



Women in Insurance Initiative



Q2 Meeting

June 25, 2024

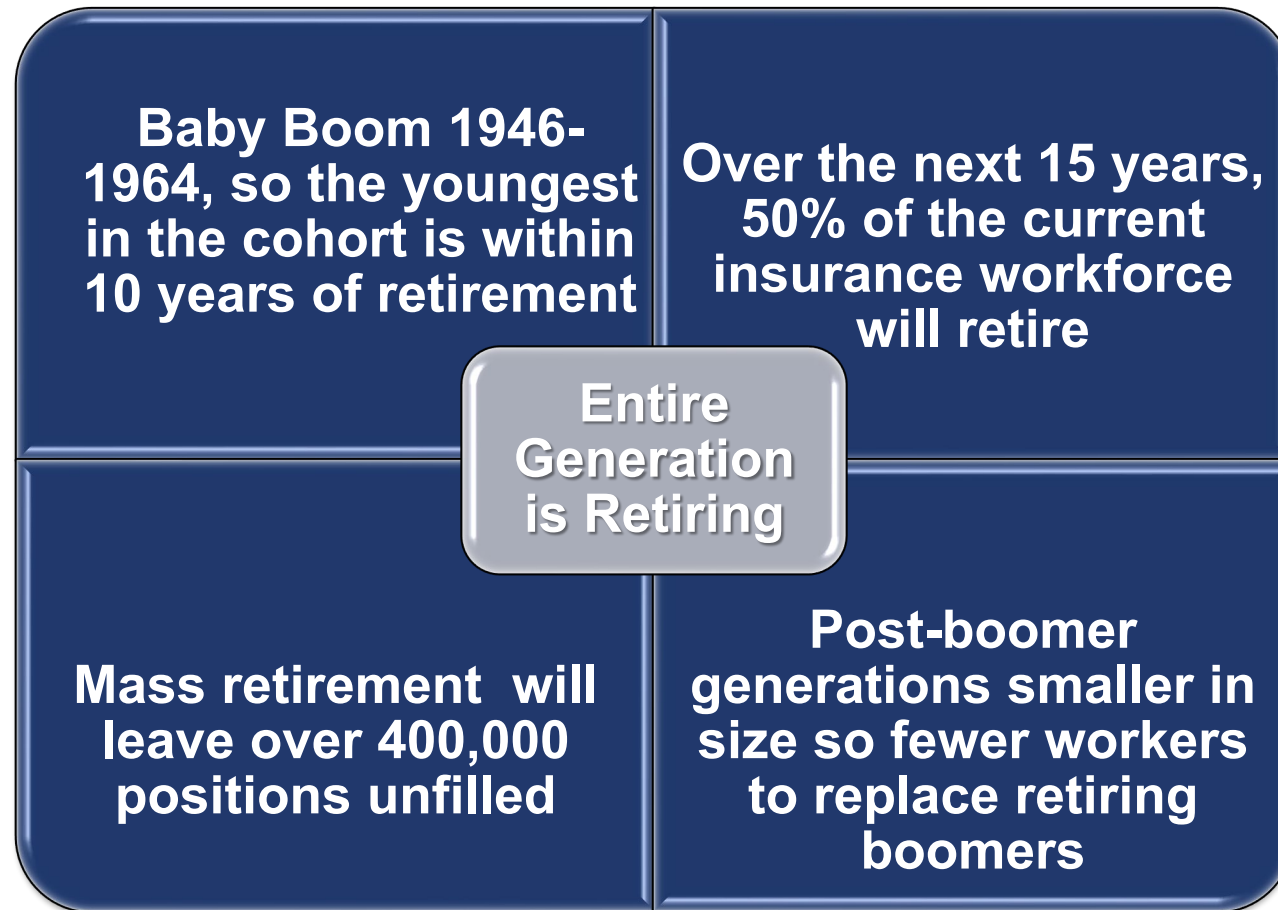
Women in the Workforce

Carol A.N. Zacharias
June 2024

Agenda

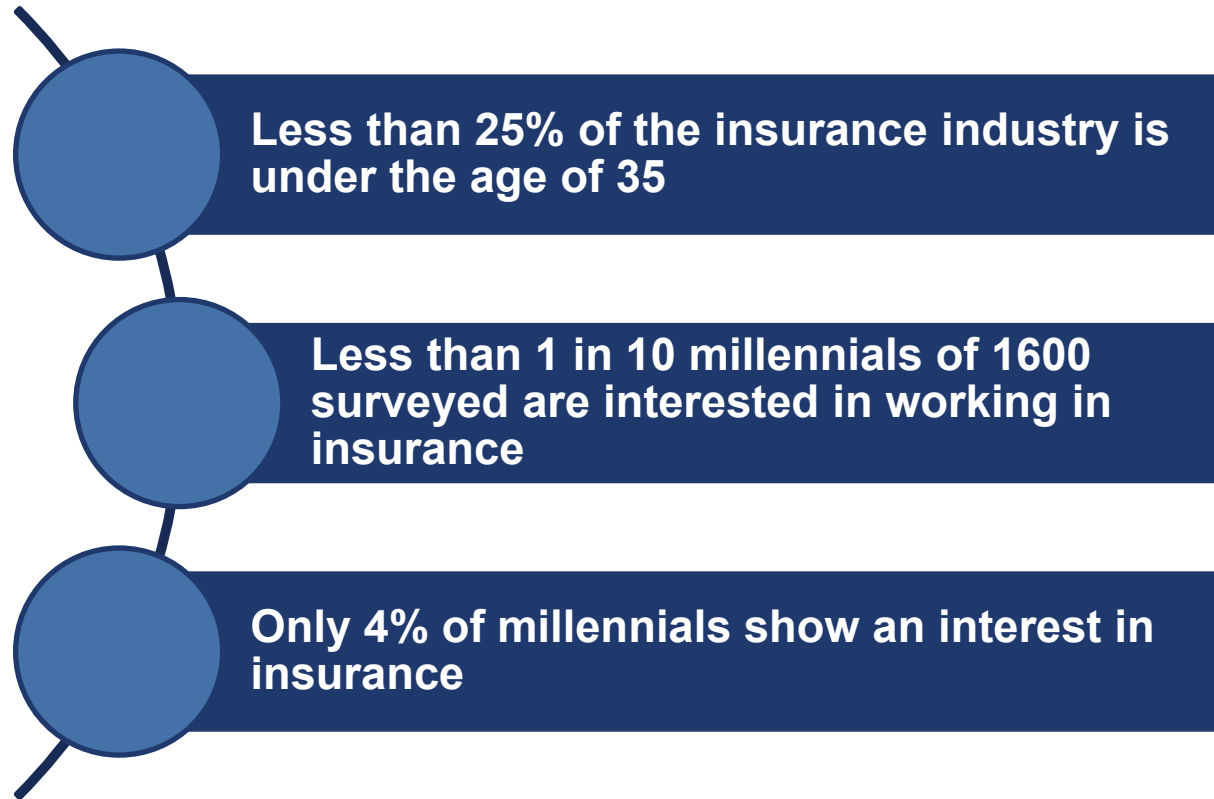
- ❖ **Retirement Boom**
- ❖ **Women & Education**
- ❖ **Women Drive Business Results**
- ❖ **Women have the Leadership Mindset**
- ❖ **Women in the Workforce Today**
- ❖ **Women in the Insurance Workforce Today**
- ❖ **Gender Pay Gap**

Mass Retirement



Mass Retirement for Boomers Adds Urgency to Insurance Talent Search, G. Morris, March 2020, Risk & Insurance; US Bureau of Labor Statistics, quoted in Amtrust Financial blog, "Insurance Industry Talent Crisis"; National Association of Mutual Insurance Companies (NAMIC) 6/15/21.

Mass Retirement



National Association of Mutual Insurance Companies (NAMIC), June 15, 2002; Millennial Generation Attitudes About Work and the Insurance Industry, by the Griffith Insurance Education Foundation and The Institutes, blog, undated Mass Retirement for Boomers Adds Urgency to Insurance Talent Search, G. Morris, March 2020, Risk & Insurance.

