



Gender Pay Gap Report 2023

April 2024

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At Canopus, we're creating a stronger pipeline together.

I am very proud of the steps taken so far and the achievements made to close the gender pay gap at Canopus, and in further creating a positive and inclusive culture for our colleagues to thrive in.

Over the past 12 months, through our concerted efforts we have driven up representation of female colleagues across the UK, as well as an uptick in the volume of colleagues who are confident in sharing their diversity data. Our 2023 Employee Engagement Survey shows that our female colleagues are overall the most engaged group, and across many of our key engagement and enablement scores too. This reinforces our firm belief that our colleagues and those looking to join Canopus, see us as an inclusive organisation.

Our reward offering is gender neutral by design, and we know that our gender pay gap is driven by the under representation of women in the upper pay quartiles and hence more senior positions in the organisation, and it is here that we have more work to do. Globally, recent reports such as Women in the Workplace from McKinsey, in partnership with LeanIn.org, show that whilst women's representation in the C-suite on US boards is at the highest it has ever been, this is countered by the lagging progress in the middle levels of organisations. This is even more acutely seen with ethnically diverse women, where true parity remains an objective yet to be achieved, something we also see and remain committed to addressing at Canopus.

Canopus is committed to recruiting, retaining and progressing the careers of those in under-represented groups across the organisation. Our ambition is to build a truly inclusive environment where everyone can thrive at work, whilst operating in an environment which has zero tolerance to discrimination or harassment. It is our clear intent to create a workforce which is representative of the customers and communities we engage with and operate within, whilst building on the skills needed for tomorrow's future.

We continue to deliver regular reports to our executive team members showing the diversity of our organisation. By regularly reporting in this way, we can gain a better understanding of the factors which may be contributing to our gender pay gap and can identify areas where we can take further action to address this. Each executive member is required to deliver on specific objectives linked to their remuneration regarding inclusion and diversity.

Transparency remains a critical lever to our success. Whilst UK legislation requires us to report on the gender pay gap, one of our ambitions in 2023 was to ensure our global colleagues were also aware of any gaps existing across their own geographies. I'm pleased to highlight these learning sessions were well received by our international colleagues too and regional actions plans are being developed to address local issues, and we look forward to expanding this across global ethnicity pay gap reporting in the future.

Whilst we still have more to do, we are trending in the right direction, and we remain passionately and genuinely committed to achieving gender parity as soon as we can.



Mark Newman
UK Chief Executive Officer
April 4, 2024

Methodology

How we calculate the pay gap across our organisation

From April 2018, public, private and voluntary sector organisations with 250 or more employees report on their gender pay gaps. This is our fifth annual report.

Employers are required to publish the results for each of the following benchmarks:

- the mean gender pay gap;
- the median gender pay gap;
- the mean gender bonus gap;
- the median gender bonus gap;
- the proportion of men and women receiving a bonus payment; and
- the proportion of men and women in each of four pay bands.

We calculate our gender pay gaps, in line with UK Government regulations, to ensure we provide the clearest picture. The snapshot date to calculate pay data for this report is 5th April 2023, and the bonus gap data has been calculated on bonuses paid from 6th April 2022 to 5th April 2023.

The report will appear on our company website and the government specialist website.

Key Definitions and Examples

- Mean: This is the difference in average hourly pay between men and women.
- Median: This is the difference between the middle-paid woman and the middle-paid man.
- Quartiles: We use quartiles to rank pay from lowest to highest, dividing our employees into four evenly sized groups.

