

Chartered Insurance Institute						
Meeting	Nominations and Remuneration Committee (NRC) 15 September 2026					
Agenda Item	CII 2026 Pay Gap Reports					
Authors	People & Culture Department					
ELT Lead	Director of People & Culture					
Strategic Priority	Member Experience	Professional Standards	Thought Leadership	World-Class Learning	Digital First	Sustainable Institute
	☐	☐	☐	☐	☐	☒
Action	For Decision		For Discussion		For Information	
	☐		☐		☒	
Governance	No prior Board or Committee review					

Summary

CII's 2026 Pay Gap results demonstrate encouraging progress overall, with improvements in both the Gender Pay Gap and Ethnicity Pay Gap compared with 2025. The data suggests that pay gaps are primarily driven by workforce representation and progression into senior roles rather than unequal pay for equal work.

The most significant achievement is the continued reduction in the mean Gender Pay Gap, which has fallen from 21.06% in 2024 to 7.82% in 2026. This represents substantial and sustained progress in strengthening gender representation across higher levels of the organisation.

The improvement also suggests that the introduction of the Career Framework has had a positive impact, helping to create greater transparency, consistency, and equity in career progression and reward practices, thereby contributing to the narrowing of the pay gap. Ethnicity Pay Gap measures have also improved year-on-year, suggesting that actions to improve diversity and inclusion may have a positive impact.

The newly introduced Disability Pay Gap provides an important baseline for future reporting. However, the results should be interpreted with caution due to the relatively low number of employees who have disclosed a disability, limiting the reliability of conclusions at this stage.

Legal and/or risk implications

None identified.

Financial implications

None identified.

Communication/handling implications

None identified.

CII 2026 PAY GAP REPORTS

1. Key Findings

Gender Pay Gap

Measure	2025	2026	Movement
Mean Pay Gap	11.47%	7.82%	▼ 3.65pp
Median Pay Gap	4.44%	7.40%	▲ 2.96pp

Key insight: While the reduction in the mean pay gap is a significant success, the increase in the median pay gap indicates that pay disparities within the core employee population have widened and warrant further investigation.

Ethnicity Pay Gap

Measure	2025	2026	Movement
Mean Pay Gap	15.3%	14.1%	▼ 1.2pp
Median Pay Gap	10.1%	8.2%	▼ 1.9pp

Key insight: In April 2026, we had 218 employees stated their ethnicity information in our system. Both ethnicity measures improved, suggesting positive progress in representation and progression. However, ethnic minority employees remain overrepresented in lower-paid roles and under-represented in higher-paid positions.

Disability Pay Gap

Measure	2026
Mean Pay Gap	-15.8%
Median Pay Gap	-29.6%

Key insight: In April 2026, we had 201 employees stated their disability information in our system. Currently the figures are favouring disabled employees. The figures establish a starting point for future monitoring, but the most important issue is improving disability disclosure rates to strengthen the quality and credibility of future analysis

2. Strategic Implications

What's Working

- ✔ Significant reduction in the mean Gender Pay Gap.
- ✔ Continued improvement in Ethnicity Pay Gap outcomes.
- ✔ Strong female representation across the organization, including senior roles.
- ✔ Evidence that diversity initiatives and progression opportunities may be supporting improved representation at higher levels.

Areas Requiring Leadership Attention

- ⚠ Gender median pay gap has increased despite improvement in the mean measure.
- ⚠ Ethnic minority employees remain concentrated in lower pay quartiles.
- ⚠ Low disability disclosure rates limit meaningful analysis and trend reporting.

3. Recommendations

1. Monitor the Gender Median Pay Gap

- Analyse pays distribution within middle pay quartiles.
- Review promotion outcomes and salary positioning by gender.
- Assess progression rates into senior and leadership roles.

2. Strengthen Diverse Talent Pipelines

- Increase representation of ethnic minority employees in higher-paying roles.
- Monitor progression and promotion outcomes across demographic groups.

3. Improve Disability Disclosure

- Build employee confidence in self-identification.
- Review communication and support mechanisms around disclosure.
- Improve data quality to enable more robust future reporting.

4. Continue Pay Governance Monitoring

- Maintain annual pay gap reporting and trend analysis.
- Monitor representation by pay quartile and grade.
- Track the effectiveness of inclusion and career development initiatives.

4. Overall Conclusion

The 2026 Pay Gap results represent a positive step forward for CII. The substantial reduction in the mean Gender Pay Gap and the improvement in Ethnicity Pay Gap measures demonstrate tangible progress. The improvement also suggests that the introduction of the Career Framework has had a positive impact, helping to create greater transparency, consistency, and equity in career progression and reward practices, thereby contributing to the narrowing of the pay gap. While challenges remain, particularly regarding the Gender Median Pay Gap and workforce representation at different organizational levels, the evidence suggests that future gains are most likely to come from improving attraction, retention, development and progression of diverse talent rather than changes to pay structures themselves.



5. Support Documents

Appendix 1: Gender Pay Gap Report_2026

Appendix 2: Ethnicity Pay Gap Report_2026

Appendix 3: Disability Pay Gap Report_2026