Women Lead in Education

College

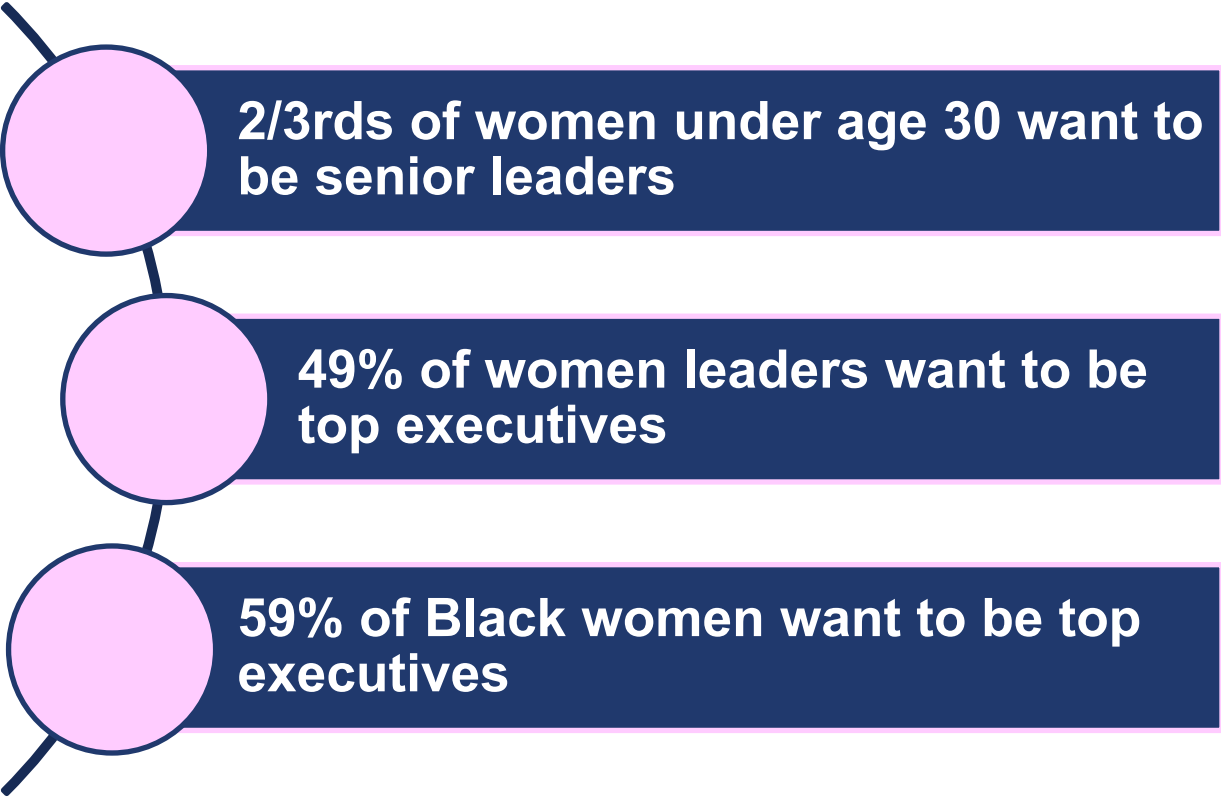
Women account for 57% of the college educated workforce in the United States

Graduate School

Women account for over 62% of master's degrees, and 53% of degree such as PhDs, medical and law degrees in the United States.

[Fast Facts: Degrees conferred by race/ethnicity and sex, 2021-22](#), National Center for Educational Studies; [Why Diversity Matters: Women on Boards of Directors | Executive and Continuing Professional Education](#) | Harvard T.H. Chan School of Public Health, by Erica Hersh.

Women Have a Leadership Mindset



Women Leaders Drive Business Results

Women Make Companies More Profitable	
Companies in Top Quartile for Gender Diversity on Executive Team	Companies in Bottom Quartile for Gender Diversity on Executive Team
25% more likely to have above average profitability	Less likely to have above average profitability
Diversity Wins, McKinsey & Co., 5/19/20	

Women Increase ROE & EPS (2011-2016)	
Companies with <i>at least three</i> women on board as of 2011	Companies with <i>no</i> women on board as of 2011
10% ROE versus...	-1% ROE
37% EPS versus...	-8% EPS
Women on Boards and Financial Performance, MSCI, 12/13/16, www.msci.com/www/research-report/the-tipping-point-women-on/0538947986	

Women Drive Increased Growth Rates (Compound Annual Growth Rate, YE 2013-Mid 2016)			
Companies with <i>at least 25%</i> women at senior level	Companies with over 33% women at senior level	Companies with over 50% women at senior level	MSCI World Index
2.8%	4.7%	10.3%	1% Annual Decline
Morgan Stanley Capital International stock index, 3,000 companies/23 developed countries/25 emerging markets			

Women Are Our Business Customers

Women Own 42% of Businesses in the U.S.	
\$9.4M Workers Employed	\$1.9T in Revenue Generation

By 2018, Women of Color Owned 47% of All Women-Owned US Businesses, and Generated \$386.6B in Revenues
21% Owned by Black Women
18% Owned by Latina Women
9% Owned by Asian Women
1.4% Owned by Native American Women
.3% Owned by Pacific Islander Women

47+ Women in Business Statistics, S. Hollenbeck, February 16, 2023, incfile.com/blog/women-in-business-statistics; Annual Report 2002, National Women's Business Council, nwbc.gov.

