UK Pay Gap Report 2024–2025

A message from our CEO

At Tokio Marine Kiln (TMK), we believe that our market leadership relies on the strength, diversity and talent of our people.

As the needs of our diverse range of clients evolve, attracting the most talented people and fostering a culture of belonging – where every individual feels seen, valued and empowered to contribute – is not just the right thing to do; it is essential to our sustainable, commercial success. Representation and belonging are therefore at the heart of our strategy, and remain a key focus for us going forward.

Pay gaps in summary

This year's pay gap report reflects both our progress and the challenges we continue to face.

It is encouraging to note that we have a higher than average representation of female senior leaders and ethnically-diverse workforce, which indicates that our efforts are yielding results. Nonetheless, while there are pay gaps and representation challenges, there is still work to do.

We have seen an increase in our mean gender pay gap this year, which now stands at 25.1%, due to a rise in the number of males at the upper end of the top pay and bonus quartiles. This follows a general pattern of reduction over the past few years of reporting, and our mean gender pay gap remains below the Lloyd's market average of 31%.

We have also seen increases to our mean and median ethnicity pay gaps, which are 29.9% and 23.1% respectively. This follows a significant increase in our ethnicity disclosure rate, which now stands at 86.4%. We will continue to push for increased disclosure to ensure accurate reporting going forward.

Taking action on representation and belonging

We have continued to take steps to increase representation at all levels, and we recognise that there is still work to be done:

- We have continued our focus on inclusive hiring and development practices and we have launched a campaign that we call the "TMK Formula" – which showcases the characteristics that make our culture unique and compelling for a diverse audience
- We have continued to build an open, inclusive and empowering culture, with the support of our many engaged and active employee networks. Together with our Inclusion & Diversity Council, which I chair, our Networks allow us to align our efforts with the wants and needs of our diverse employees. They help us to shape our I&D plans and practices and have also helped influence some of our market-leading HR policies as well as contribute to our broader Charitable Giving programme
- We also run a programme of awareness-raising events across the year, including the TMK Carnival, our flagship Black History Month event, which was hosted at Lloyd's. The event was led brilliantly by members of our Afro-Caribbean Employee Network in celebration of Black History and culture, and attended by around 300 people from a wide variety of backgrounds across the market
- Our employees have also undertaken mandated foundational training that covers inclusion and belonging in addition to a range of optional training sessions led by specialist diverse-owned agencies, including topics such as neurodiversity, disability and menopause.

Next steps

Transparency is key to driving meaningful change. By sharing our pay gap data openly, we hold ourselves accountable and invite constructive dialogue to continuously improve on inclusive hiring and working practices. We are committed to sharing our progress, listening to feedback, and taking action with our employees to make a positive difference.

I would like to thank our I&D Council members, employee networks and colleagues for their tremendous support as we work to ensure TMK remains an inclusive workplace where everyone can thrive.

Matthew Shaw
Chief Executive Officer

How are pay gaps calculated?

Pay gap calculations

All our pay gap calculations for 2024–2025 are based on 530 employees located in the UK as of 4 April 2025.

The **mean average** pay for a group (for example males) is calculated by adding together the hourly pay of all employees in this group and dividing the sum by the total number of employees in this group. The **mean average pay gap** is calculated by comparing one mean average to another (for example males to females).

The **median average** is the middle point of a range of hourly pay rates arranged in order of value from lowest to highest. If there is an even number in the range, the median is the mean (average) of the two middle numbers. The **median average pay gap** is calculated by comparing the median average salary of one group to another (for example white employees and ethnically diverse employees).

Gender and ethnicity

When we reference the gender pay gap, we are comparing males to females. We now capture data on wider gender identities (Transgender, Intersex, Non-Binary & Other) and although the disclosure rate is too low for us to be able to calculate and share a gender identity pay gap, we do use this data internally to help shape and check progress against our inclusive working practices.

When we reference the ethnicity pay gap, we are comparing employees by different ethnicity categories. We use two approaches. In our most basic calculations, we compare all white employees to all ethnically diverse employees, but we know that this calculation is very broad and will not help us identify differences in representation for people of different ethnicities. For this reason, we also calculate the differences in representation and pay gap broken down into the following categories: Black, Asian, Mixed, White, Other.