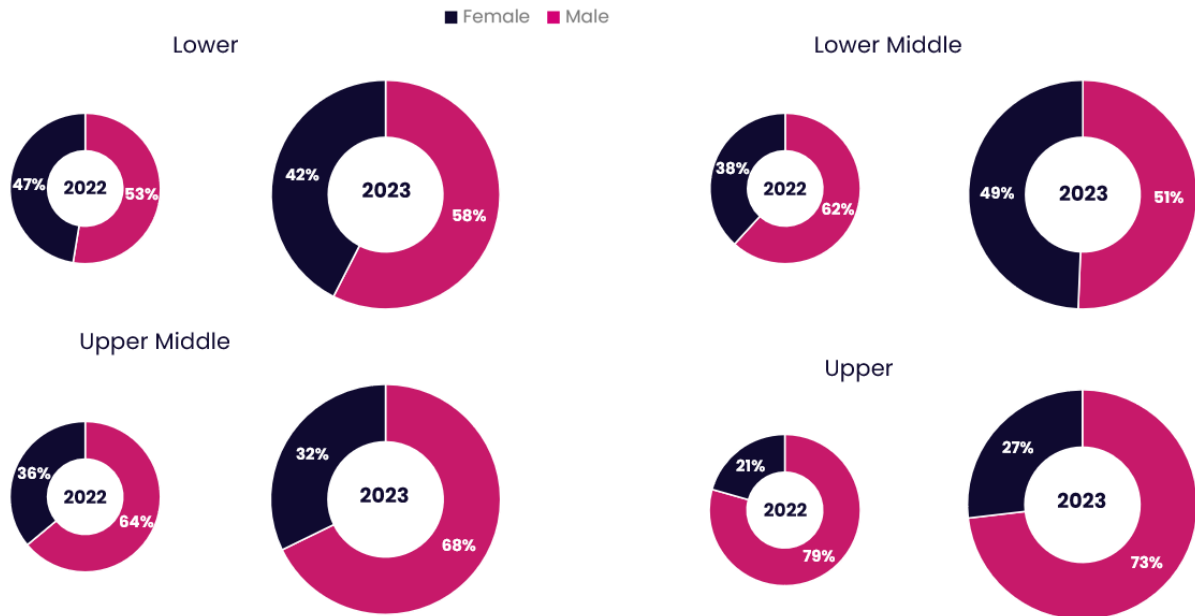
The mean can be skewed by a small number of high or low earners, but the median gives a good idea of how much a typical man or a typical woman is paid and is our preferred measure of average earnings as it is less affected by a relatively small number of very high earners and the skewed distribution of earnings. It therefore gives a better indication of typical pay than the mean.

Zero % gender pay gap would denote that there is no pay gap. A positive number e.g. 20 % gender pay gap denotes that men earn 20 % more, on average, than women. A negative number e.g. - 10 % gender pay gap would denote that women earn 10 % more, on average than men.

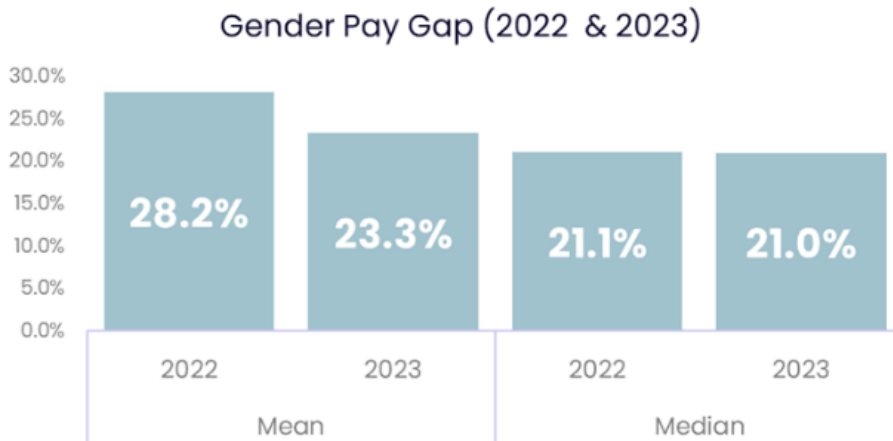
Gender Pay Gap 2023 Results

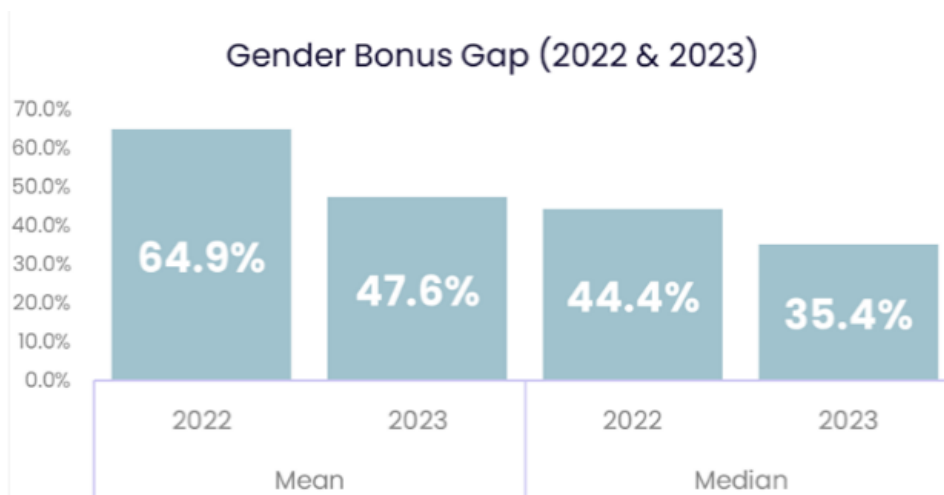
- 2023 Mean Gender Pay Gap: **23.3%**
- 2023 Mean Bonus Gap: **47.6%**
- Proportion of employees receiving a bonus: Female **61.3%**; Male **71.2%**

