

UK Gender & Ethnicity Pay Gap Report 2024

Our commitment to Diversity, Equity and Inclusion

“Our people are at the heart of our success, and we are dedicated to fostering an inclusive culture that values diversity and helps us deliver stronger business results.

Integrating Diversity, Equity, and Inclusion (DEI) is integral to achieving our strategic objectives, enabling us to better serve our clients, drive innovation, and empower our employees to reach their full potential.

We are making meaningful progress across the Chaucer Group as part of our DEI agenda, and we are committed to closing pay gaps and holding ourselves accountable. We acknowledge that this journey will take time, but we remain dedicated to this objective.”

Richard Milner

Chief Executive Officer



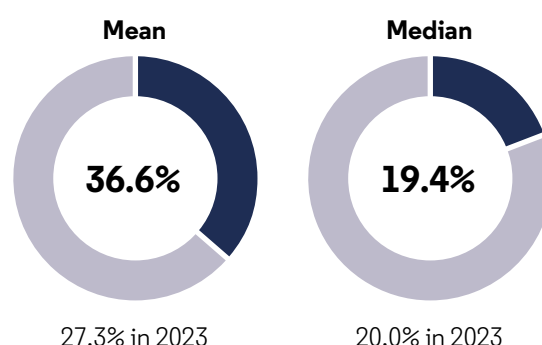
Gender Pay Gap 2024

Chaucer’s mean gender pay gap is **36.6%**, which is the difference in average hourly rates of pay that male and female employees receive.

Whilst the overall measure of our gender pay gap has increased for 2024, we know that the reason for this is short term and directly attributable to a number of Executive remuneration factors that occurred in the period. The underlying data, with these exceptions excluded shows a pay gap of 15.3%, which is a considerable reduction year on year and demonstrates continued positive progress.

Published data from the Office of National Statistics in October 2024 shows that there has been a reduction in the mean UK national gender pay gap from 14.2% down to 13.1%.¹ For financial and insurance services it is estimated to be 23%.²

Chaucer’s median pay gap is **19.4%**, which is the difference in the mid-points of the ranges of hourly rates of pay for men and women, by ordering rates of pay, from the lowest to the highest, and comparison of the middle values. The median pay gap is slightly down from 20% in 2023.



¹ Office of National Statistics, published October 2024

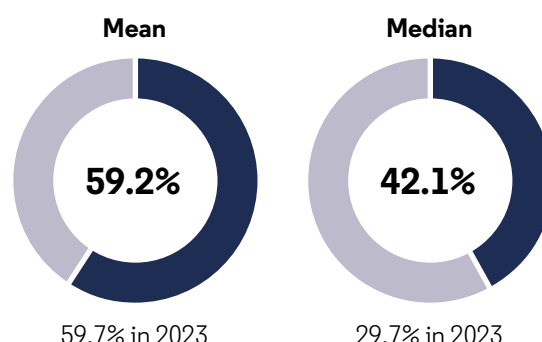
² Personnel Today, published January 2025

Mean and Median Gender Bonus Gap

Chaucer’s mean gender bonus gap is **59.2%**, which is the difference in average bonus pay that male and female employees receive.

Chaucer’s median bonus gap is **42.1%**, which is the difference in the mid-points of the ranges of bonus pay received by men and women.

Chaucer pays bonus awards based on both company performance and individual employee performance. Bonus awards are made irrespective of gender.

