

R&Q CENTRAL SERVICES LIMITED

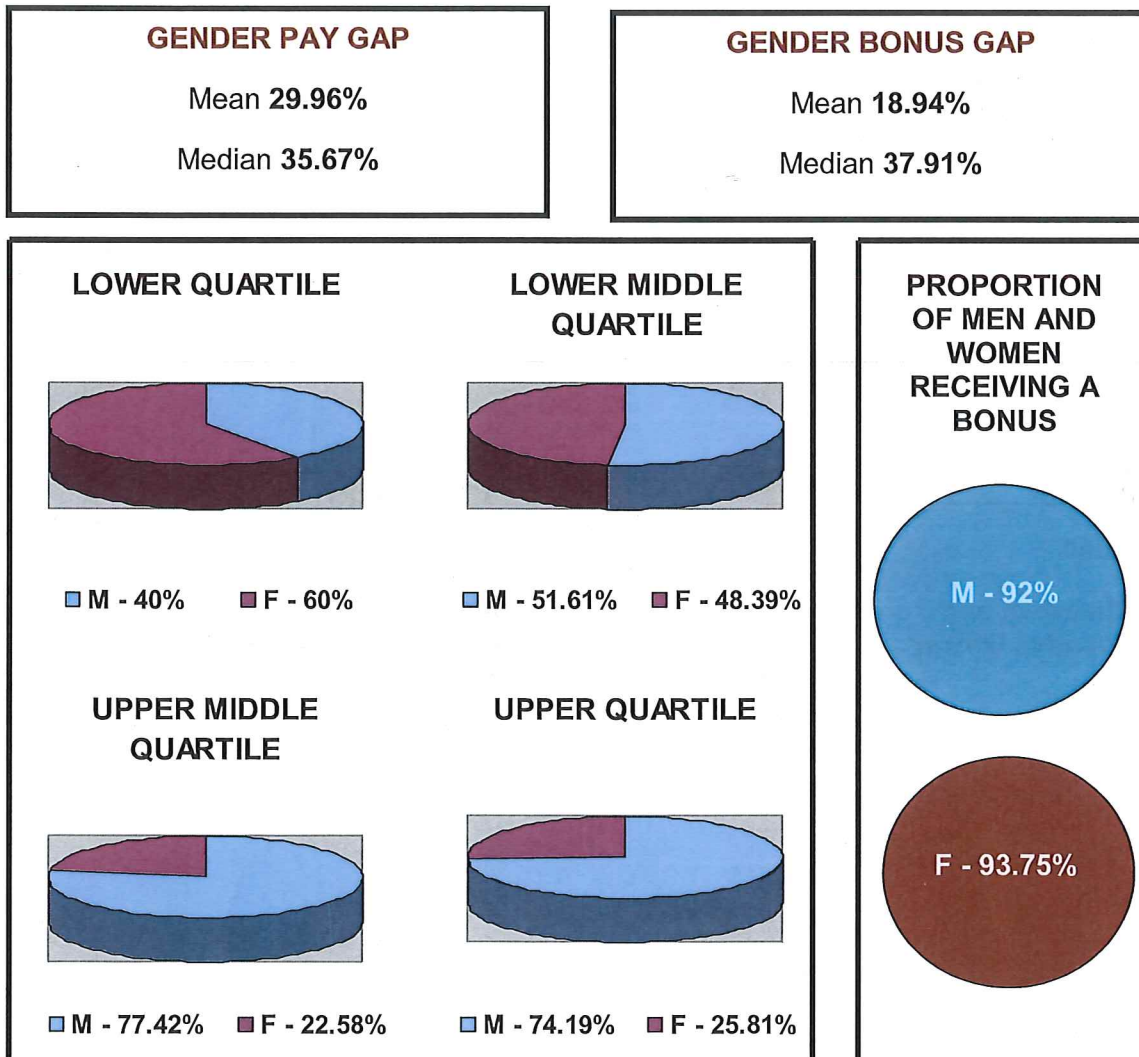
GENDER PAY GAP REPORT 2018

The Gender Pay Gap reporting regulations require businesses with more than 250 employees in the UK to report their gender pay and bonus gaps, along with other data including the proportion of men and women in the lowest and highest paying roles and the proportion of men and women receiving bonuses. Last year, we reported for the first time in accordance with these regulations, explaining our data as at the 'snapshot date' of 5 April 2017.

This year, as R&Q had less than 250 employees as at the 'snapshot date' of 5 April 2018, R&Q are no longer required to report. However, as we are committed to diversity & inclusion we have chosen to publish these figures anyway. The data represents 123 UK employees. Please now see below our report.

Our gender pay and bonus gaps

In comparison to last year, R&Q's mean gender pay gap has reduced significantly from 37.37% to 29.96%, although its median has increased slightly from 31.86% to 35.67%. The gender bonus gap has also reduced significantly: the mean from 39.63% to 18.94% and the median from 50% to 37.91%.



In 2018 the UK headcount significantly reduced due to the sale of the Insurance Services Division and the Managing Agency. Although the proportion of women in the lower quartile has increased, there has been a reduction in the proportion of women in the other quartiles.

There were also significant management changes. As part of R&Q's commitment to succession planning and equal opportunities for high performing men and women to succeed and grow in their roles, all appointments made as part of the management changes were internal. R&Q continues to be committed to an improvement in its gender balance at a senior level and notes that 6 of its 10 Senior Management Team members are now women.

As R&Q reported last year, analysis continues to show that:

- R&Q's gender pay and bonus gaps are driven by an imbalance of men and women in senior executive roles, both of which are generally the highest remunerated roles in the business;
- disproportionately more women than men seek part-time roles at R&Q which, in part, further drives our gender bonus gap.

Whilst having a disproportionate number of men in senior executive roles, to a degree, this is an issue which arises because of historic ways of working in the insurance industry, R&Q remains committed to challenging this and to reviewing ways in which to improve its gender balance throughout the business. Of note, as at April 2018, more women than men were receiving a bonus.


R&Q continues to be committed to inclusion and diversity in all respects, looking not only at ways to improve its gender balance, but also its racial and ethnic diversity and issues of social mobility, for example.

We confirm the data reported is accurate.



Ken Randall

**Group Chairman and
Chief Executive Officer**



Alan Quilter

**Group Deputy Chairman and
Group Chief Financial Officer**