



Liberty
Specialty Markets

GENDER PAY GAP REPORT

2023

What glass ceiling?

At Liberty, women are President, CUO, CFO, COO, CRO, Director, Active Underwriter, Head of Department, Company Secretary, Chief Actuary, Country Manager, Head of Claims... and much more!

Liberty: the natural home for female talent



The data in this report refers to employees of Liberty Specialty Markets Ltd, who may support Liberty Specialty Markets, Liberty Mutual Reinsurance, or both brands. Use of "Liberty Specialty Markets" and "Liberty" in this document refers to Liberty Specialty markets Ltd.

Inclusion for Mutual Advantage



We are committed to continue reducing our gender pay gap and driving a culture in which all colleagues can pursue their careers, unencumbered by biases. By building a diverse workforce and vibrant culture of inclusion, we create a stronger, high-performing company. Through the commitments we have made, and a robust focus on delivering and embedding them, we continue to see meaningful, sustainable progress towards closing the gender pay gap.

We have seen incremental increases in both our mean and median hourly pay gap attributable to organisational change and a deceleration in the representation of women in the upper pay quartile.

This has resulted in an overall 0.8% percentage point increase in our gender pay gap.

This is disappointing bearing in mind the significant effort we have put into reducing our gender pay gap. It is imperative to acknowledge that lasting transformation takes time and since we first reported in 2017, we have seen an overall reduction of 16.3 percentage points in our gender pay gap. We also know that our circumstances reflect common trends within the UK financial services sector. Nonetheless we have

Key Data



Mean Hourly Pay Gap	2022	22.5%	Change in Mean Hourly Pay Gap	+0.8%
	2023	23.3%		

made substantial strides in addressing areas identified as needing improvement and as a result there has been some growth in our lower-mid and upper-mid pay quartiles, underscoring the efficacy of our initiatives aimed at strengthening our pipeline of women leaders.

We were honoured to receive external recognition at the Women in Insurance Awards, where we won the Contribution to Gender Inclusion award. Furthermore, the commendation of several of our women employees for their outstanding leadership and contributions to the industry underscores our dedication to fostering a culture of diversity and empowerment.

We confirm that the data contained within this report is accurate and meets the Gender Pay Gap Reporting regulations.



Luke Stevenson
Head of HR UK & EMEA



About the Gender Pay Gap

The gender pay gap represents the difference between the average hourly pay of men and women as at the reporting snapshot date (i.e. 5 April 2023).

The gender pay gap is different from equal pay, which is the legal requirement to pay men and women equally for doing the same work, or work of equal value. We are confident we do not have an issue with equal pay.

The bonus gap is the difference in performance-related pay of all men and all women in an organisation in the twelve-month period leading up to the snapshot date.

The difference between the proportion of men and women in receipt of a bonus is down to the dates on which employees join or leave the business. We expect this to vary year-on-year depending on such patterns.

Our gender pay gap data are compiled in accordance with government guidelines.

