

TALBOT

An **AIG** company

Talbot 2024 Gender Pay Gap



Talbot Underwriting Ltd (Talbot, an AIG company) is committed to fostering a culture of inclusion for all its employees. We are working to reduce any gender pay gap and to achieve gender representation parity in our leadership pipeline.



Our Pay Strategy

Talbot is confident that men and women are paid equally for doing the same or equivalent jobs across our business. We will continue to ensure our policies and processes are fair and equitable to all employees. We employ tools and practices that enable us to benchmark our total remuneration against our chosen markets/peer group to ensure that our package is fair and competitive in the market.

We continue to recognise, develop and reward the contribution of all our employees. In an ever-competitive market for talent, we strive to attract highly motivated people, keep them engaged and help them achieve their career aspirations.

Recruitment, Promotion and Succession Activity

We appoint people to roles based entirely on talent and merit, regardless of age, race, gender, marital status, sexual orientation, disability, gender identity, or religion and belief. The language and activities we adopt in our recruitment process reflect our inclusive culture.

As a Managing Agent within the Lloyd's market, we have been working towards increasing our number of female employees in relation to the proportion of women in leadership positions (i.e. across all roles on the Board, Executive Committee and direct reports of Executive Committee members). In December 2024, we were delighted to have achieved 37% representation. Our recruitment, promotion and succession activities remain focused on this, particularly in recruitment where we are seeing more gender-balanced appointments at all levels of the organisation.

Our Talent Acquisition team proactively encourages the use of diverse candidate slates for all UK recruitment, from both within and outside the sector. When working with agencies, we brief them on the benefits of diverse slates and if necessary, we extend the recruitment timescales to ensure inclusion of diverse candidates.

At each touch point with candidates, we share positive stories about our culture and the way we work, emphasising:

- Career progression, and the opportunity for challenging and exciting moves both within Talbot and AIG;
- Professional development and learning opportunities for all, either via programmes available through AIG, or on an individual basis;
- Our Employee Resource Groups (ERGs), the high level of participation, their profile and influence across wider AIG. All new employees learn about the importance of ERGs and allyship at their corporate induction; and
- AIG and Talbot Values and the culture characterised by collaboration, inclusion and support.

Our succession and talent planning activities provide equal opportunity for all. We actively support employees in their career development and progression, such as through mentoring, technical and leadership development programmes and the opportunity to play a meaningful role in the execution of our strategic priorities for all employees. The majority of our vacancies are advertised internally, and we actively support lateral and cross-departmental moves, both within Talbot and across wider AIG, that help employees broaden their skills. We put in place structured support when employees do take on new roles, so that they are set up to succeed. Whilst these activities benefit all employees, we ensure that we actively engage our women employees and bring them into the process.



Culture & Inclusion

Through our Culture and Inclusion framework, we focus on fostering an inclusive culture that enables all employees to fulfil their potential and feel a strong sense of belonging.

We have increased the formal and informal channels of communication between senior leaders and the wider employee population to encourage open sharing of different perspectives. As a Managing Agent within the Lloyd's market, we have taken great steps to ensure our Culture Action Plan focuses on shaping a culture of high performance where diverse talent flourishes, and its execution is overseen by the Board and Executive Committee.

As we continue to follow a strategic roadmap towards greater inclusivity, our initiatives are focused on all aspects of diversity, rather than solely on gender balance. Activities include:

Education and Awareness

We continue to promote opportunities for our managers and employees to increase their awareness of inclusion through our regular Culture & Inclusion-focused communications and monthly People Newsletter.

All employees have a mandatory Culture & Inclusion goal as part of performance management which identifies how they can personally contribute to our Culture & Inclusion ambitions. Their performance against the goal is evaluated at year-end and contributes to their overall rating, which in turn is linked to remuneration.

Talbot employees are actively involved in AIG's Employee Resource Groups (ERGs), of which there are nine in the UK, and we continue to drive deeper connection between our ERGs across our global business to maximise our leverage and reach. Membership across the Group remains high with 44% of UK employees being a member of at least one ERG and this is higher for managers, at 46%.

We continue to support employees experiencing menopause. Alongside our menopause guide, activities include multiple awareness events run by our ERGs and the Wellness Committee and all menopause resources are captured under one section on the landing page of our Employee Portal.

All Talbot employees have attended *Active Bystander* training which aims to equip them with the skills and confidence to recognise when and how to intervene effectively to support colleagues.

We provide a *Managing Flexible Teams* programme to equip our managers to lead and support employees equitably in an in-person/virtual environment.

We are also involved in or sponsor a number of Culture & Inclusion initiatives across the insurance industry, including the *Dive In Festival*.

Development and Mentoring

All our employees are actively encouraged to engage with the extensive learning materials and programmes that are available through AIG, Lloyd's and Talbot. We launched the *Women in Talbot* network to create a community of women to help each other with development and to grow their network. We ensure gender balance in participant groups in our internal leadership programmes. Our Reverse Mentoring Programme pairs senior executives and Board members with emerging talent, with a focus on women.