Pay gap does not mean unequal pay

Calculations on pay gap are not the same as equal pay. Gender pay gaps show a difference in the representation of different groups at certain levels within an organisation. They do not show inequality of pay in specific roles. We carry out regular reviews to ensure there is equality of pay at TMK.

The pay gap picture

Key trends

Gender

In the last year our mean pay and bonus gaps have increased, our median pay gap has decreased marginally and our median bonus gap has decreased significantly. The increase in mean pay and bonus gaps is as a result of a small increase in the number of males at the upper end of the top pay and bonus quartiles.

Ethnicity

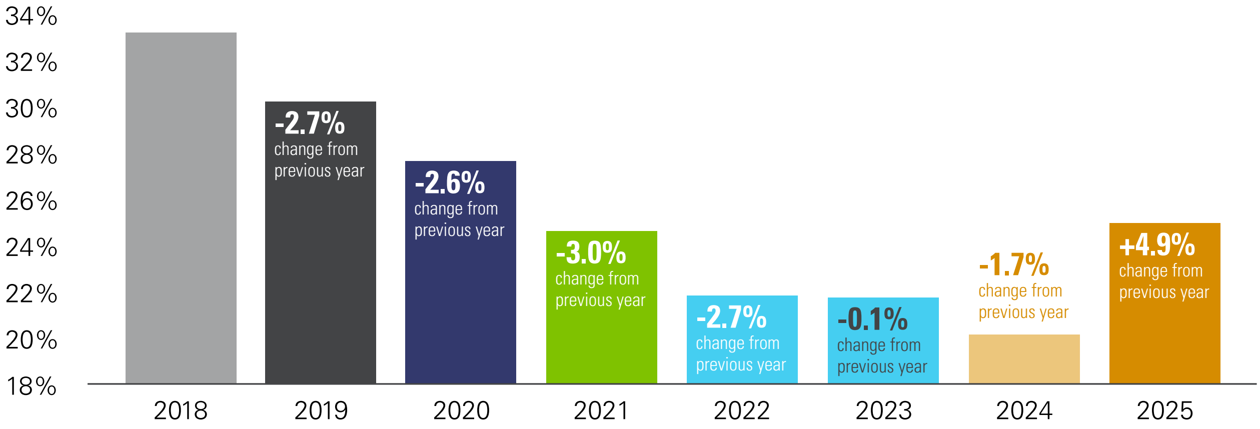
We are now in our fourth year of measuring our ethnicity pay gap and setting plans to close it.

Year on year ethnicity disclosure has increased by 12.2% (and is now at 86.4%). The majority of new disclosures have come from white employees, which has contributed to an increase in our calculated pay gap. Increased disclosure gives us a clearer picture of the average employee experience and will allow us to monitor with more accuracy moving forward.

Similar to our gender pay gaps, mean pay and bonus gaps have increased more than median pay and bonus gaps. This is due to a small increase in the number of white employees at the upper end of the top pay and bonus quartiles.

The gender pay gap

The year-on-year TMK mean pay gap



Mean compared to median pay gap

1. The **mean gender pay gap** for Tokio Marine Kiln is 25.1%
2. The **median gender pay gap** for Tokio Marine Kiln is 17.2%

Insights

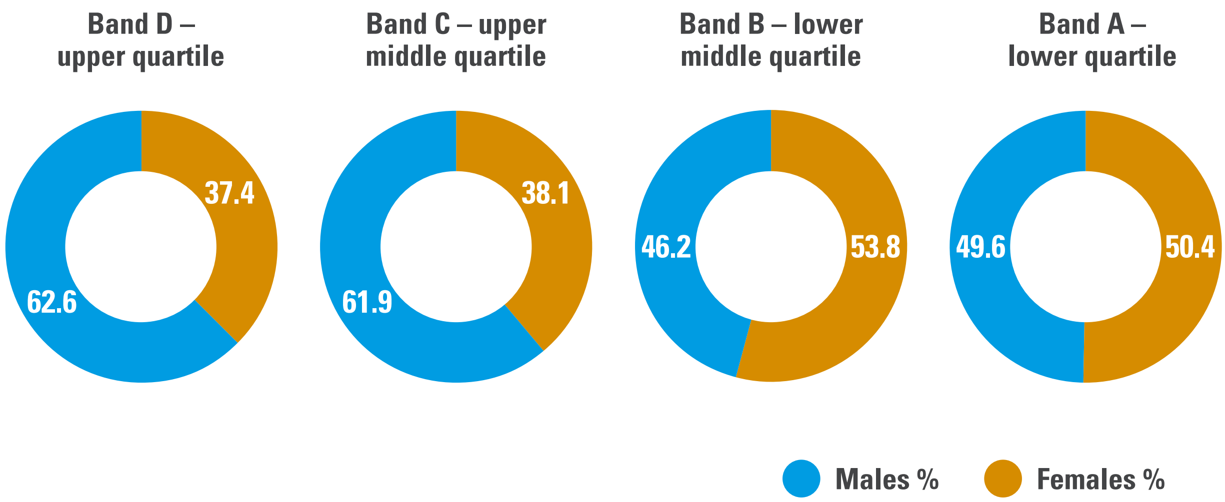
This year our mean gender pay gap has increased by 4.9%. Our median pay gap has shrunk by 0.4%. The increase in the mean pay gap is due to a small increase in males at the upper end of our top pay quartile.