Pay Quartiles

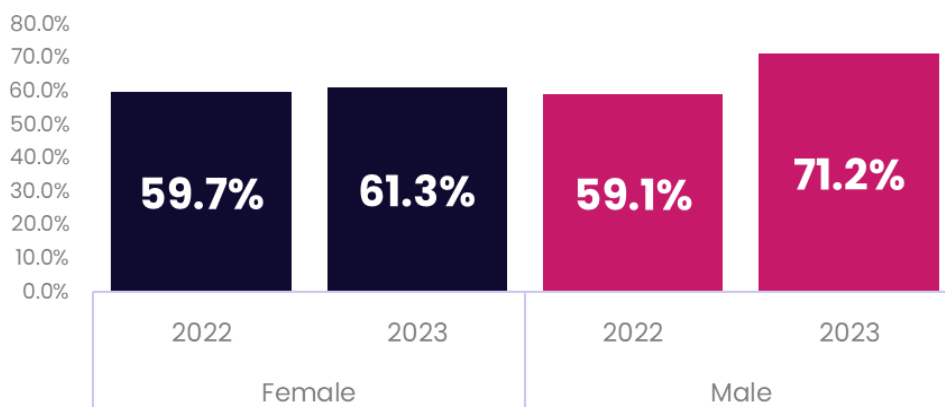


2022 & 2023 Comparison





Proportion Receiving a Bonus (2022 & 2023)



Notes

- The results above use an active staff list as at 5th April 2023, with a headcount of 596 (225 female; 371 Male).
- Pay gap uses all payments made in April 2023 (including a proportion of any bonus payment).
- Bonus gap uses any bonus payments made between 6th April 2022 and 5th April 2023.

Closing the gap – what actions are we taking?

What has been delivered?

Investing in the professional development of our female talent pipeline.

We continue to invest in the professional development of our female talent pipeline. This includes memberships with the Insurance Supper Club, alongside global development programmes for different career levels to help nurture and accelerate the careers of future leaders.

Introduction of the Career Framework, with succession planning and talent management.

Introduced in August 2023, our new career framework gives employees greater clarity and transparency on the roles and levels at Canopus. They now have a clear understanding of the skills and accountabilities for their own roles to create a clear development plan focused on career progression and mobility. These career levels are supported with industry specific pay data that ensures our pay bands are in line with market norms and trends, which is gender neutral by design.

We have introduced a high potential programme, which aims to identify and target our top talent in the middle career levels, who can be fast tracked to more senior positions within Canopus. The programme ensures a 50/50 gender balance in each cohort.

Enhanced suite of policies.

We have taken active steps to enhance our suite of family-related and gender-related policies. By enhancing our parental leave offering, we are showing a clear commitment to our belief that childcare is an equal responsibility for both parents, advancing our benefits offering to include a Workplace Nursery Scheme. We are confident that enhanced leave entitlement and inclusion of a Workplace Nursery provision will see a reduction in the career penalties historically applied to women.

We are one of the few companies in the market that does not mandate set days to be worked in the office. This sets us apart from our competitors and makes us a first-choice employer to attract and retain the best and most diverse talent possible.

Menopause awareness.

Canopius has launched a Menopause Policy which contains information for all our people who are experiencing the menopause as well as practical advice and guidance on the workplace adjustments we can make to help employees manage their symptoms.

To help embed the policy our Gender network continues to deliver a programme of events to develop awareness and provide networking opportunities, including a menopause panel comprised of internal and external subject matter experts. We have also enhanced our health care offering which now includes access to a Menopause Treatment plan, we also continue to offer support to all our people through our Employee Assistance Programme.

