Saint Joseph’s University Study on Insurance Industry Demographics
Data as of March 31, 2015

Michael E. Angelina, ACAS, MAAA, CERA
Executive Director, Saint Joseph’s University Academy of Risk Management & Insurance
Erin Hamrick, Partner
Sterling James
Agenda

• Key Themes and Findings
  – Quantitative and Qualitative

• Background
  • Impetus for Study, Data, Definitions and Terms

• Discussion of Results
  – Gender Diversity, Market Segmentation, Commentary

• The Challenge
  – Progress has been made, but where do we go next?
Key Findings / Themes

1. Major Progress has been made over the past two calendar years !!
   - Significant increase in board representation by women
     - 35% increase in number (171 from 128)
     - 17% of companies still have no female representation (was 28%)
     - 50% of companies have 2 or more females on their boards (was 34%)
   - Increase despite reduction in number of directors by organizations
     - Directorships occupied by women have increased by 43 seats
     - Reduction of 56 seats by men
   - Also increase in top C-level positions by women
     - Increase of 10 positions (from 15 to 25)
Key Findings / Themes

2. Gender Diversity is still lacking across all leadership levels within the insurance industry
   - 17.1% of Board seats (up from 12.6%);
   - 10% of the top executive positions (CEO, CFO, COO) from 6%; and
   - 8% of the named inside officers – consistent with prior study
     - 5% for business roles and 12% for functional roles.

3. Market Segmentation is a key differentiator with respect to gender diversity.
   - Customer or consumer facing types of organizations exhibit more gender diversity.
Background

• Impetus for Study
  • An interest in understanding the demographics of the insurance industry from a director and an executive leadership level.
    • Other industries have such a study; why shouldn’t we have one for the insurance industry;
    • Focus was initially on the director level and named officer level around age, tenure, remuneration, and gender;
    • Utilized publicly available information –a blessing and a curse.
  • Desire was to shine light on the lack of gender diversity by presenting data to:
    • Highlight /quantify the issue
    • Measure changes and progress

• Other Topics / Studies
  • The talent gap / issue has been getting most of the press
    – Lack of gender diversity is just as big of an issue
Background - Data

- 100 companies in study (91 publicly traded & 9 mutual companies)
  - Mostly insurers/reinsurers; 1,700 records / data elements
- Data Classes (Definitions)
  - Top Officers (top 2 / top 3) : 243 data points (CEO & CFO)
  - Executive Officers (typically 5) : 472 total data points
  - Directors (includes age, tenure, retainer) : 1,004 data points
- Segmentation - By Market (100 companies):
  - Offshore : 14 companies
  - Broker: 6 companies
  - Financial (Mortgage/Fin Guar): 6 companies
  - Large Primary: 9 companies
  - Life: 22 companies
  - Primary: 37 companies
  - Personal Lines: 6 companies
- By Function: Business (Pres, COO) versus Function (Fin, Legal, HR)
RESULTS – KEY FINDINGS
1. Progress

% of Women: 2013 Study versus 2015 Study

- Top 2/3
- Officer
- Director

2013 Study
2015 Study
1. Progress - Segmented Results
% of companies

<table>
<thead>
<tr>
<th>Number of Females</th>
<th>Top 2</th>
<th>Inside Officers</th>
<th>Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>85%</td>
<td>78%</td>
<td>65%</td>
</tr>
<tr>
<td>1</td>
<td>15%</td>
<td>19%</td>
<td>27.5%</td>
</tr>
<tr>
<td>2</td>
<td>0%</td>
<td>3%</td>
<td>5.5%</td>
</tr>
<tr>
<td>3 +</td>
<td>0%</td>
<td>0%</td>
<td>2%</td>
</tr>
</tbody>
</table>
2. Gender diversity is still lacking across all leadership levels

Results by Leadership Position

<table>
<thead>
<tr>
<th>Position</th>
<th>% of women</th>
<th>2 or greater</th>
<th>Zero</th>
</tr>
</thead>
<tbody>
<tr>
<td>Director</td>
<td>17%</td>
<td>50%</td>
<td>17%</td>
</tr>
<tr>
<td>Top Executive</td>
<td>10%</td>
<td>3%</td>
<td>78%</td>
</tr>
<tr>
<td>Inside Officer</td>
<td>8%</td>
<td>4%</td>
<td>65%</td>
</tr>
</tbody>
</table>
3. Market Segmentation Matters

% of Women by Leadership Position / Market

- Broker
- Financial
- Large Primary
- Life
- Offshore
- Personal Lines
- Primary
- Total

Legend:
- Top 2
- Inside Officers
- Directors

Graph showing the percentage of women in different leadership positions and markets.
3. Market Segmentation Matters

% of Women by Leadership Position / Market Type

![Bar Chart]

- Broker, Large Primary, Life, Pers Lines
- Other
- Total

- Top 2
- Inside Officers
- Directors
## Segmented Results - % of females

<table>
<thead>
<tr>
<th>Market</th>
<th>Top 2</th>
<th>Inside Officers</th>
<th>Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>(# data points)</td>
<td>(238)</td>
<td>(472)</td>
<td>(1,004)</td>
</tr>
<tr>
<td>Broker</td>
<td>7.7%</td>
<td>6.3%</td>
<td>17.4%</td>
</tr>
<tr>
<td>Financial</td>
<td>0.0%</td>
<td>0.0%</td>
<td>12.0%</td>
</tr>
<tr>
<td>Large Primary</td>
<td>13.0%</td>
<td>9.1%</td>
<td>22.3%</td>
</tr>
<tr>
<td>Life</td>
<td>6.0%</td>
<td>9.0%</td>
<td>21.7%</td>
</tr>
<tr>
<td>Offshore</td>
<td>17.1%</td>
<td>6.6%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Personal</td>
<td>6.7%</td>
<td>17.4%</td>
<td>21.6%</td>
</tr>
<tr>
<td>Primary</td>
<td>12.0%</td>
<td>8.7%</td>
<td>13.5%</td>
</tr>
<tr>
<td>Total</td>
<td>10.3%</td>
<td>8.3%</td>
<td>17.0%</td>
</tr>
</tbody>
</table>