We continued our partnership with *Everywoman*, to provide online development for women through leadership-focused webinars, podcasts, workbooks and articles, and with the ISC Group to provide high potential senior, mid and emerging women leaders with development, networking and mentoring opportunities.

Parental and Caring Support

We offer return to work coaching for all employees who have taken an extended leave of absence from work. We also continue to partner with *Work Life Central* to provide resources, webinars and support groups to parents and carers primarily, but also wider support on careers and wellbeing. We promote flexible working and support managers on this topic.

Our *Working Families and Carers* ERG runs supportive events for parents and carers, on topics such as caring for elderly relatives, 21st century dads, divorce, co-parenting, and blended families, mental health, and financial wellbeing. They also organise Family Days where family members are able to come into the office and hear about the workplace, play games, and meet senior leaders.



What is Gender Pay Gap?

UK government legislation requires employers with 250 staff or more to publish statistics outlining the difference between the average pay of men and women employees. The analysis is based on data as at April 5 every year.

Companies must disclose the gender pay gap and the gender bonus gap based on mean and median averages, the proportion of men and women that receive a bonus, and the proportion of men and women in each pay quartile.

This is different from Equal Pay, which legislates that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010. It is unlawful to pay men and women differently for performing the same job. Bonus pay for the purpose of gender pay gap reporting includes any rewards related to profit-sharing, productivity, performance, other incentives or commission.

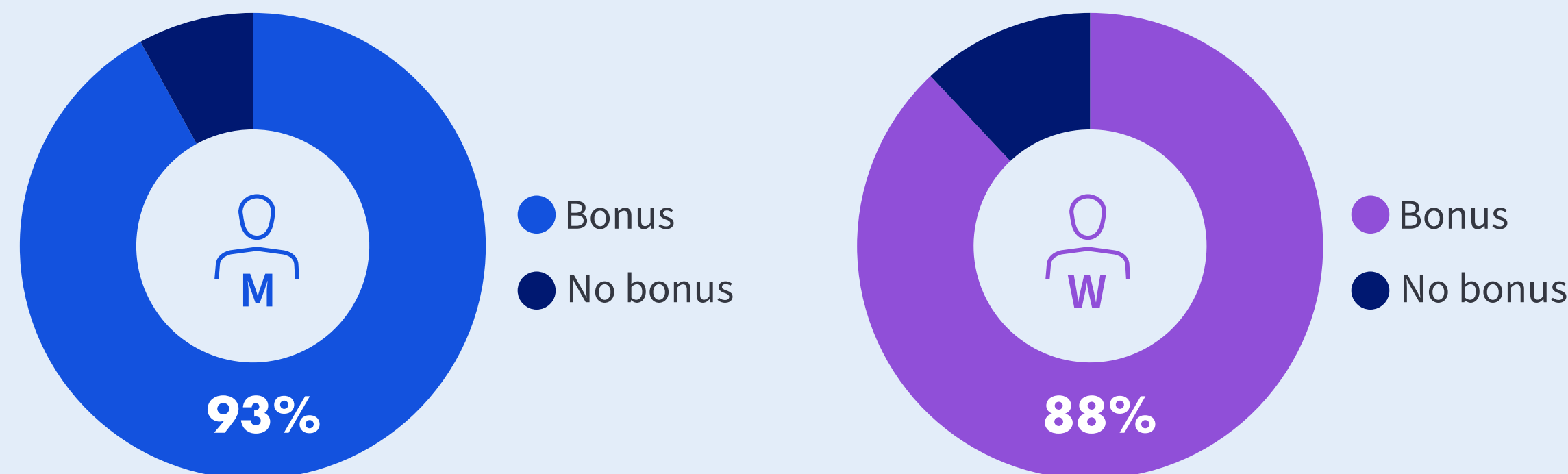
Pay Gap

The percentage difference in pay between men and women

	Mean					Median				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Hourly fixed pay	28%	27%	27%	30%	32%	24%	26%	24%	31%	32%
Bonus paid	63%	65%	64%	55%	71%	37%	48%	39%	39%	56%

Our 2024 gender pay gap analysis shows a modest increase in the mean average fixed hourly pay gap, and a decrease in the median average fixed hourly pay gap. The bonus pay gap, mean and median, decreased, with a significant improvement to the latter of 11%. This is the lowest gap since 2018.