Improving the representation of women across the whole organisation.

Our Inclusion and Diversity dashboard is used to monitor data and improve our understanding of issues affecting women at key stages of the employee lifecycle. We continue to review the results of both our annual Employee Engagement Survey and our pulse survey with a gender lens, to identify if there are any gender disparities.

Success stories

Notable acknowledgments in publications

- Jeanene Hill - Head of Coverholder and Delegated Authority at Canopius Australia, was announced as one of Insurance Business's Elite Women for 2023.
- Katrin Roxburgh, Head of Underwriting Operations, and Juliet Hamilton, Head of Short Tail Claims, were finalists at the Women in Insurance Awards.
- Nic Wood, Head of US General Liability, was awarded "London Female Underwriter of the Year" at London's Leading Underwriters by InsurIndex
- Charlotte Bender, Claims Manager, was a finalist at the Insurance Insider Honours for "Young Claims Professional of the Year" and the Insurance Post Claims & Fraud Awards for "Claims Manager of the Year"
- We were also ranked as finalists by Gracechurch for the London underwriter with the strongest female bench strength for a second year in a row.
- In 2023 50% of our internal Ambassadors as part of our recognition scheme were female.

Our focus areas

Inspiring the next generation

Through the development of a Talent Acquisition Strategy, we are embedding diversity throughout the employee lifecycle, from attracting, to developing, growing and retaining talent.

Our Early Careers Strategy has been a focal point as it is an opportunity to attract a diverse talent pool and remove barriers to entry. We aim to provide meaningful and interlinking early careers opportunities for graduates and through work experience, internship and apprenticeship placements. Our current Apprenticeship Programme uses a fair and inclusive selection process to attract and select a diverse pool of candidates. We have ensured that our strategic partnerships with entities such as iCAN, Career Returners and Girl Rise by Digilearning, align to our strategy, deliver a wider outreach and provide a nurturing environment to encourage the attraction of women into Canopius. We also promote the Insurance Market and showcase our female talent via Careers and School Events.

To further support the recruitment process, we will implement inclusive interview training for Hiring Managers to help remove all barriers to entry and progression for female talent at Canopius. We will continue to use data, analysing DE&I metrics and trends, to underpin the process for next year's intake. We will explore how we can integrate and embed this analysis into our recruitment processes companywide.

We are also members of the ISC (Insurance supper club, for women in Insurance) and signatories of the Women in Finance charter which supports talent development and networking for mid-level and senior leaders in their development and progression.

Next Generation Summit (Launch Q4 2023)

We launched our Next Generation Summit in November 2023; an event solely dedicated to young diverse talent in the London insurance market. We had around 50 attendees who came together to connect and learn.

The conference, hosted by our UK ExCo, focused on "Navigating the Evolving Insurance Landscape" and featured presentations, a panel discussion, polls and breakout sessions. Our speakers explored a range of topics, including the integration of digital strategies into traditional insurance business models,

leveraging the power of data and how to enhance your career in a hybrid environment. To conclude, we hosted a networking reception where attendees could network and share their views with us on their future role within the market.

Driving awareness

Through monthly lunch and learn opportunities, we continue to drive employee awareness on key thematic areas, including gendered topics such as fertility, returning parents, menopause and domestic abuse.

Diversity Data

We have set a public target to ensure at least 35% of senior leadership are women by the end of 2023. We are proud that we closed the year with 44% of women in senior leadership positions, exceeding this target by 9%. Ensuring we have gender parity in this group will have the largest impact on the reduction in the gender pay gap, as ultimately, the senior leadership team is generally comprised of the top earning individuals at Canopus.

Through the delivery of a new HR information system, we will maximise opportunities to engage with our colleagues through campaigns designed to encourage diversity data sharing, and driving greater understanding of how data is used to support the reduction of the gender pay gap and make informed decisions when considering promotions, development and other interventions which will drive gender representation at all levels.

Recruitment

We continue to focus on the recruitment, retention and promotion of minority groups. We have implemented a mandatory 50/50 gender balance shortlist for certain capabilities and will operationalise this across other business classes in 2024. This is coupled with line manager training to further support inclusive and diverse hiring.

Declaration

We/I confirm that the data contained within this report is accurate and meets the requirements of the gender pay gap reporting regulations.



Mark Newman
UK Chief Executive Officer
April 4, 2024



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