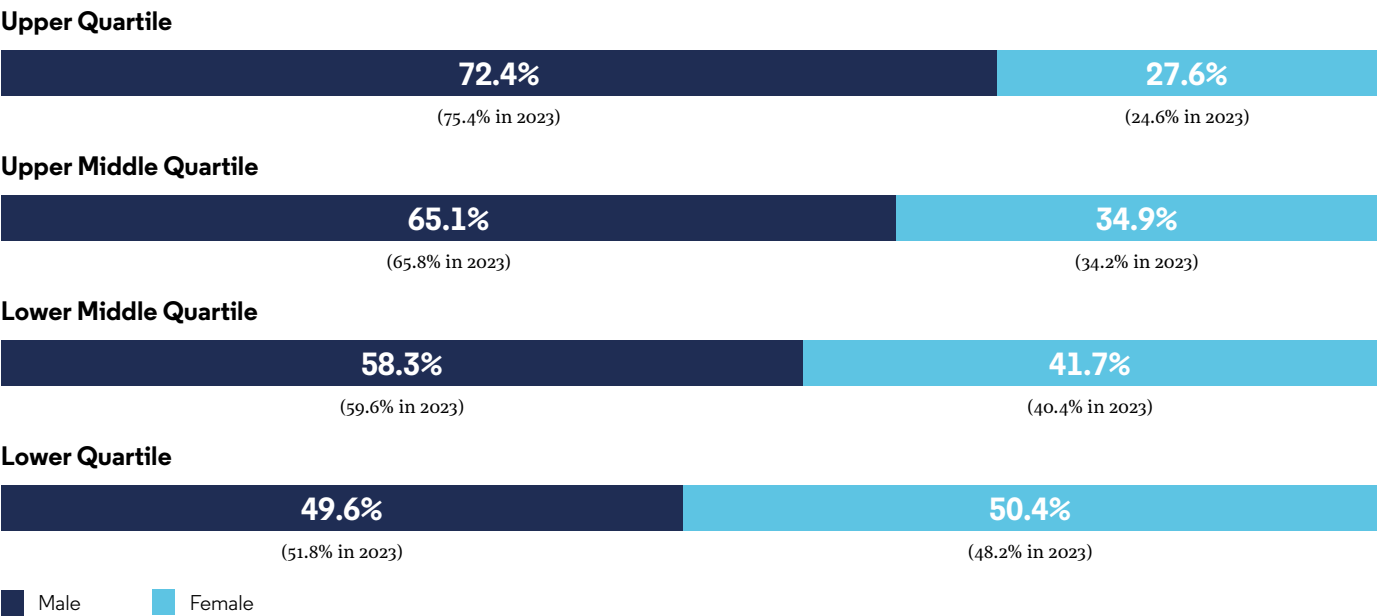


Proportion of males and females receiving a bonus

34% of women and 30% of men did not receive a bonus in the year up to 5th April 2024. The data includes fixed term contractors and non-executive directors, who are not part of the Chaucer bonus scheme. All permanent employees were eligible for a bonus in the year up to April 2024. 98% of women who were eligible received a bonus.



Pay quartiles – Gender



UK Employees – Gender

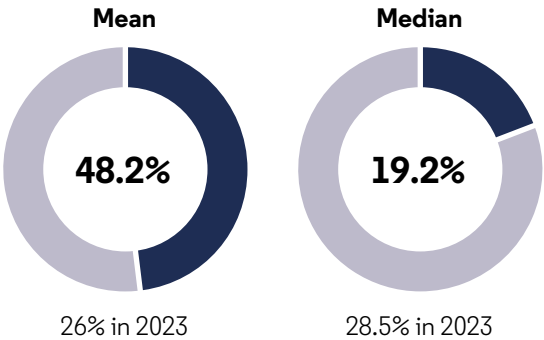
Gender is one of our diversity targets, approved by the board and designed to accelerate improvement.



Ethnicity Pay Gap 2024

Chaucer’s mean ethnicity pay gap is **48.2%**, which is the difference in average hourly rates of pay that white and minority ethnic employees receive. Our ethnicity pay gap has also seen an increase for 2024. This rise is attributed to the same short-term factors related to executive remuneration that impacted our gender pay gap.

Chaucer’s median pay gap is **19.2%** (down from 28.5% in 2023), which is the difference in the mid-points of the ranges of hourly rates of pay for white and minority ethnic, by ordering rates of pay, from the lowest to the highest, and comparison of the middle values.

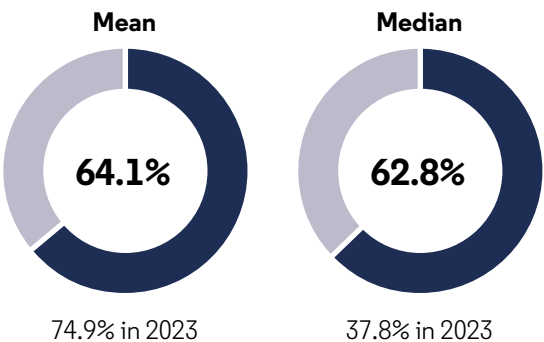


Mean and median ethnicity bonus gap

Chaucer’s mean ethnicity bonus gap is **64.1%** (down from **74.9%** in 2023), which is the difference in average bonus pay that white and minority ethnic employees receive.