The Lloyd's market average mean gender pay gap is 31% (according to the Lloyd's 2025 Market Policies and Practices Report). Although our mean pay gap increased this year, our pay gap is still significantly smaller than the average insurance firm and we will continue working towards closing it.

> "We are proud that our pay gap is smaller than the average insurance firm."

Gender representation by quartile

Quartiles are calculated by dividing the workforce into four, based on employee earnings by standard hourly rate. Bonuses are not included in this calculation – these are calculated separately in the next section of this document.



Band D – Includes all employees whose standard hourly rate places them **in the upper quartile**

Band C – Includes all employees whose standard hourly rate places them **in the upper middle quartile**

Band B – Includes all employees whose standard hourly rate places them **in the lower middle quartile**

Band A – Includes all employees whose standard hourly rate places them **in the lower quartile**

Insights

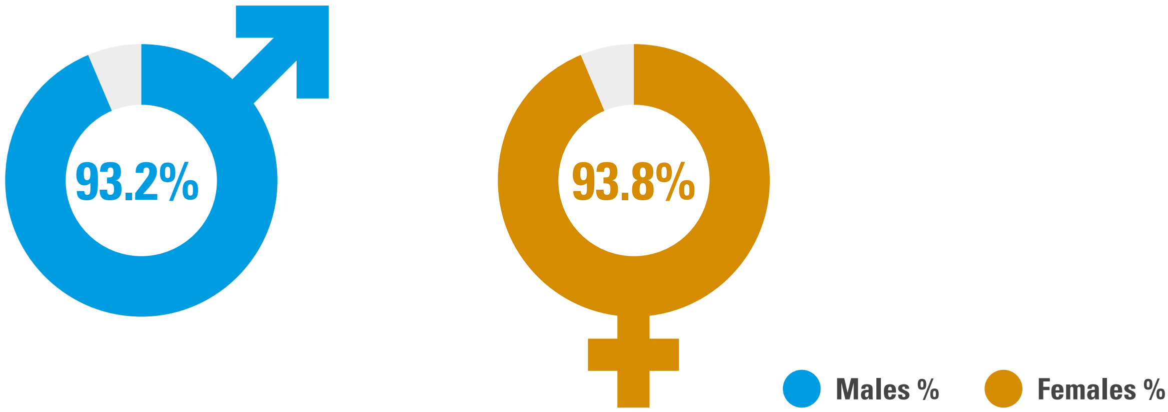
The upper quartile (Band D) represents the highest paying roles. The lower quartile (Band A) represents the lowest paying roles. The data shows us that the percentage of females in the top two quartiles is lower than the bottom two quartiles.

This is a pattern many firms within our sector will be familiar with and we are keen to increase the representation of females in the higher paid quartiles.

We plan to do this by focusing both on senior level roles and roles that attract larger salaries. Elsewhere, the data shows in the last year that we have seen a 2% increase of females in the top quartile, and our bottom pay quartile is almost at gender parity, which indicates positive progress.

