

UK Gender Pay Gap Report 2019

Introduction

QBE is committed to creating a dynamic, diverse and inclusive workplace. This year we have continued to focus on initiatives to drive long term and sustained cultural change to build a more inclusive and gender balanced workforce.

Whilst it's disappointing to see that the improvement we reported last year in our fixed pay gender pay gap has not continued in 2019, our gender gap for bonus payments has improved for the second year in a row. Our determination to improve our gender balance at QBE remains a key priority and I am confident the changes we have made this year to our policies and ways of working will help drive this change over the longer term.



Richard Pryce

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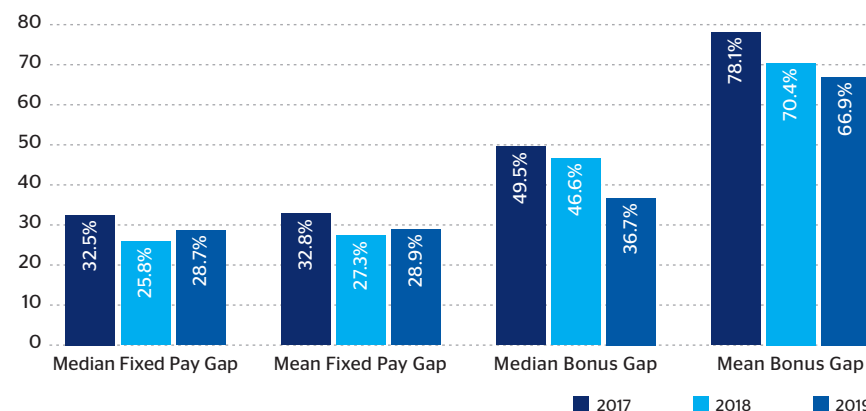
CEO of QBE European Operations,
is our nominated executive responsible
for this initiative.

Statutory disclosure:

I confirm the data in this report is accurate
and calculated in line with Gender Pay Gap
Reporting requirements.

Our Gender Pay Gap

Gender Pay Gap 2017 - 2019



Bonus Eligibility

At QBE everyone is eligible for a bonus if they're employed before 1st October in that performance year.

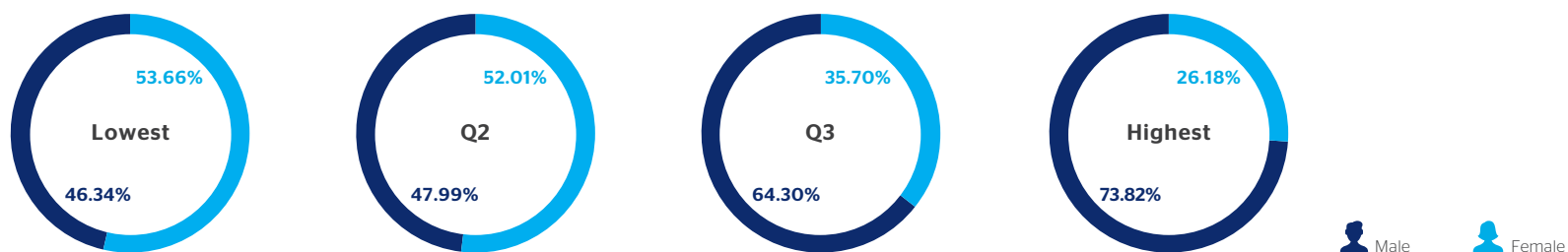
89%
males

received a bonus

91%
females

received a bonus

Gender Representation by Pay Quartile



Our QBE UK Gender Pay Gap continues to reflect the industry wide gender representation challenge at senior levels. We continue to be focused on increasing the number of women we have in senior roles across our business and have made improvements in this area. Senior female representation has increased from 24.4% to 29.2% in the last 2 years for our UK population (as at the end December 2019). As part of our commitment under the Women in Finance Charter we aim to increase this to more than 32% by end of 2020 and know we have more work to do in order to achieve this.

We are committed to ensuring equal pay for equal work. For the last 2 years, a comprehensive Fair Pay Review has taken place during our pay review cycle with additional budget put aside to help address pay differentials that require action. Our analysis suggests that any pay gaps are sufficiently small enough to be confident that we pay men and women equally in like-for-like roles.

Whilst the movements in our senior female representation and focus on Fair Pay Reviews have made a positive difference, other

changes in our population have had a greater impact on our gender pay gap over the last year. For example, we have seen an increase in the % of women at our more junior levels, resulting in a reduction in the average fixed pay for females. This representation shift has been the biggest single cause of the backwards movement in our fixed gender pay gap for 2019.

Actions taken in 2019 to drive change

Our Culture

- > Enhanced UK **Family Friendly Policies** – This year we went live with our newly enhanced Maternity, Paternity, Adoption & Surrogacy and Shared Parental Leave policies to modernise our workplace and challenge gender stereotypes.
- > A campaign to promote **Agile Working** across the business – A new dedicated intranet page and guide, endorsement videos from each member of our Executive team, trained Agile Working Champions and enhanced virtual collaboration tools give our people more flexibility to work remotely. This has led to notable improvement in our

employee engagement survey with 87% of employees agreeing their work schedule is flexible enough to help them manage family and personal responsibilities (+8% from 2018).

- > A new **Inclusion Forum** was launched – Bringing together a broad group of employee representatives and executives to help guide the steps needed to build an inclusive culture and make sure that everyone feels welcome and supported at QBE.
- > Expanded **Employee Networks** – Two new networks covering Ethnicity and Mental Health added to our three established employee led networks, each with Executive Sponsorship, and which provide opportunities for employees to collaborate on initiatives that contribute to positive change across the business.

Attraction & Development

- > Enhanced **Hiring Practices** – Introduced a new hiring manager guide to help support and upskill people leaders to hire the right talent in the right way and refreshed our Careers pages.
- > **Flexible Working** was encouraged across the organisation – Discussions with hiring

managers explore what flexibility can be offered during the recruitment process and the Working Families 'Happy to Talk Flexible Working' strapline is now incorporated into many of our adverts. In addition, our Flexible Working Policy is now open to all from day one. Part time working across the business has increased by 26% since 2017 to 9.6% of our UK population.

- > A global **Women in Technology** initiative was launched – Introduced working groups to enable more collaboration, peer to peer networking, mentoring and development and explore how to attract more women into our Technology roles. We are also proud to have recently signed up to the Tech Talent Charter to make a public commitment to increasing the diversity of our Technology workforce.
- > **Talent and Development** – An enhanced focus on talent and succession discussions across our senior population with targeted development activities to support career progression in line with our global Talent and Culture strategic priority.

Made possible



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