Chaucer’s median bonus gap is **62.8%** which is the difference in the mid-points of the ranges of bonus pay received by white and minority ethnic.

Chaucer pays bonus awards based on both company performance and individual employee performance. Bonus awards are made irrespective of ethnic background.



Proportion of Minority Ethnic colleagues receiving a bonus

43% of minority ethnic colleagues and **25%** of white colleagues did not receive a bonus in the year up to 5th April 2024. This data includes fixed term contractors, non-executive directors who are not part of the Chaucer bonus scheme. All permanent employees were eligible for a bonus in the year up to April 2024. **92%** of minority ethnic colleagues eligible for a bonus received a bonus.

Minority ethnic colleagues

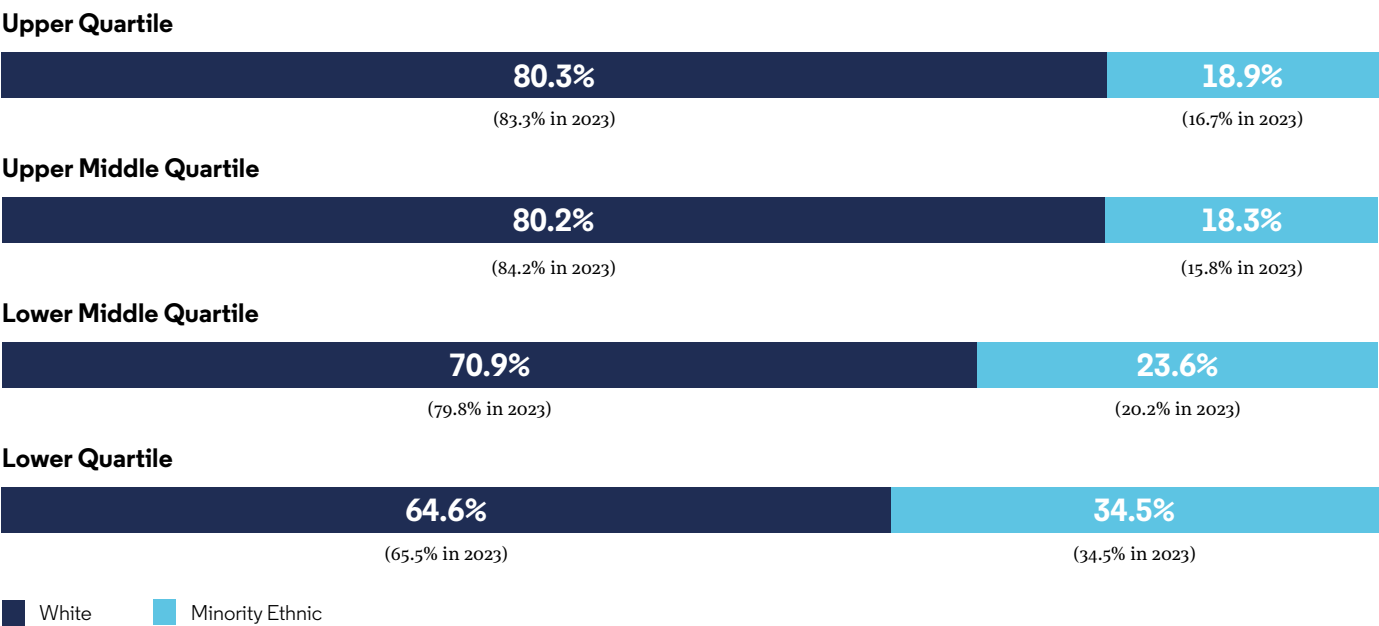


White colleagues



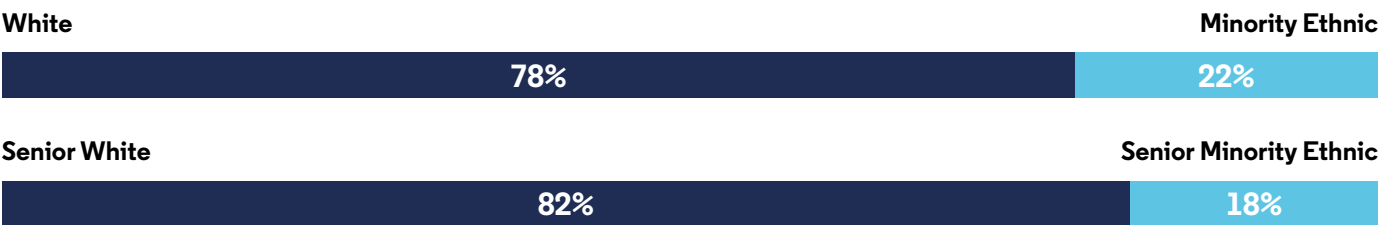
■ Receive bonus ■ Do not receive bonus

Pay quartiles – Minority Ethnic



UK Employees – Minority Ethnic

Ethnicity is one of our diversity targets approved by the Board and designed to accelerate our progress



What is driving our pay gaps?

It is not unequal pay that is driving our pay gaps, we regularly review our pay policies and the compensation paid to ensure that we offer equal pay for equal work. Our gaps stem from an imbalance of women and minority ethnic colleagues, which is more acute at the senior level.

That said, we are very proud that our Executive Leadership Group has a significant female presence (38%) highlighting our commitment to promoting diversity and inclusion at the most senior of levels.

Whilst we are making steady progress, we do acknowledge that we need to continue to do more, otherwise making further impact on closing our pay gaps will remain an ongoing challenge.

Our progress in closing gender and ethnicity pay gaps has been hindered by recent senior hires which have temporarily distorted pay disparities. Without these factors, we would have made significant strides to narrow the pay gaps. However, we remain resolute in our commitment to DEI initiatives, firmly believing that our collective efforts will drive substantial and meaningful progress.

What are we doing to reduce our pay gaps?

We are committed to driving change and bringing Diversity, Equity and Inclusion forward in a meaningful way. Our Executive Directors sponsor our DEI agenda, and are actively involved. The Board are fully engaged and receive regular progress reports throughout the year. We have a clear programme of delivery that is designed to continually improve all aspects of Diversity, Equity and Inclusion. A summary of some of these actions are outlined below:

