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Our UK Gender Pay Gap Report 2021



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April 2022

Tokio Marine Kiln (TMK) has a long and proud history in leading gender inclusion in the insurance market. In the 1960s, our founder Bob Kiln campaigned for women to be allowed to work in the underwriting room at Lloyd's. His ideas were both progressive from a commercial perspective as well as socially aware and inspired a focus on inclusion that remains a core value within TMK's culture and identity today. The work Bob did set the stage for our strong female talent pipeline and our focus on building an inclusive culture in which all our people can thrive. I am proud to carry on that esteemed heritage as we drive our commitment to gender equality and all strands of inclusion.

Thanks to concerted and consistent efforts from our Gender Network, under the sponsorship of our Chief Financial Officer Reeken Patel, we have continued to reduce our gender pay gap in a meaningful way since we first reported in 2018. **Our mean gender pay gap has reduced from 33.1% in 2018 to 24.7% in 2021 and our median gender pay gap reducing from 29.2% in 2018 to 25.7% in 2021.** These figures, while still not where we would like them to be, represent the concerted efforts we are taking to close the gap.

In this report you will find more information about the actions we are taking to continue this trend and drive the positive changes we want in TMK as well in the Lloyd's market. Our aim is to be recognised as a leader of this work in our industry and to ensure that all employees are supported in achieving their ambitions within a safe, open, inclusive and empowering environment.

Brad Irick
Chief Executive Officer

What is the gender pay gap?

The current definition of the gender pay gap is the difference between the average (gross hourly) earnings of all men vs the average earnings of all women in an organisation.

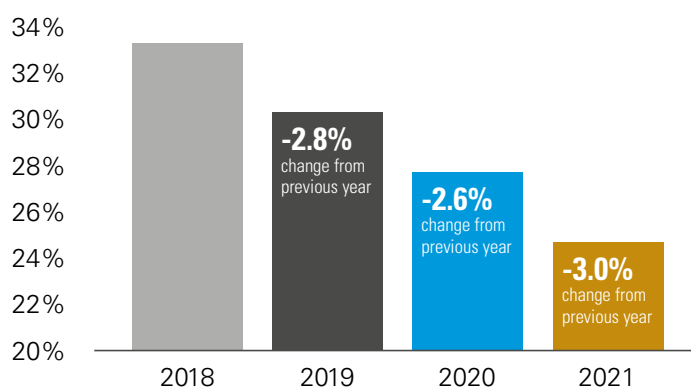
TMK's gender pay gap figures for 2021 have been based on 505 employees in the UK. This is also referred to as the **mean** gender pay gap. The **median** gender pay gap figure looks at the distribution of salaries and represents the difference between the mid-point of all male salaries vs the mid-point of all female salaries within TMK.

The gender pay gap is not a measure of equal pay. Our data does not indicate any issues of pay inequality in TMK however we continue to monitor this. Equal Pay has been a legal requirement in the UK since 1970 and was further updated in the Equality Act 2010. TMK recognises that the gender spectrum is wider than males versus females which is currently what this report is limited to. However, we will consider this for future reporting.

The TMK gender pay gap

For 2021, TMK has reported a **mean** gender pay gap of 24.7%, reduced from 27.7% in 2020. The higher average pay for men reflects the fact that TMK employs more men than women in the most senior roles and more women than men in the more junior roles – there is more information about this in the 'representation' section of this report.

The year-on-year TMK mean pay gap

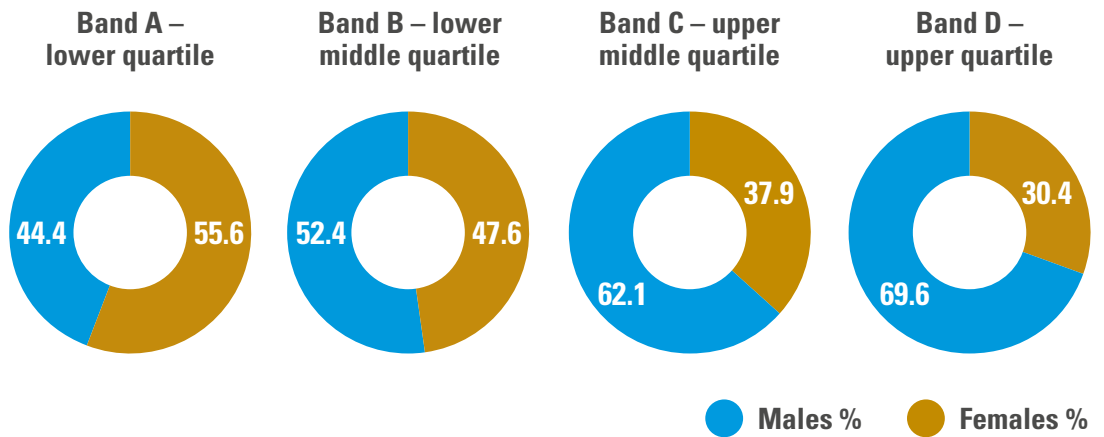


Mean vs median pay gap

1. The **mean gender pay gap** for Tokio Marine Kiln is 24.7%
2. The **median gender pay gap** for Tokio Marine Kiln is 25.7%

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 – they are calculated separately in the next section of this document.