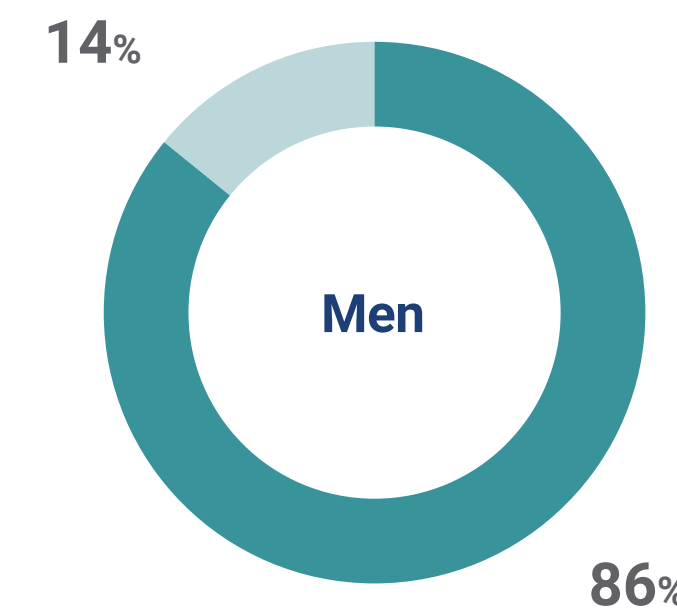
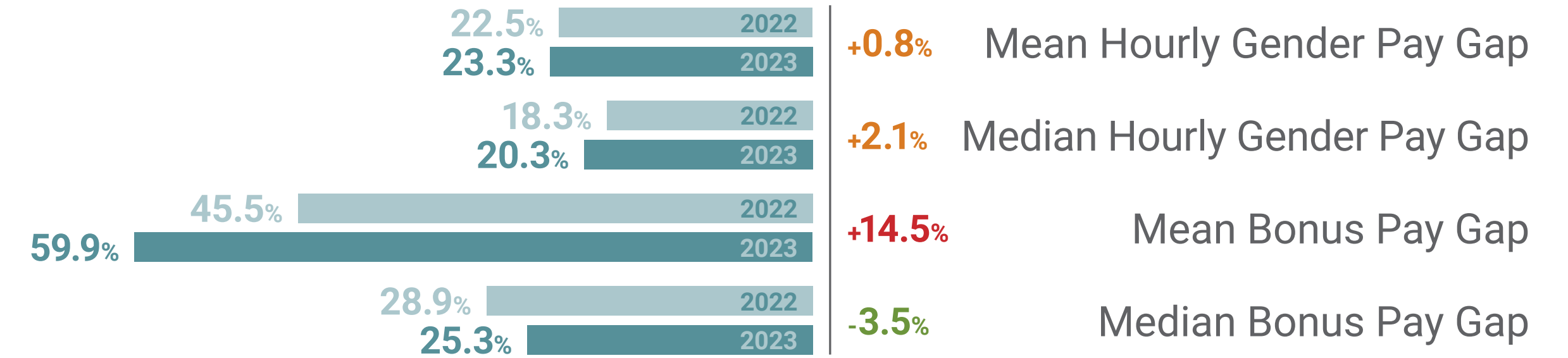
Gender Pay Gap Drivers

2023 Results

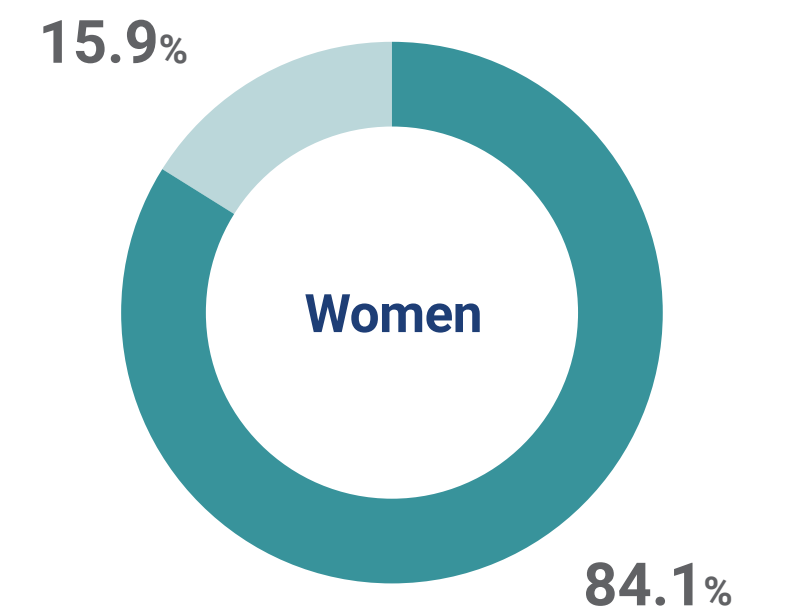
These are the key drivers of our gender pay gap:

- The marginal increase in the Mean Hourly Pay Gap and Median Hourly Pay Gap was driven by two primary factors; firstly, despite good progress in the previous two years increasing the representation of women in the upper pay quartile, it remained static for 2023. This was due to a lack of opportunities opening at our most senior leadership levels. And secondly, due to organisational changes that have taken place this year, our progress in reducing the pay gap has slowed and this will likely continue to impact us in the following reporting year.
- Consequently, under-representation of women in senior management and leadership roles continue to be the most significant driver of our gender pay gap.
- Last year, we reported that there was limited movement in both the lower-mid pay quartile and upper-mid pay quartiles but in 2023 we saw small growth in both, highlighting our progress in strengthening the pipeline of future female leaders to drive further improvements to the gender pay gap.

