



Gender Pay Gap Report for
Arch Europe Insurance Services Ltd

Introduction

This report sets out the gender pay gap among the UK workforce of Arch Europe Insurance Services Ltd (“**AEIS**”) for the 2024/2025 reporting year and describes the steps we are taking to improve our gender pay gap and foster greater diversity and inclusion within our organisation. AEIS employs the individuals that provide services to Arch Insurance (UK) Limited and Arch Managing Agency Limited (collectively, “**Arch UK**”). The figures in this report are based on a headcount of 951 employees as at 5 April 2025, consisting of 565 male employees and 386 female employees across AEIS.

Our gender pay gap is indicative of the gender distribution of our workforce. AEIS currently has a greater proportion of men in senior roles, which typically carry higher salaries and bonuses, and a greater proportion of women in junior roles. As a result, the average pay for male employees in our workforce is higher than the average pay for female employees. Whilst this gender distribution is common in the insurance industry, we have several initiatives aimed at increasing recruitment and retention of female employees across all levels and increasing female representation at senior levels of management.

Gender Pay and Equal Pay

The gender pay gap calculations set out in this report compare the pay received by all females to the pay received by all males, without taking each person’s role or location into account. There is a distinction between gender pay gap and the concept of equal pay. While both relate to the difference in pay that men and women may receive in the workplace, they are two distinct concepts as further set out below:

Equal Pay is the legal right for men and women in the same employment to receive equal pay for performing equivalent work.

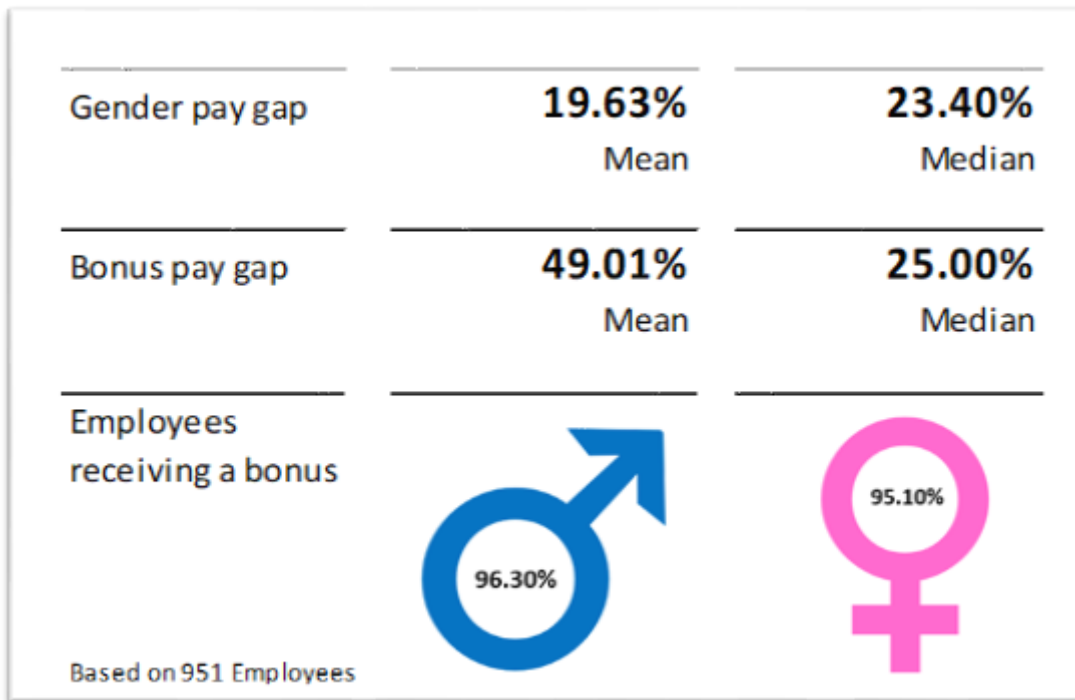
Gender Pay Gap is the difference between the average pay for all male employees and the average pay for all female employees within an organisation *regardless* of their job role or seniority. Gender pay gap is expressed as a percentage.

Gender Pay Gap and Bonus Pay Gap

The gender pay gap figures listed in this report are calculated based on annual salaries of employees of AEIS as at 5 April 2025 and any bonuses that were paid during the 12 months prior to 5 April 2025 (i.e. 6 April 2024 to 5 April 2025).

The figures in the table below illustrate the following:

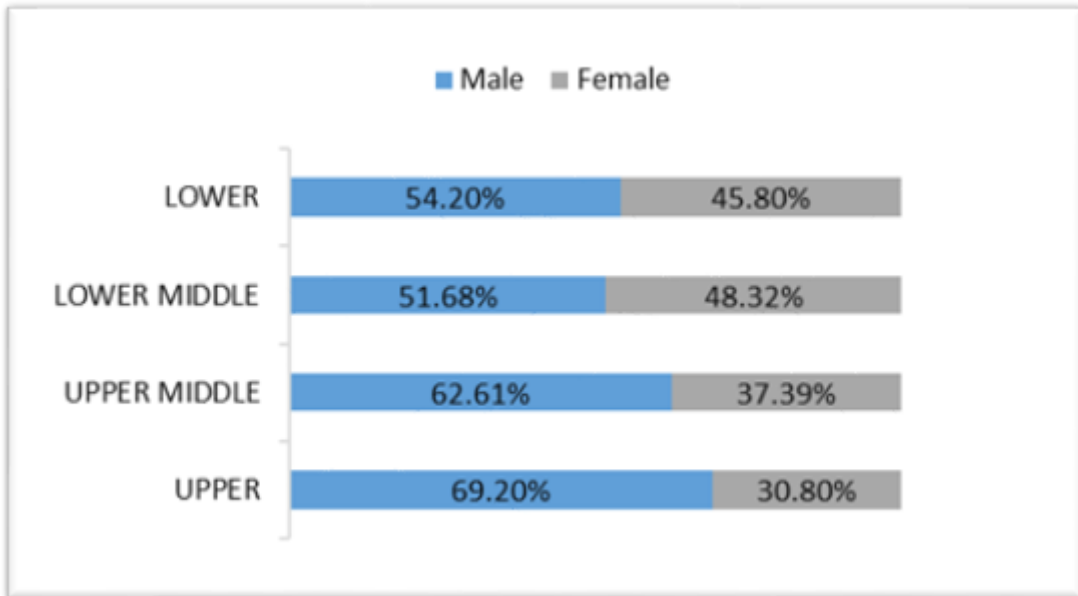
- Our **mean gender pay gap** — the percentage difference between the average pay of all male employees compared to the average pay of all female employees in our UK workforce.
- Our **median gender pay gap** — the percentage difference between the median (i.e., middle point) of all male employee pay compared to the median of all female employee pay in our UK workforce.
- Our **mean bonus pay gap** — the percentage difference in the average bonus received by all male employees compared to the average bonus received by all female employees in our UK workforce.
- Our **median bonus gap** — the percentage difference in median bonus received by male employees compared to the median bonus received by female employees in our UK workforce.



Pay Quartiles

When reviewing our gender pay gap, we split our employees' earnings into four equally sized groups consisting of 3 groups of 238 employees and one of 237 employees, or **pay quartiles**, and calculate the proportion of men and women in each quartile. The chart below shows the proportion of male and female employees in each of our pay quartiles. As the chart illustrates, we have proportionally more men than women in our top three pay quartiles which is the primary reason for our gender pay gap.

Gender Distribution by Pay Quartiles



What has changed?

- Our mean gender pay gap, or the difference in mean pay between male and female colleagues, reduced by 4.69% compared to 2024.
- The median bonus pay gap, or the difference in median bonus pay between male and female colleagues, reduced by 3.66% compared to 2024.
- The number of male employees receiving a bonus exceeded female colleagues by 1.19%.
- Senior female hires made during the reporting period include Head of Internal Audit, Head of Governance & Company Secretary and Head of Tax.

Closing the Gap

We are committed to improving gender balance and cultivating a culture of inclusion and diversity. Listed below are some initiatives that we have established to support our strategy:

Diversity and Inclusion (“D&I”) targets

Arch remains committed to both building, and pro-actively sustaining our female pipeline for senior and leadership roles, through development programmes and investment. We believe that closing the gender pay gap requires a sustained approach rather than short-term solutions.

We have continued to maintain the following targets:

- Target 1: At least 20% female representation on the Arch UK Board.*
As of 31 December 2024, 50% of board members were female.
- Target 2: At least 35% female representation in leadership positions (Arch UK Group Board, Management Committee and direct reports of the Management Committee)*
As of 31 December 2024, there was 42% female representation in leadership positions.
- Target 3: At least 50% of Management Committee succession plans should have female representation.*
In our 2024 succession planning exercise, 72% of plans included female successors.

Strategic partnerships to create exposure and development opportunities

- We have maintained relationships with external D&I partners including the Insurance Supper Club Insurance Cultural Network, Everywoman in Insurance, and the Association of British Insurers.
- We have partnered with STEM Women, Insurance Cultural Awareness Network, UpReach and London Market Group to increase female intake in our Early Careers programmes.
- Our Women and Allies network has evolved with strong membership and allyship. In 2024, an extended leadership team, including senior male leaders, was established to support the network's growth and impact.
- Our female leaders continue to receive industry recognition and speaker invitations. Award nominations in 2024 include the *Women in Insurance Awards*, *Claims Director of the Year*, *Young Claims Professional of the Year* and *Most Impactful Member of a Gender Employee Resource Group*.
- Arch was a gold sponsor and active participant of the *Everywoman in Insurance* event in July 2025.

Talent Acquisition and Talent Development

- Arch continued to make meaningful progress in strengthening gender representation across our workforce. As of 31 December 2024, women represented 42% of our employee population which is an increase of three percentage points from the previous year. We also achieved closer gender balance in hiring, with women accounting for 48% of all new joiners in 2024, demonstrating our commitment to attracting diverse talent into the organisation.
- A key priority for 2024 was improving gender balance in our early-career programmes. In 2023, only 14% of our graduate intake was female. To address this, we expanded our outreach and targeted advertising to reach a broader and more diverse pool of candidates. As a result, the 2024 graduate cohort was 67% female, and our summer internship programme saw female representation rise to 80%, up from 50% the previous year. These outcomes reflect our sustained focus on building a strong and diverse pipeline for the future.
- Our commitment to fostering an inclusive culture extends beyond recruitment. One of our organisational strategic objectives was to ensure that all leaders completed a Harvard-curated *Fostering Inclusive Leadership* programme, reinforcing our expectations of inclusive behaviour and leadership. As of 31 December 2025, this objective has been met. We are now focused on supporting leaders to embed the programme's principles into their daily leadership practices as we consider the next steps in our broader inclusion journey.

We confirm that the data contained within this report is accurate and meets the requirements of the Gender Pay Gap reporting regulations.

Hugh Sturgess, President & Chief Executive Officer



Kirsten Valder, Deputy Chief Executive Officer



Marcella McLean, Chief Human Resources Officer