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

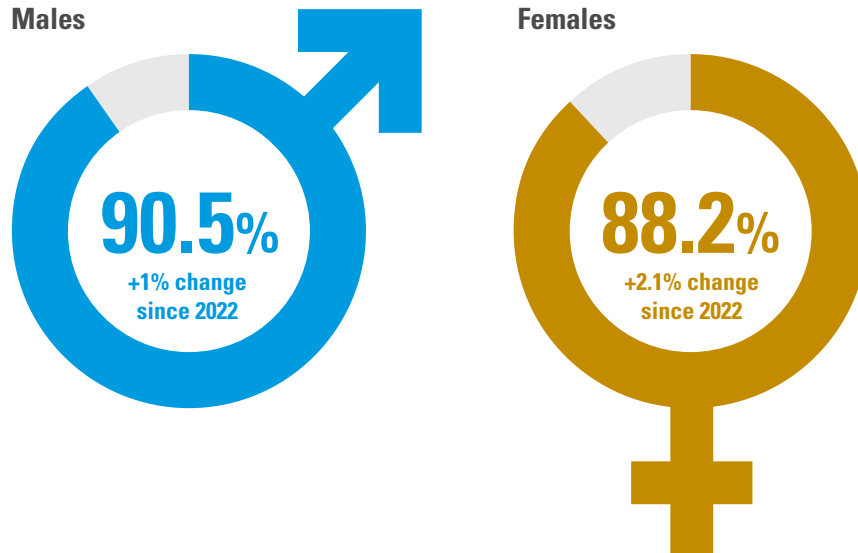
Band B – Includes all employees whose standard hourly rate places them in the lower middle quartile

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

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


The bonus gap

In total 89% of employees received a bonus of whom:



	Gender bonus gap	Change since 2020
Mean	56.5%	+3.8%
Median	28.6%	-4.5%

These figures reflect the fact that TMK employs more men than women in the most senior roles and more women than men in the more junior roles.



What are we doing to close our gender pay gap?

In the last year:

- We hired a full time Head of Inclusion and Diversity (I&D) to drive increased focus throughout our business and to bring better thinking and challenge at the Exec and Board
- We have elevated our I&D Steering group into a Strategic I&D Council which is Co-Chaired by our CEO and two female leaders – one senior staff member and one early career
- We have evolved our previous plan to align it with growing regulatory requirements and emerging best practices in the I&D space. We have created and launched a Strategic Framework which has three pillars: People, Partnerships and Industry and our I&D Council is creating a plan that is aligned to these pillars
- We have improved how we collect and use I&D data using a new HR platform – this means we can break down our gender data further and more easily to focus on intersectionality and specific problems to solve such as representation in certain parts of the business
- We have implemented a new performance review approach
- An Inclusive Leadership training pilot is complete – and will be rolled out to all Managers and Senior Leaders during 2022
- We have improved our recruitment processes using a multi-pronged approach which includes: use of gender decoding software for our job advertisements, more direct sourcing so we are more in control of ensuring balanced candidate shortlists, and we added I&D requirements into recruitment agency terms and conditions

Ongoing

- We are signatories of the Women in Finance Charter and we are making excellent progress against our targets which include increasing representation in female leadership roles to 35% by the end of 2023
- Our targets and actuals are reported on as part of a Culture Dashboard that is reviewed by the Board on a quarterly basis
- Inclusion is one of TMK's values and as such is embedded into 'business as usual' practices across the company
- Succession planning, remuneration decision making as well as training provision and recruitment are all monitored through a gender and diversity lens
- Reviewing the family leave policies to support maternity and return to work as well as further encouraging shared parental leave and carer leave requirements
- Signed up to Bright Horizons as a company funded benefit to all employees. This service provides information and practical resources for everyone to support in managing their caring responsibilities for children, adults and the elderly

Gender Network Activities

- Gender Network Co-Chairs sit alongside our CEO as part of our I&D Council
- Gender Network meetings take place in two different formats: Formal and strategic (to drive change and measure progress) and at informal coffee mornings (to provide regular peer support opportunities)
- Gender Network members are being consulted as part of a review of all relevant HR policies
- Engagement of senior leaders in TMK Gender Network events
- Regular collaboration with other employee network groups to explore intersectionality

2021 highlights

Signing up to the Women in Finance Charter – March 2021

In March TMK signed up to the Women in Finance Charter, reflecting the commitment to work together to build a more balanced and a fair industry.