The same contributing factors to the increase in our hourly pay gap has impacted the increase in mean bonus pay gap. However, on a positive note, the median bonus pay gap has reduced which reflects some improvements in our mid-level roles.



Proportion of males and females receiving a bonus payment



● Received A Bonus ● Did Not Receive A Bonus

● Received A Bonus ● Did Not Receive A Bonus

Proportion of men and women in each pay quartile				
	Upper Quartile	Upper Mid Quartile	Lower Mid Quartile	Lower Quartile
Women 2023	31.3%	40.1%	46.6%	54.0%
Men 2023	68.7%	59.9%	53.4%	46.0%
Women 2022	30.5%	37.3%	44.4%	50.0%
Men 2022	69.5%	62.3%	55.6%	50.0%
Change in proportion of women %	+0.8%	+2.8%	+2.2%	+4.0%

Lloyd's Representation of Women in Leadership

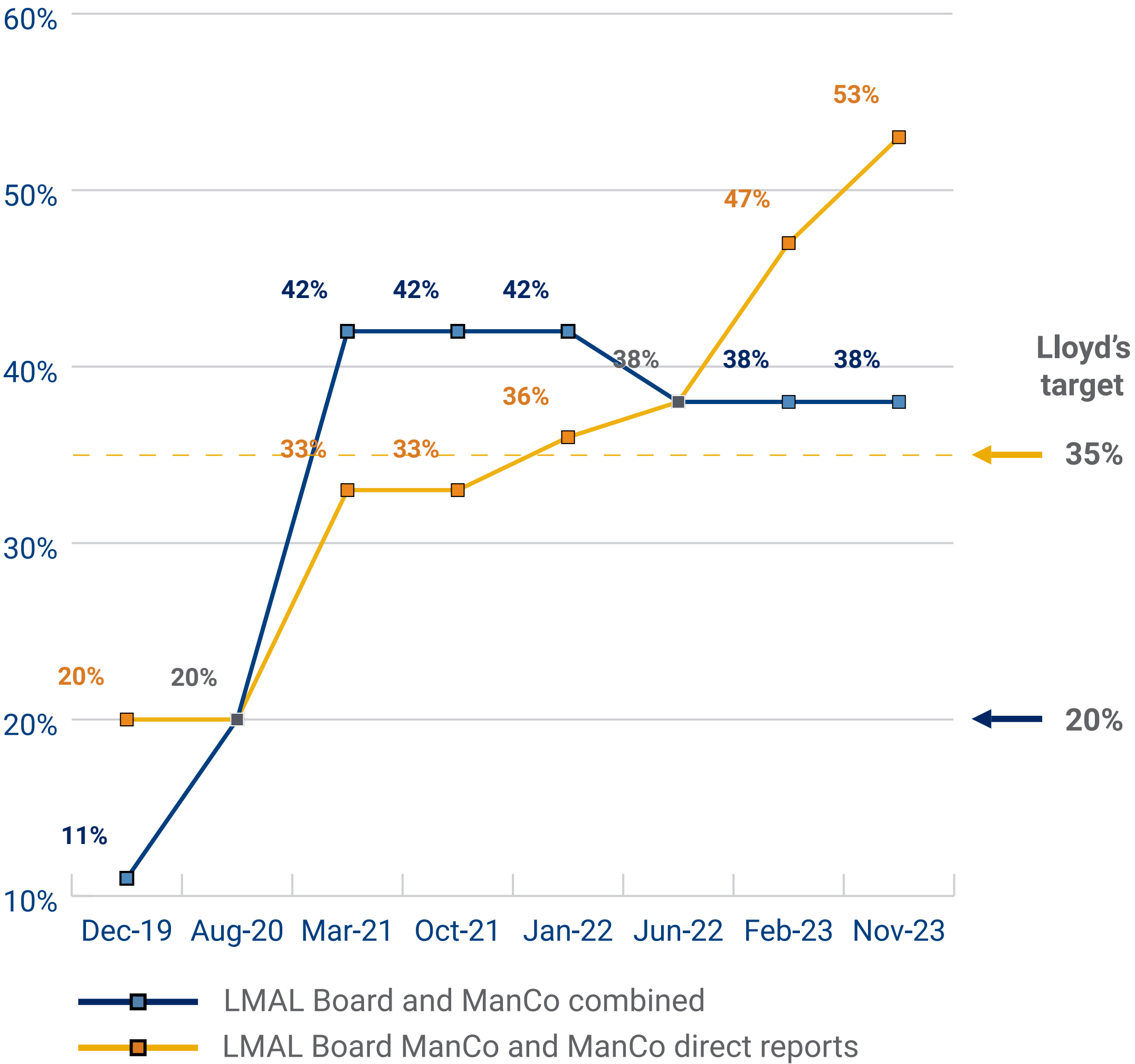
We are also tracking the representation of women in leadership positions. Lloyd's had set the following targets for women in leadership to be reached across the market by the end of 2023:

