonus gap is a volatile measure. The nature of our business means that bonus potential can be impacted disproportionately in different parts of the business, depending on our claims experience; a higher claims frequency can lead to reduced bonus potential, and vice versa.

These figures also include share options exercised which can vary year to year, as timing is a personal decision for employees.



# Taking action

Improving our gender pay gap means getting more women into more senior roles at Hiscox. Here are some of the steps we are taking to do just that.

## Our DEI strategy

In 2022, we refreshed our global diversity, equity and inclusion (DEI) strategy and vision across the Hiscox Group, and put in place a new Group DEI policy which more appropriately reflects our intent and strategy and better meets the expectations of our industry and marketplace. This policy applies to our entire

workforce and includes our commitment to building a diverse workforce and an inclusive and equitable workplace culture, the alignment of policies and processes with DEI principles, and clarifies governance and oversight.



## DEI data and transparency

Expanding our data collection is a core focus of our DEI strategy, including encouraging colleagues to 'self-ID' (in countries where the law allows) so that we can drive deeper insights into how well our workplace works for all of our employees, improve representation and track our progress.

We've broadened our self-ID programme to include categories such as disabilities and LGBTQ+ to help us

build a more complete picture of our workforce (including intersectionality), understand progress against our strategy and make smarter, more inclusive programme and policy decisions.

We're also enabling transparency and more timely access to DEI data internally through the creation of a DEI dashboard for key decision-makers.



## Key performance indicators (KPIs) and succession planning

DEI action plans are in place for each of our business units and functions. These are aligned to our global DEI strategy and overseen by our business and HR leaders and include recruitment, career development, education and awareness and community engagement in addition to gender-focused KPIs which help focus our efforts for the greatest impact and achieve results.

Progress against our plans is measured and monitored quarterly. We have focused particular attention on building gender diversity into our succession plans, including at Board level. We have also made mentoring accessible to any employee who wants it, as we look to improve readiness for leadership roles at mid-manager level.



## Training and development

We continue to conduct talent reviews focused on building a pipeline of women leaders. Each year we review our programmes to identify opportunities to further embed DEI principles and practices into our learning and development materials and approaches. Aspire, our early career development programme, gives employees the opportunity to explore a team leadership career path through workshops and shadowing a team leader role.

Foundational DEI training is available to all employees and all new joiners are invited to complete the training within their first month. In the last year we've also made training available on topics such as allyship, creating psychological safety, building inclusive teams, and neurodiversity in the workplace.

We've introduced guidelines to help people managers support those experiencing perimenopause and the menopause and supported our Women at Hiscox employee networks in hosting speakers and panel discussions to explore the impacts of peri/menopause and resources available.

We're committed to facilitating healthy feedback across the Company, and our employee engagement network ensures employees' views are considered in Board decision-making. This programme involves Board Director-facilitated discussions with representative groups of employees from across the business and in 2022, explored key topics such as workplace culture and rewards and benefits.



## Supporting work/life balance

During the year, we launched 'Time Out', a new range of benefits designed to give employees flexibility and time away from the office. These include new 'Hiscox days', an updated sabbatical policy, and the ability to buy more annual leave.

We're working to remove barriers faced by women with family responsibilities and our global hybrid working philosophy means that everyone has access to some working style flexibility. We've adopted 'team charters' to enable our different teams to agree a working pattern that works for them, including how often they are in the office.

We're also encouraging both parents to play a more equal role in childcare through our approach to parental leave. Under our enhanced provision, parents can take up to 52 weeks as a combination of maternity/adoption or paternity and shared parental leave, including up to 26 weeks of fully-paid leave. We've also increased paternity leave to six weeks, reduced our service eligibility requirement for enhanced maternity/paternity leave and introduced basic parental leave for those who do not meet our eligibility criteria.



## Taking action (cont.)



### Networking and peer support

We have six employee network groups in the UK supporting women, mental health, LGBT+, disabilities and neurodiversity, pan-African employees, and parent populations and their allies. Each network acts as a community and provides a forum for networking, information, and learning opportunities. They serve as a sounding board for issues relevant to Hiscox's global competitive advantage, as well as leadership development opportunities for its members. We continue to invest in our employee network groups for the positive role they play in employee engagement and promoting a culture of inclusion.

This year, our UK networks delivered a series of webinars and panel discussions covering topics such as career mapping, breaking bias, tackling barriers to progression, coaching, and neurodiversity, as well as health, hormones and happiness. They also led commemorations, for example, around Pride, in addition to social and professional networking events.

We're empowering employees to tell their own diversity story through our 'Voices' campaign, to highlight the unique perspectives within our organisation and help foster an open and inclusive working environment.

Recognising that we cannot achieve lasting change on our own, we participate in the Insurance Inclusion Diversity Forum, enei Member Forum and We Are The City, as well as DEI-focused workstreams within the Association of British Insurers and others. We want to play our part in advancing diversity, equity and inclusion across the insurance industry which is why we contributed to the creation of the ABI's DEI Blueprint to clarify and promote DEI best practices across the insurance industry.



### Recruitment

We continue to target a diverse pool of students for our UK graduate and internship programmes through a range of partnerships, including the Bright Network which has more than 800,000 members consisting of 58% female students. Our early careers opportunities are accessible to all Bright Network members, and we use targeted email campaigns and focused newsletters to reach under-represented demographic groups.

We also work closely with SEO London, a charity focusing on gender, ethnicity and those from lower socio-economic areas, in partnership with the Lloyd's Foundation, to educate and engage students about careers in insurance.

We have delivered insight events and skills training, as well as providing access to our UK graduate, internship and Insight Week opportunities. We aim to hire an even gender split in our early careers opportunities and review and refine our selection processes each year to ensure females progress through each stage at the same rate as male candidates.

Whether we are hiring for our early careers schemes, or for more experienced candidates, we continue to review our job postings for use of gender neutral language and strive for gender-balanced shortlists and interview panels.

View our latest job vacancies at Hiscox: [hiscoxgroup.com/careers](https://hiscoxgroup.com/careers)