The bonus gap

% of males and females who received a bonus

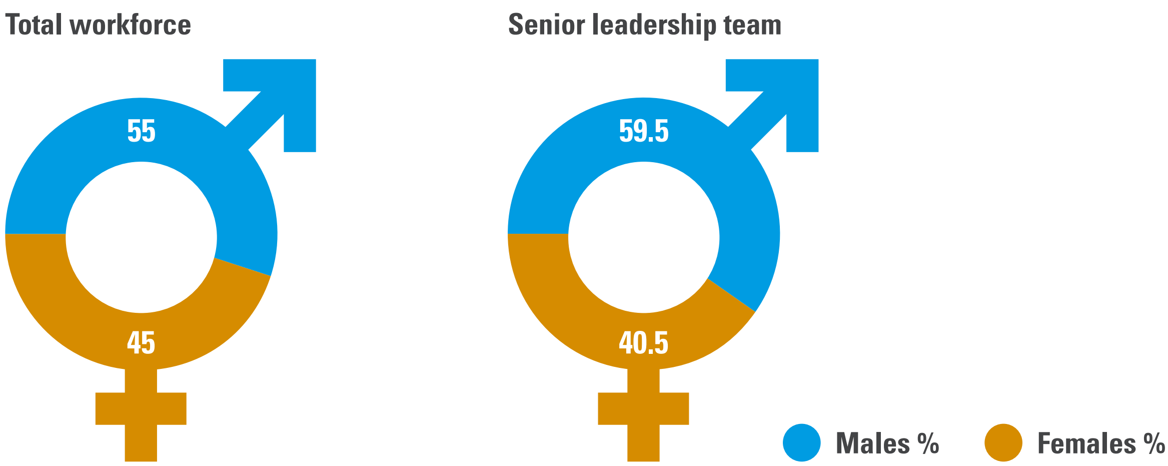


	Mean	Median
Gender bonus gap	55.4%	17.0%

Insights

The mean bonus gap has increased by 3.6% and the median bonus gap has decreased by more than 14%. The increase in our mean bonus gap is due to bonuses allocated to a small number of males at the upper end of the bonus quartile. The significant reduction in the median bonus gap is due to more women in the TMK workforce receiving bonuses at the upper end of the scale.

Representation of workforce by gender



45% of our total workforce is female, which is 1% above the Lloyd's market average.
40.5% of our senior leadership team is female, which is 3.5% higher than the Lloyd's market average.

The ethnicity pay gap

Pay gap for all ethnically diverse compared to all white employees

Pay gap	2025	2024	2023
Mean	29.9%	10.2%	13.9%
Median	23.1%	18.8%	24.1%

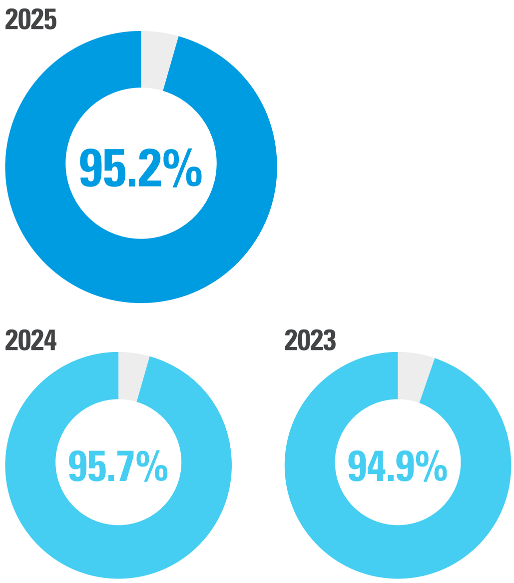
Insights

Both the mean and median calculated pay gaps have increased, with the mean pay gap increasing more significantly. This is largely due to an increase in ethnicity disclosure from across the business, the majority of which has come from white employees which gives us a more accurate picture of ethnicity pay gaps. The mean pay gap has increased more significantly than the median due to a small number of white employees in senior roles at the top end of our pay scale.

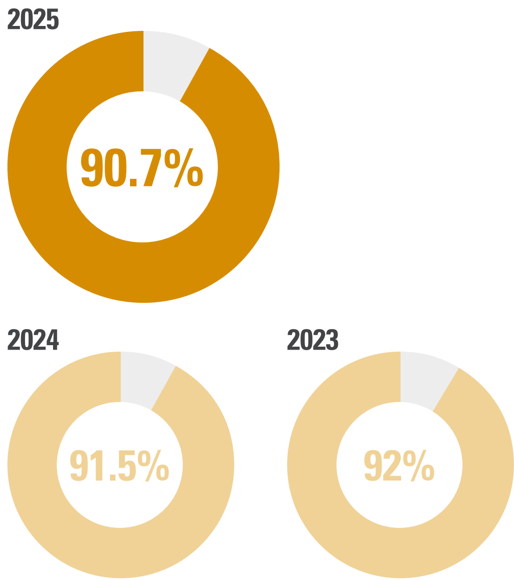
> More employees have disclosed their ethnicity data, which gives us a more accurate picture of our ethnicity pay and bonus gaps."