- 1. 20% - Boards and Executive Committees combined
- 2. 35% - Board, Executive Committees, Executive Committee Direct Reports

We have already significantly exceeded both targets. Representation of women is 38% and 53% for targets 1 and 2 respectively.



Female Representation - LMAL Board, ManCo & ManCo Direct Reports



Footnote: Liberty Managing Agency Ltd (LMAL) is the legal entity that manages our Lloyd's Syndicate 4472.

Our Progress on our 2023 Commitments

1/6 We are committed to making further progress on reaching our goal of 40% female representation in leadership by 2025.

We have continued to focus on ensuring each part of our recruitment process is equitable. We are starting to see a positive impact from our approach to shortlisting, and in 2023, 43% of our technology hires were women. This is considered industry-leading for technology hires, as women only account for 26% of the UK tech workforce. Data remains paramount, and we monitor and share our DEI data with the business to maintain the focus needed to deliver change.

2/6 We will continue to ensure that our leadership development programmes target gender balance and diversity.

Our focus has remained steadfast on ensuring that our leadership development programmes target gender balance and diversity. We launched a new manager development programme and DEI is embedded throughout all the modules. We also grew our Springboard community, with a focus on increasing the bench strength of our internal junior to mid-level female talent pipeline. We ran two programs in 2023 which were attended by 46 women.

3/6 Through our Early Careers programme, we will continue to bring diversity into the company by working with our external partners to attract more diverse hiring.

We continued to grow our partnerships with The Brokerage, London Market Group and Vision path, giving access to the City and demonstrating to students that a career in insurance is a viable option for them. We achieved 41% female representation across all early careers initiatives and in 2024 we are aiming for 50/50 gender split across all early careers programmes, with particular focus on increasing applications from women for apprenticeships.

Our Progress on our 2023 Commitments

4/6 We will continue to grow and evolve all our internal Networks including our Gender Matters Network.

All of our networks have continued to grow, and this year we launched our ABLE network with a focus on supporting, advising, and connecting employees with both physical and non-visible disabilities, and carers throughout the company. We have also launched new support groups for carers and parents, providing a safe place for people to come together with shared interests. There has been a continued focus on enhancing our family friendly policies.

5/6 We will continue leveraging our external partners

We have seen increased engagement with our external partners, Peppy and Work Life Central and have introduced new partnerships aligned to our DEI journey, including Business Disability Forum, iCAN (the Insurance Cultural Awareness Network) and IFN (the Insurance Families Network).

6/6 We will run an exercise to increase data collection on DEI characteristics.

We launched our Self ID campaign and now colleagues can share information on the following DEI dimensions: sexual orientation; gender identity; disability; neurodiversity; caring responsibilities; socioeconomic background; previous sector worked in and highest level of education. Moving forward this will enable us to understand our workforce from a truly intersectional lens and enable us to work on targeted inclusion programs and enhance overall employee experience and engagement.



Our 2024 Commitments:

Each year we make commitments to diversity and inclusion that guide our strategies and tactics. While our strategic commitments are broadly similar over multiple years, we constantly evolve the tactics that support their delivery.

1. Maintain our focus on equitable recruitment practices
2. Ensure that our leadership development programmes target gender balance and diversity
3. Bring diversity into the company by working with our external partners
4. Grow and evolve all our internal networks including our Gender Matters Network
5. Increase data collection on DEI characteristics

We are delivering against our commitments through a holistic approach to attracting, developing and retaining our people.



