

Saint Joseph's University Study on Insurance Industry Demographics

Data as of March 31, 2015

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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

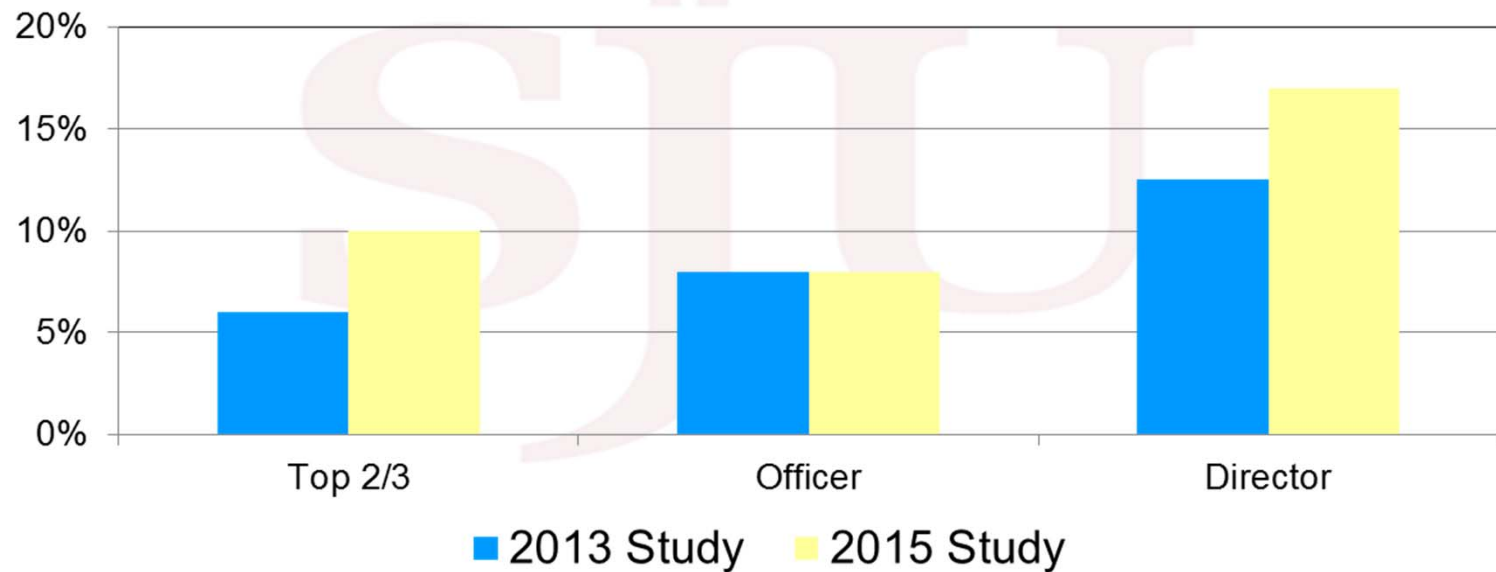
- 100 companies in study (91 publicly traded & 9 mutual companies)
 - Mostly insurers/reinsurers; 1,700 records / data elements
- Data Classes (Definitions)
 - Top Officers (top 2 / top 3) : 243 data points (CEO & CFO)
 - Executive Officers (typically 5) : 472 total data points
 - Directors (includes 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)

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RESULTS – KEY FINDINGS

1. Progress

% of Women: 2013 Study versus 2105 Study



1. Progress - Segmented Results % of companies

Number of Females	Top 2		Inside Officers		Directors	
	<u>2013</u>	<u>2015</u>	<u>2013</u>	<u>2015</u>	<u>2013</u>	<u>2015</u>
0	85%	78%	65%	65%	28%	17%
1	15%	19%	27.5%	31%	38%	33%
2	0%	3%	5.5%	4%	17%	25%
3 +	0%	0%	2%	0%	17%	25%