TMK appointed its first full time Head of Inclusion and Diversity – April 2021

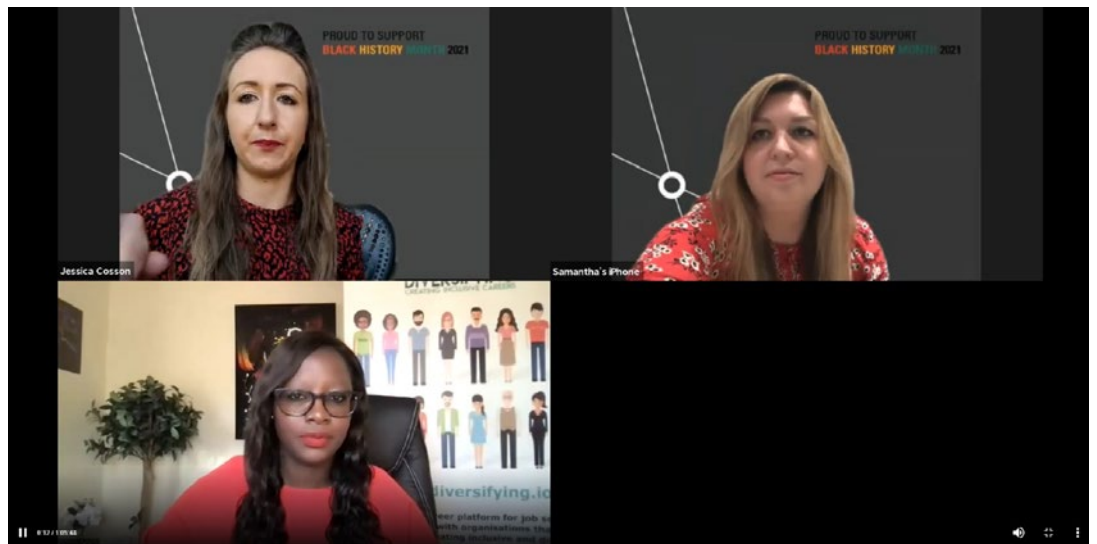
“I am so very proud to be leading this work at TMK. I have been in post for less than a year and am already seeing lots of positive change – there is of course still much to do and I am looking forward to closing our gap further in coming years!”

Carrie-Anne Adams
Head of Inclusion & Diversity, TMK



Black History Month – October 2021

In October, TMK’s Gender Network collaborated with our Ethnicity Network on an event featuring renowned speaker Cynthia Davis to inspire female colleagues and empower allies to break down barriers as part of Black History Month.



Launch of Inclusion Council – December 2021

At the end of 2021, TMK launched its Inclusion Council led by three co-chairs: CEO Brad Irick, Head of Casualty Claims Samantha Ellis and Junior Procurement Officer Echaunti Swan. Here Samantha and Echaunti share their experiences and aspirations for Inclusion at TMK.



Echaunti Swan
Co-Chair of the Inclusion Council

“Growing up in the southern American states, it was hard not to deal with racism. My high school and university was only 5% black students so you can imagine how hard it was to fit in. However, I believe going through those experiences helped me to become passionate about I&D.

Being a Co-Chair alongside Brad in the I&D Council has been a great opportunity to help improve the culture at TMK. Exciting things to look out for are more collaborations with internal network groups and other insurance companies to make the market more inclusive and diverse. Some challenges are making sure that we have enough time and help to make sure we just don’t hold events but make sure policies and mindsets change.”



Samantha Ellis
Co-Chair of the Inclusion Council

“I am lucky not to face some of the additional barriers others do in the workplace, other than my gender, but I’m sure most if not all women have experienced every-day sexism.

I have always been passionate about inclusion and diversity and driving a culture change in our industry. I was very excited to lead TMK’s Gender Network last year, a fantastic group which has already achieved a great deal in delivering against our gender targets and promoting female leaders and rising talent. Now, as Co-Chair alongside Brad on the I&D Council, I look forward to collaborating with all our I&D Networks and also concentrating on driving forward TMK as an industry leader in the I&D space. There is still much more to do to close the gap and the challenge will be embedding this culture.”

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Our aim is to ensure that all employees are supported in achieving their ambitions within a safe, open, inclusive and empowering environment.”

Brad Irick, Chief Executive Officer



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Tokio Marine Kiln

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under Firm Reference Number: 204909. Registered office is located at 20 Fenchurch Street, London EC3M 3BY Registered Number: 729671. Tokio Marine Kiln is a trading name.

*To Be a **Good Company***