1. Attracting Talent

We work hard to promote the specialty (re)insurance industry as providing a career that is fascinating and at the cutting edge of innovation. We strive to share these exciting career opportunities with young people via partners such as The Brokerage, London Market Group and Vision Path. We offer stimulating and wide-ranging apprenticeships and graduate programmes for those at early stages of their careers.

In order to improve our diverse recruitment, we have a number of initiatives in place, including:

- We are partnering with the Disability Business Forum to audit all our recruitment policies and practices through a pan-disability lens. Employees with disabilities are supported through Occupational Health and our ABLE Matters employee network.
- We partner with Careering into Motherhood, a network which helps mothers and returners to have a fulfilling career. Our family friendly policies aim to support all parents to achieve a healthy work-life balance.
- Shortlisting requires a gender split of candidates – each shortlist must include at least one woman. Exceptions must go through an approval process to ensure equitable practices are followed. We continue to monitor gender balance at all levels.
- In 2024 we are running an employer brand marketing campaign to communicate to the market our inclusive culture and diverse role models.



2. Developing Talent

Our approach to training is market leading. Through our performance management programme, employees have a personal growth plan as well as goals that align to the business strategy. A quarterly review ensures that people leaders take an active part in supporting their team members' personal development. A comprehensive range of training options includes insurance knowledge, professional qualifications, compliance training, languages, and people skills.

To develop our next generation of diverse leaders and experts we also offer a number of talent programmes designed to deliver high performance:

- 1-2-1 career coaching at all levels and executive coaching.
- **Springboard** development programme designed to support and develop female leaders.
- **Digital Minds**, an immersive professional development programme designed to prepare its delegates for an ever-evolving, innovation-driven and digitally complex world.
- **Ignite**, a global and inclusive talent development programme focusing on networking and collaboration across our business units to create better business returns.
- **Liberty Business Academy**, a market leading programme that empowers high performing individuals to drive a winning diverse culture, driven by purpose and accountability.

3. Retaining Talent

It's often said, "You can't be what you can't see". We believe that retention of employees will depend on them experiencing a diverse, vibrant and forward-looking company with plenty of opportunities and positive role models. We promote demographic diversity and highlight colleagues who are achieving success and leading our industry.

We believe Liberty is a natural home for female talent, with approximately 50 women in C-suite and Heads of Department roles globally. Our most senior London-based underwriting roles are held by women: Chief Underwriting Officer, London (CUO), Active Underwriter of our Syndicate 4472, and CUO for our treaty reinsurance business. Women are leading some of the traditionally male-dominated lines of business: our Head of Aviation and Head of Aviation Claims are both women, and in Energy, Property and Construction – another traditionally male-dominated line – the Claims team numbers more women than men.

Demonstrating excellence / leadership



The London team won nine individual and team industry awards in 2023, demonstrating our depth of talent and commitment to excellence. As one of the London Market's biggest syndicates, we're frequently a lead market for the products we underwrite. Our people sit on market committees that pursue excellence and tackle the industry's thorniest challenges. In 2023, 34 of our Underwriters were nominated in the London's Leading Underwriters by independent consultant Gracechurch.

Employee Networks

Our eight employee-led networks celebrate our inclusive culture where every unique perspective can thrive. Each network covers different aspects of diversity, and all networks are open for all – those that are passionate about the topic, those that want to learn more, and people leaders who want to support their teams.

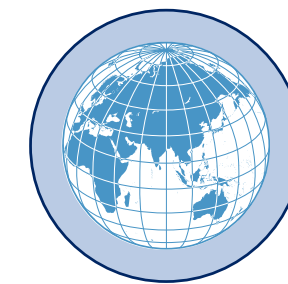
Each network provides a supportive community that helps colleagues to come together to connect, learn, engage and drive positive change.



ABLE Matters



Gender Matters



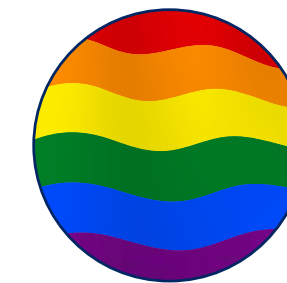
Cultural Awareness Matters



Health & Wellbeing Matters



European Matters



Pride Matters



Family & Caring Matters



Veterans Matters