Women Are Our Consumer Customers

Women Are a Financial Force as Consumers

- ✓ **Women drive 70-80% of all consumer purchasing decisions**
- ✓ **Women are the sole source of income in 40% of U.S. households**
- ✓ **Women control a third of total U.S. household financial assets: \$10.9 trillion in assets**
- ✓ **30% increase between 2014-2019 alone in married women making financial household decisions**
- ✓ **By 2030, women in the U.S. are projected to control \$30T in financial assets that baby boomers will possess.**

www.mckinsey.com/industries/financial-services/our-insights/women-as-the-next-growth-in-us-wealth-management, July 2020; Leadership, Wealth and Work, May 13,2019, Krystie M. Davis, Forbes.

Women in the Workforce Today

Women in the Global Workforce:

- **Global labor force participation rate for women: *Just over 50%* compared to 80% for men**
- **Female participation rate has *remained fairly flat* over the last three decades**
- **Some countries do better than others: *Sweden 80%; Norway 75%; Netherlands 75%***
- **North America female labor force participation rate: 68.5% compared to 78.5% for men**

Women 25-54:

- **1950s-2000: Women's participation doubled, all ages combined, from approximately 33% to 60%**
- **Post 2000: Women and men's participation started to decline, until some evidence of a rebound in 2015**
- **2020-2022: Pandemic chilled the rebound. However --**
- **February-August 2023 (post-pandemic): Women aged 25 to 54 participated at record numbers: 77.8%. Driving this rebound are women whose youngest child is under the age of five, and those who are highly educated, married, or foreign born**

Women on Boards

Women on Boards, Globally:

- **Women hold 23.3% of board seats globally**
- **Since 2022, the number of women on boards has increased by only 3.6%**
 - ❖ ***At current pace, global gender parity will not be reached before 2038***
- **Only 8.4% of boards have a female chair, and only 6% have a female CEO**
 - ❖ ***At current pace, global gender parity will not be reached before 2073 and 2111 respectively***
- **Women are making strides at committee level, depending on the country:**

While women account for a majority of compensation committee chair roles in the UK (59%), Italy (57%), France (55%), and Ireland (51%), that figure drops to 27% in the US

Women On Boards

Country	Number of Companies in Index	Total Women on Boards	% Women on Boards 2023
France	40	252	44.7%
UK	350	1243	42.1%
Norway	25	87	41.6%
Australia	100	337	40.2%
Spain	35	177	40.1%

- **E.U. Women on Boards Directive (% deadlines by July 2026; country law by 2025)**
- **Mandatory quotas: Belgium, Australia, France, Italy, Portugal, Greece, Netherlands, Norway, Spain, Finland, Iceland, Israel, Quebec, Kenya, India, UAB, Pakistan, Germany**

Women on Public Company Boards, USA:

3+ women on board: 46%/1,341 companies (up 21 companies from Q4 '23)