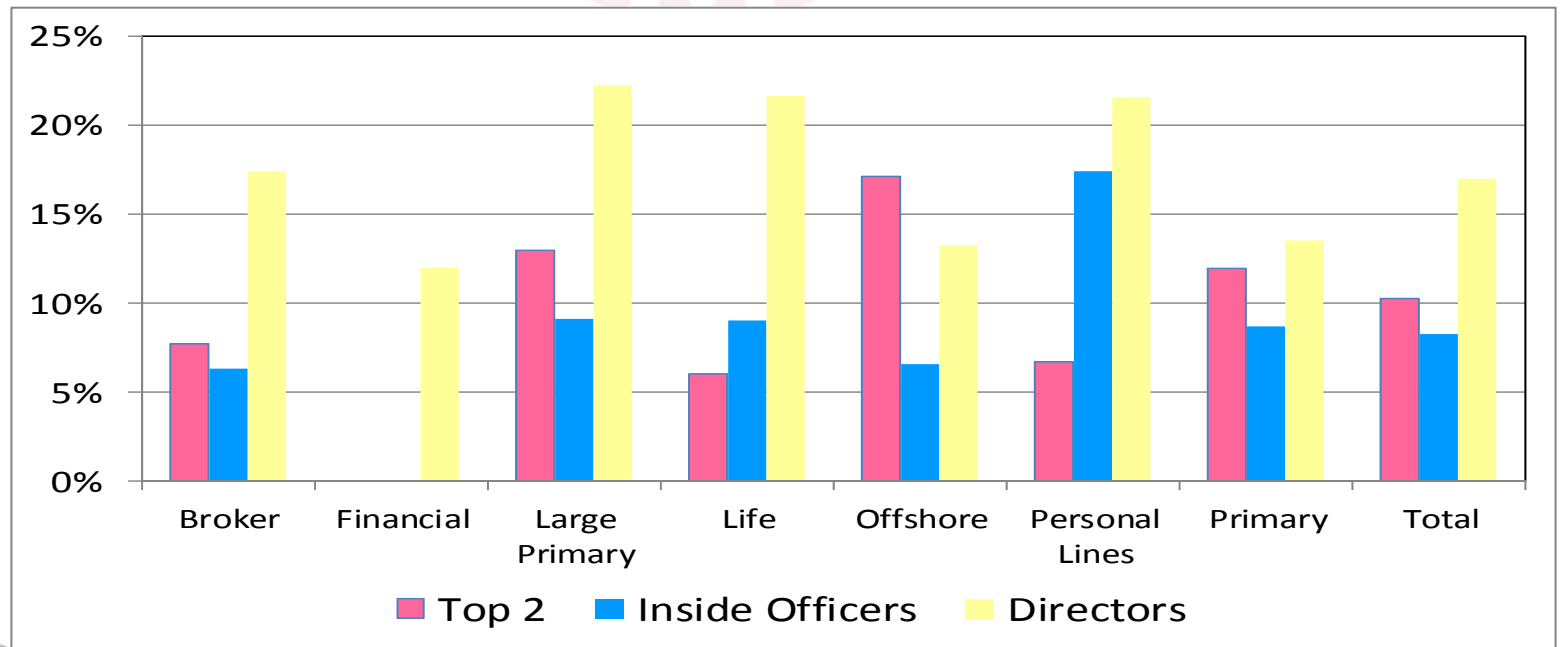
2. Gender diversity is still lacking across all leadership levels

Results by Leadership Position

Position	% of women	2 or greater	Zero
Director	17%	50%	17%
Top Executive	10%	3%	78%
Inside Officer	8%	4%	65%

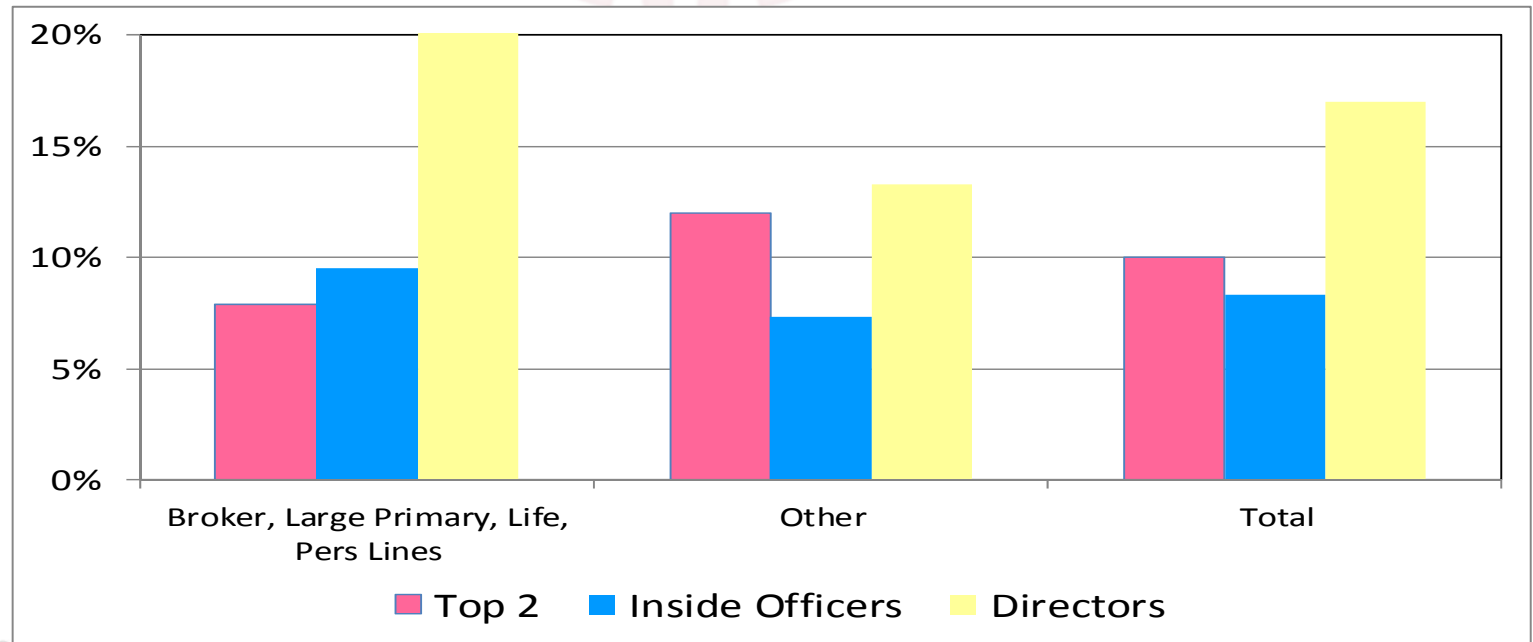
3. Market Segmentation Matters

% of Women by Leadership Position / Market



3. Market Segmentation Matters

% of Women by Leadership Position / Market Type





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APPENDIX

Segmented Results - % of females

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