Bonus gap for all ethnically diverse compared to all white employees

Percentage of white employees receiving a bonus



Percentage of ethnically diverse employees receiving a bonus



Bonus gap	2025	2024	2023
Mean	2.6%	-32.1%	6.2%
Median	50.0%	37.9%	47.5%

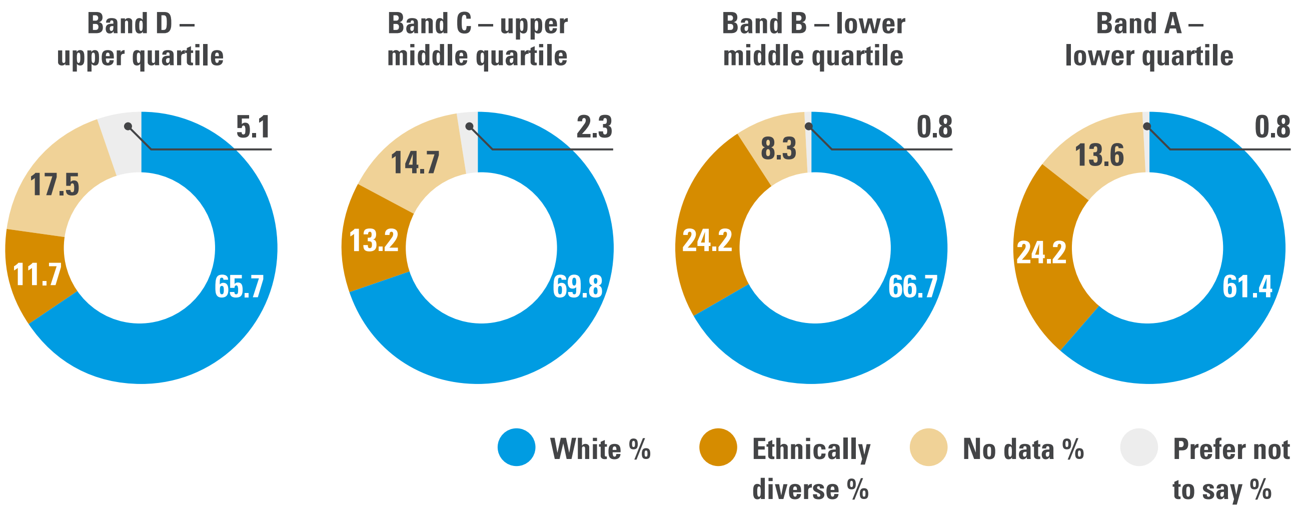
Insights

This year our mean and median bonus gaps have increased due to greater disclosure of ethnicity data from white employees. As our workforce stands, we have a more accurate picture of ethnicity bonus gaps at TMK and the data tells us that our mean bonus gap is very small at 2.6%, and our median bonus gap is greater. This is to be expected with the size of our workforce and senior leader demographic.

The majority of employees who did not receive a bonus for this reporting period were new starters who had not yet met bonus eligibility criteria.

Representation data

Quartile breakdown by ethnicity



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Band A – Includes all employees whose standard hourly rate places them **in the lower quartile**

Insights

Similar to the data for TMK's female representation, the data above tells us that the percentage of employees who are ethnically diverse is smallest in our top quartile. Many firms in our sector will be familiar with this pattern, which contributes to our overall ethnicity pay gap.