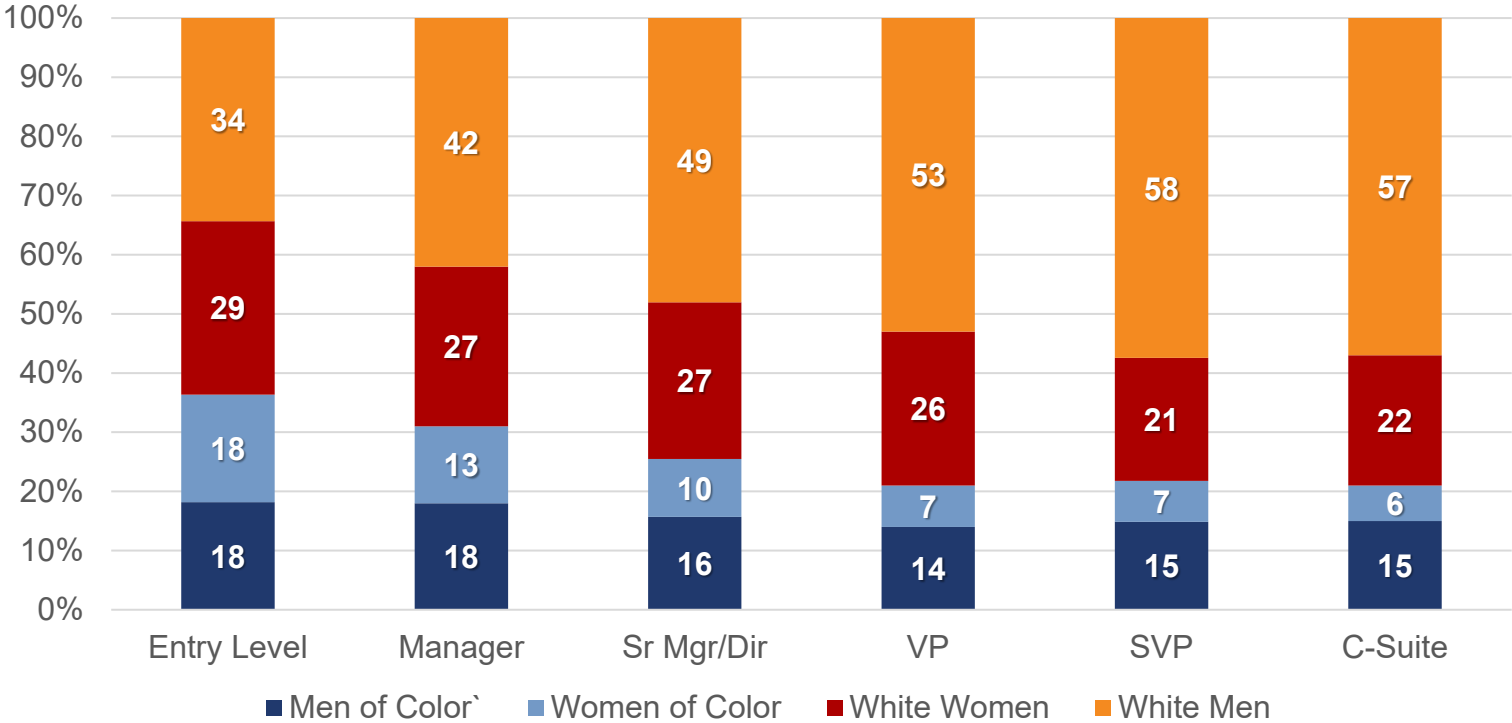
2 women on board: 27%/773 companies

1 woman on board: 13%/366 companies

0 women on board: 2%/54 companies

The Broken Pipeline

Representation in Corporate Role by Gender & Race, % of Employees



Women in the Workplace 2022, McKinsey & Company, [womenintheworkplace.com](https://www.mckinsey.com/industries/technology/our-insights/women-in-the-workplace-2022).

The Role of Women in Insurance

- Since 2012, approximately 60% of the three million strong insurance workforce is female

Women in Insurance 2023		
Occupation	Total Employed (000)	% of Women in Occupation
Insurance claims and policy processing clerks	308	80.1%
Claims adjusters, appraisers, examiners and investigators	362	55.2
Insurance underwriters	108	56.9
Insurance sales agents	632	54.9

U.S. Bureau of Labor Statistics, Current Population Survey. <http://www.bls.gov/cps/cpsaat11.htm>

The Role of Women in Insurance

- **Leadership:**

**Women hold 30% of leadership roles in the insurance industry;
men hold 70%**

- **Vice Presidents:**

**Only 30% of vice president positions in the insurance industry are
held by women**

- **Executives & Officers:**

**Women hold 21% of executive and officer positions at publicly
traded insurers**

- **C-Suite:**

**Only 18% of C-suite positions in the insurance industry are
occupied by women (vs 26% all industries)**

The Gender Pay Gap

2056

- Full time female workers in the US are paid **84%** of what men earn
- 60.1% of insurance underwriters in the US are women. Those women earn **88%** of what male insurance underwriters earn
- 80.1% of insurance claims and processing clerks in the US are women. Those women earn **81%** of what male claims and processing clerks earn
- 60.1% of insurance sales agents in the US are women. Those women earn **65.7%** of what male insurance sales agents earn
- 38.6% of lawyers in the US are women. Those female lawyers earn **83%** of what male lawyers earn
- The Center for American Progress projects that gender [pay equity](#) won't become a reality until 2056

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