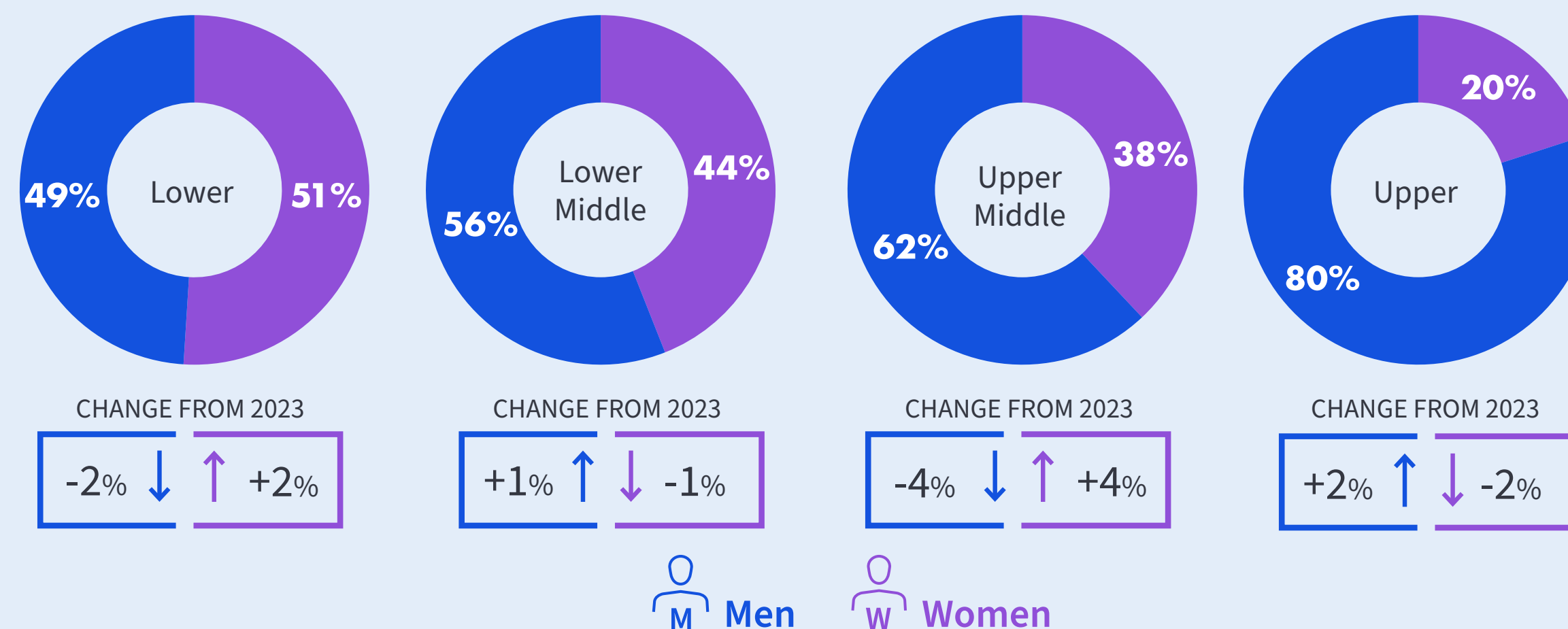
Percentage of Employees Awarded a Bonus



In the previous year, 92% of men and 91% of women received a bonus, therefore there is a slight decrease in the percentage of women awarded a bonus and this is due to ineligibility based on hiring date.

Pay Quartiles

Quartiles are calculated by ranking hourly pay for each employee from highest to lowest. The list is then divided into 4 equal sized groups of men and women. The graphs below show the percentage of men and women in each group. This data shows that we have more senior men than women in higher paying roles.





What we are doing to address the gender pay gap:

- Engaging in activities to draw more women to the insurance market and to raise the profile and attractiveness of the insurance industry to a broader range of people; for example, our senior leaders speak at school careers events and participate in coaching programmes for young people from disadvantaged backgrounds;
- Maintaining our focus on encouraging the use of a diverse slate of candidates and an equitable and inclusive recruitment experience for all candidates, with structured interviews conducted by managers trained in inclusive hiring. Continuing to look for opportunities to make improvements in our recruitment, promotion and succession planning process and practices to reduce bias;
- Leveraging our senior women role models in the business, ensuring they present at meetings when we bring together the whole organisation, connecting them with prospective candidates in the recruitment process and showcasing their career progression through various communication channels;
- Ensuring our high potential women have career and development plans in place, aligned with their aspirations and our talent and succession planning;
- Continuing to develop the *Women at Talbot* network to help build connections and to engage with colleagues across the organisation to help women raise their profile and develop their careers;
- Supporting flexible/agile working and providing assistance for those returning to work after a career break, and promoting our parental leave policies;

- Further developing our support of women’s golf via the title sponsorship of the AIG Women’s Open & AIG Women’s Golf Academy, standing as an ally to women in sport, in business and beyond.

We continue to explore opportunities for further progress with a strong commitment to investing in activities that will enable more women to reach senior positions, and to ensure that we encourage diversity at all levels of the organisation.

I confirm that the information in this report is accurate.

Chris Rash
Director

TALBOT

An  company

Talbot Underwriting Ltd operates within the Lloyd's insurance market through Syndicate 1183 and Syndicate 2019. Syndicate 1183 focuses on underwriting a number of specialty risks including marine, energy, political violence, political risk, accident and health, contingency, financial institutions and property. Syndicate 2019 exclusively reinsures risks from AIG's Private Client Group (PCG). PCG is an industry-recognized brand with a leading market position in the High Net Worth segment. Products or services may not be available in all countries, and coverage is subject to actual policy terms. Non-insurance products and services may be provided by independent third parties. Talbot Underwriting Ltd is registered in England: company number 02202362. Registered address: 60 Threadneedle Street, London EC2R 8HP England. Talbot Underwriting Ltd is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority (FRN number 204890).