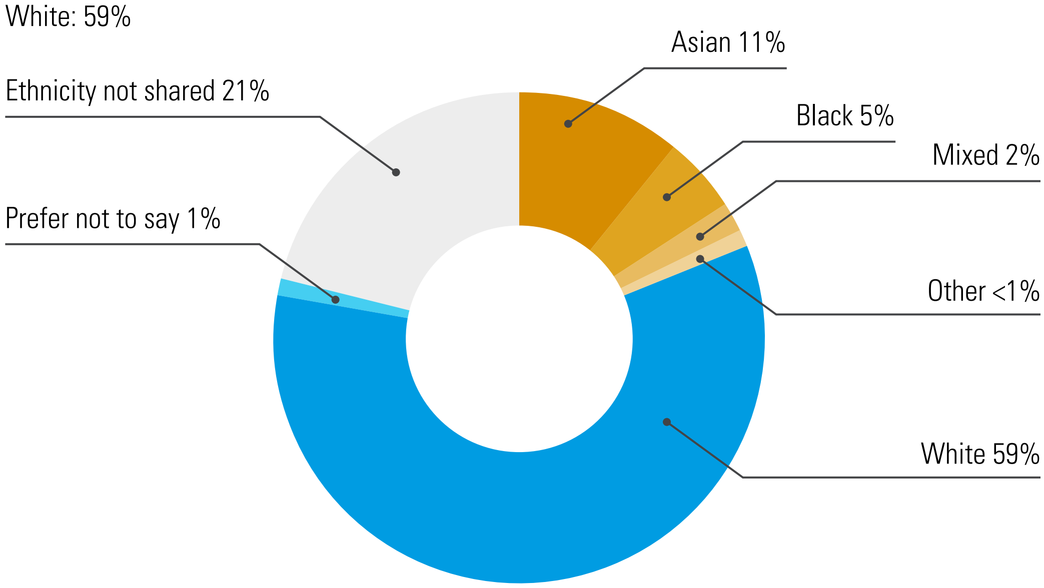
Year on year, we can see an increase in ethnically diverse employees in all pay quartiles, except for the upper middle quartile, which has decreased by just over 2%. This is an encouraging sign of progress.

Representation of workforce by ethnicity

We have shared our representation data by ethnicity category and how we compare to representation across the Lloyd's market below:

Data for TMK

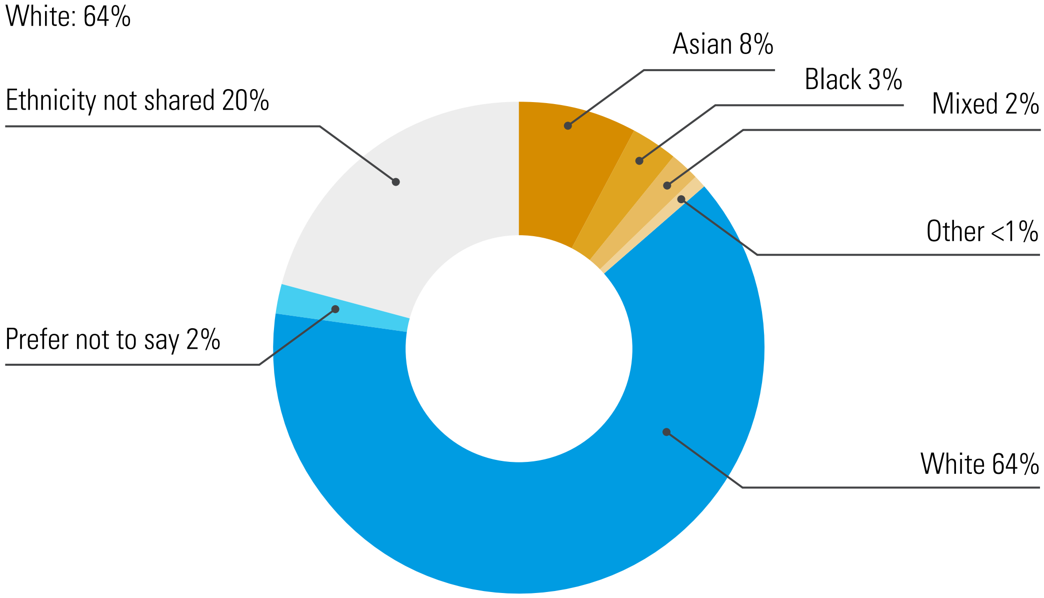
Ethnically diverse workforce: 18%
White: 59%



(Not all employees share ethnicity data so the total percentage does not add up to 100%).

Data for Lloyd's Market

Ethnically diverse workforce: 14%
White: 64%



(Not all employees share ethnicity data so the total percentage does not add up to 100%).

Insights

Year on year, the percentage of our workforce that is ethnically diverse has stayed fairly static. This is encouraging, given that we have seen an increased ethnicity disclosure rate, the majority of which has come from white employees. Representation of Asian employees has grown by 2%.

According to the 2025 Lloyd's Market Policies and Practices Report, the total percentage of ethnically diverse employees across the market is 14%. TMK is ahead of the market at 18%. TMK's percentage of Asian employees is 3% higher than the market average and our percentage of Black employees is 2% higher than the market average.