- Achieving gender parity amongst our Executive Board Directors. Expanding our Executive Leadership Group which now comprises 38% Female and 15% Minority Ethnic Representation.
- Making strong progress against our latest diversity targets on gender and ethnicity. We have significantly increased our senior women representation from 18% to 38% in the last 4 years and have maintained our 1 in 3 external hiring ambitions in respect of minority ethnic talent.
- Achieving 'Gold' accreditation as part of the Clear Assured framework for our inclusive policies and practices and we are now actively working towards achieving 'Platinum'.
- Being a proud signatory of the Women in Finance, Race at Work and Change the Race Ratio Charters. We are a Disability Committed employer and a Mindful employer and a Stonewall Diversity Champion.
- Utilising DEI diagnostics as part of our compensation process to prevent any unintended pay practices.
- Continuing to drive targeted talent acquisition practices, through identifying and accessing alternative talent partners. In 2024, we began collaborating with Equity City – a network established to improve the representation of ethnic minority talent in the market.
- Working with our community partners SEO and Black Bullion to build a more diverse talent pipeline through work placements, insight days, and early in career programmes.
- Focusing on internal talent management practices to enhance inclusion and accelerate progress amongst minority groups.
- Challenging the Chairs of all Company Committees and Groups to explore ways in which to maximise the contribution and diversity of thought from all.
- Supporting Race Equality week, Black History month, International Women's month and Pride, all of which are key milestones celebrated each year.
- Continuing to work closely to support and work with our 9 established Employee Resource Groups (ERG's) which include groups representing gender, multi- culture, neurodiversity, family, social mobility and faith.
- Continued upskilling of all managers to ensure consistency in inclusive hiring and inclusive leadership.
- In 2024 we launched our Reverse Mentoring scheme which pairs senior leaders with diverse talent.
- Evolving programmes in training, education and awareness which include panel discussions and topical debates across the Group.
- Increasing our support for colleagues impacted by the menopause which now includes access to specialist GP support.
- Participating in Lloyds Market Leadership Programmes aimed at underrepresented talent groups.
- Operating a fully hybrid working model across the Company.

Further information on gender pay gap reporting and equal pay

Government Gender Pay Gap Reporting

www.gender-pay-gap.service.gov.uk

Equality Act 2010

www.legislation.gov.uk/ukpga/2010/15/contents