Although we compare well to the market, if we compare it to the most recent 2021 census data for London (which is where most of our UK employees are located) we can see that 46% of all Londoners are ethnically diverse. This can be broken down further to include 21% of all Londoners identifying as an Asian ethnic group, 13% identifying as a Black ethnic group and 6% identifying as a mixed ethnicity group.

Black employees

We do not share granular pay data pertaining to different ethnicity categories externally because the size of our workforce prohibits this. However, we do look at this data internally and we can see that representation, especially in senior level roles, is lower for Black employees and this directly contributes to the pay gap.

Both the mean and median pay gaps are larger for Black employees, compared to our ethnically diverse population. Year on year, similar to what our ethnicity data tells us more generally, we have seen the pay gap increase for Black employees. This is due to increased disclosure from white employees. Encouragingly, even with increased ethnicity data disclosure, the median bonus gap for Black employees has decreased by just under 1%.

Intersectionality

Our workforce is comprised of employees with a wide range of different lived experiences. Diversity is not linear, and many people can report having more than one diversity dimension, this is often referred to as intersectionality.

We have the right level of data to analyse both ethnicity and gender pay gaps, and the size of our workforce allows us to share trends and data separately. We do look at trends for ethnically diverse females at senior levels internally and we can report a year-on-year increase of 2%.

Data disclosure

In the last year we have made additional efforts to encourage our employees to disclose their diversity data on our HR system. These efforts included, but were not limited to, encouragement from senior leaders including the CEO; explanations as to how we use this data; assurance that the data is held confidentially; and pop up reminders that employees see as they log into our HR system.

Year on year, our disclosure rate has increased by more than 12%. This has added integrity to our calculations moving forward, but has also contributed to an increase in calculated ethnicity pay gaps because most people who have shared ethnicity data for the first time this year have been white.

Closing the pay gaps – our approach

Leadership

Our I&D Council:

Our CEO chairs our I&D Council, setting the approach from the top. The Council steers the I&D strategy and monitors progress against the I&D plan for the business. It meets quarterly and is attended by our Network Chairs and Subject Matter Experts from across the business including Recruitment, Learning and Development, Charity and Volunteering, and Communications. The Council identifies opportunities to improve before setting actions to address them and measures progress using data and qualitative feedback. All actions set by the Council are in alignment with our I&D Mission and Vision, as well as our three strategic pillars: People, Partnerships, and Industry.

Belonging

HR policies:

As well as reviewing our HR policies to keep up with best practice, we also consult with our networks and employee groups for feedback on how these policies work on a practical level. We discuss what can be done to improve our employee experience and build on our inclusive working culture.

We are proud to be one of the employers within the insurance industry that offers 26 weeks' paid time off for 'Secondary Caregivers' in the UK. Secondary caregiver may include the biological father, husband or partner of the mother, the child's adopter, or the intended parent if the baby is born through surrogacy. This enhanced benefit mirrors the number of fully paid weeks off set out in our Maternity, Adoption and Surrogacy Leave policies.

Our HR policy package also includes a Sexual Violence and Domestic Abuse Policy, a Menopause Policy, and a Trans and Non-Binary Policy. All policies include advice and signposting for individuals, and advice and guidance for managers.

Employee networks

We have eight employee networks (including two sub-groups) focused on Gender, (with a Menopause sub-group), Ethnicity (including the Afro Caribbean Employee sub-group), Disability, Families & Carers, Pride (LGBTQ+) and Social Mobility. Network members play a key role in leading change at TMK and often work together to cover intersectional experiences. In addition, network members participate in the I&D Council with our CEO and meet regularly for peer support and informal information. We would like to thank our networks for their achievements this year. These include, but are not limited to:

1. **Disability network:** Achieving Disability Confident Level 2 Accreditation in partnership with **Enhance the UK** and holding frequent training and lunch and learn opportunities led by disabled people.
2. **Gender network:** Annual Speed Networking Sessions for employees to meet with Exec and Board Members.
3. **Menopause network:** Annual Menopause Advice and Guidance Sessions (Group and Individual) and a cross-market event in partnership with Lloyd's.
4. **Ethnicity network:** Consultation and support as we pilot different approaches to close our ethnicity pay gap.
5. **The Afro Caribbean Employee network:** Hosting the TMK Carnival – an educational, cross-market event at Lloyd's in celebration of Black culture – led and organised by TMK employees.
6. **Families and Carers network:** Awareness-raising of TMK-provided benefits and support available to parents and carers.

> We take Learning & Development seriously at TMK and we take care to make sure our I&D training offer is relevant and accessible to each learner."

Employee training

Live, in-house training is delivered by our Head of Inclusion and Diversity. Consultant-led training is usually led by diverse-owned consultancies and is designed and delivered by people with lived experience of the topic being covered. Examples include:

Mandated Entry Level I&D training: All employees are required to complete online foundation level training covering concepts including belonging and embracing difference. This training has achieved high participation rates compared to some other mandated training modules, suggesting colleagues place value on I&D as part of our culture.

Board training: All TMK Board members receive training delivered by the Head of I&D.

Manager training: I&D training is a key part of our Manager Development Programme.

Disability: delivered by **Enhance the UK:**

Every year we offer a range of both in-person and virtual training sessions with the goals of both raising awareness of the challenges disabled people can face in the workplace and upskilling our workforce by providing information and coaching on how to think and work more inclusively. In addition to general Disability Awareness Training, we also have delivered sessions specifically tailored for line managers.

Representation

Attracting diverse talent

We have been increasing our efforts to attract diverse employees to TMK. Examples of the work we have been doing includes:

- We have launched the 'TMK Formula' recruitment campaign. It has been specifically designed to reach a wide ranging and diverse audience, and includes videos and statements from Network leaders
- All regular recruiting partners have been asked to submit 50% diverse candidate lists or explain if this has not been possible
- All job adverts have a gender decoder applied
- Disability attraction and adjustment training has been delivered to the recruitment team
- Continuing to partner with diverse owned firms who specialise in attracting diverse talent to the market including **Equity** on entry level to mid-management role hires, the **ICAN** jobs board and **The Brokerage** for internships.

Pre-employment access and awareness raising

We have also been working specifically on raising awareness of the insurance sector for people at the start of their careers, or earlier. This includes:

- Partnership with **Future Frontiers** to mentor 14-year-olds from areas of higher deprivation
- Partnership with Lloyd's on **Inclusive Futures** funding educational bursaries for young Black people (two per year)
- Regular attendance of outreach events focussing on STEM and diverse talent attraction.

Identifying opportunities and tracking change

We focus on what we are doing and the impact it has by, for example:

- Continuing to hold quarterly I&D Council Meetings, chaired by the CEO, to address key themes and actions identified by Council Members (Network Group Chairs and subject matter experts)
- Continuing to review all HR data through an I&D lens so that under-representation issues can be identified and addressed
- Continuing to use our internal I&D dashboard, which breaks down representation data by department allows us to set targeted actions and measure progress against them.

Closing words

Elisabeth Ibeson
Chief People Officer/Exec Sponsor of the Disability Network

At TMK we know that people are able to perform to their best when the working culture is inclusive and all employees share a sense of belonging. We also know that inclusive hiring and development practices are key to attracting and retaining the most talented people who can do great work for us, and keep up with the diverse needs of our customers in a fast-changing world.

Carrie-Anne Adams
Head of Inclusion and Diversity

I am pleased that our efforts to increase ethnicity disclosure among our workforce have paid off and we look forward to reporting on our ethnicity pay gaps with increased accuracy moving forward. Our efforts to ensure an inclusive working environment in which everyone feels a sense of belonging will continue and we look forward to reporting on continued progress – as there is clearly still much to do.

Reeken Patel
Deputy Chief Executive Officer & Chief Finance Officer/ Exec Sponsor of the Gender Network

Our mean gender pays and bonus gaps have not closed at a rate we hoped for this year, but I am encouraged to see the significant closure of our median bonus gap, which points to an improvement in bonus pay for many women within TMK. As always – we will continue to apply a strategic approach to closing our pay gaps.

Vivek Syal
Chief Underwriting Officer/Exec Sponsor of the Ethnicity Network

Our Ethnicity Pay Gaps have increased this year largely due to higher data disclosure, so what we have is a more accurate representation of employee experiences at TMK, which is incredibly useful. We will continue to use our ethnicity data to measure and share our ethnicity pay gaps moving forward, and to set targeted actions internally focused on, but not limited to: awareness raising, talent attraction, talent development and inclusive leadership.

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