

# 2018 RBC UK Gender Pay Report



# Our vision in practice



## Diversity & Inclusion at RBC:

Diversity and inclusion is more than just a value, it's our strength. It's one of the ways we bring RBC's purpose of helping clients thrive and communities prosper to life. We're proud of the progress we've made and we're motivated by what's still to come.

At RBC, we are committed to providing a diverse and inclusive workplace where all employees are encouraged to achieve their full potential, regardless of age, ethnicity, sexual orientation, belief, disability or gender. *Diversity and Inclusion* is one of our core values, which guides, unites and inspires us in our day-to-day actions and decision making. As a people business, we strive to achieve a diverse and inclusive workforce which reflects the diversity of the clients and communities we serve.

Our RBC Diversity & Inclusion Blueprint 2020 sets RBC's direction and our priorities, objectives and commitments in Canada, the UK and other countries in which we operate. This includes our focus on attracting and developing the best talent, providing advice and solutions for diverse client markets, and enabling the social and economic development of our communities through partnerships, research, volunteerism and corporate citizenship.

RBC has played a leadership role in promoting board diversity globally and is a member of the 30% Club, an

organization founded in the UK which is focused on increasing the proportion of women on boards of directors. The Board of Directors of Royal Bank of Canada has in place a Board Diversity Policy to assist in meeting our diversity objectives, which includes increasing gender representation on the RBC Board and the boards of directors of our subsidiaries. Women currently comprise 42% of RBC's Board of Directors, including the Chair of the Board. In the UK, women currently make up 33% of the Board of RBC Europe Limited and 57% of the Board of Investor Services Trust.

The representation of women in executive and senior manager roles is another important measure of our progress in building a diverse leadership pipeline. We are focused on accelerating the development of women to strengthen our succession bench through a broad range of initiatives globally, including in the UK. In this report we have provided a summary of the actions we are taking specific to the UK to support the advancement of women into leadership.

### Gender representation on UK Boards of Directors

Directors of Royal Bank of Canada

42% Women 58% Men

Directors of RBC Europe Limited

33% Women 67% Men

Directors of RBC Investor Services Trust

57% Women 43% Men

# RBC in the UK



“We are actively working to continue to increase the representation of women in senior roles.”

**Myriam Meyer**

Head, Human Resources, Capital Markets, Europe

In the UK, RBC provides diversified financial services, including capital markets, investor services and wealth and asset management.

Within each UK business, and across RBC globally, we regularly compare pay against industry benchmarks to ensure we offer a fair and competitive package relative to peers. We also ensure employees are rewarded fairly relative to colleagues with the same or similar roles, position level, skills and experience.

We are confident in our approach to pay and, where pay anomalies occur, we take action. We are committed to pay equity – paying men and women equally for work of equal value.

Distinct from the concept of pay equity, the gender pay gap measures the difference between the average pay for men and women regardless of roles, position level, skills and experience.

It is a legal requirement for all UK employers with more than 250 employees to publish:

- the difference between the average hourly rate of pay paid to men and women,
- the difference between the average bonus paid to men and women,
- the proportions of men and women who receive bonuses, and
- the relative proportions of men and women in each quartile pay band of the workforce.

Where men and women with similar roles, skills and experiences are paid the same, differences in average pay between the genders will still arise when women and men are not proportionally represented throughout all the roles in the organization.

Our gender pay gap highlights that there are proportionally fewer women than men in higher paying, senior roles. We are pleased that we are moving in the right direction, with the percentage of women in our top pay quartile increasing by 2% across the UK since 2017. This accounts, in part, for the 2% reduction in our average hourly gender pay gap this year. We are actively working to continue to increase the representation of women in senior roles and narrowing the gender pay gap.

	RBC Investor Services Trust				RBC (London Branch)				RBC Europe Ltd.			
	Mean		Median		Mean		Median		Mean		Median	
	2018	YoY	2018	YoY	2018	YoY	2018	YoY	2018	YoY	2018	YoY
<b>Hourly Pay Difference</b>	20%	6%	27%	1%	33%	2%	29%	1%	51%	0%	55%	2%
<b>Bonus Difference</b>	39%	7%	68%	(6%)	63%	1%	55%	5%	72%	(7%)	86%	0%

**Mean pay** is total pay for all employees divided by the number of employees in the entity. **Median pay** is the middle of the pay distribution, with half of employees in the entity earning more and half earning less.



# Attract, Retain and Promote



Each of our activities that are focused on supporting women throughout their career link back to our three pillars of Attract, Retain and Promote.

## Championing Diversity & Inclusion

RBC has created a UK-wide working group specifically focused on tackling issues impacting the movement of women into senior roles. In addition to senior representation, the working group also comprises members of RBC's young persons and future leaders' network (RFuture) and women's network (RWomen) to ensure their voices are heard in decision making. The objective of this group is to coordinate and accelerate activities, under the Attract, Retain and Promote strategy, aimed at addressing and improving senior female representation.

## Attracting Best Talent

To ensure we continue to attract a diverse range of candidates, RBC has committed to have at least 25% female representation on all interview panels during the hiring process. Our recruitment team reports quarterly to leadership teams to ensure all decision makers are aware of the latest hiring statistics in relation to diversity. In addition, we work closely with recruitment firms to ensure a broad range of candidates are presented for interview and review our graduate recruitment plans to ensure they are fully diverse and inclusive.

## RBC RLaunch Programme

Following a successful pilot in 2017, RBC has expanded its RLaunch Programme which offers permanent roles to people returning after a period of voluntary absence from the industry. Following a highly successful launch, the programme is paying dividends in terms of gender diversity and attracting talented candidates.

## Accelerating the development of women leaders

Every year, select women in the UK attend RBC's industry-leading Women in Leadership Programme, which offers coaching, workshops and forums to strengthen the leadership skills of high potential women. Other initiatives include our European Mentoring Programme and our Sponsorship Programme.

## 25% by 2020

In 2017, RBC signed HM Treasury's Women in Finance Charter and publicly committed to publishing annual updates on progress against our target of 25% female representation in senior roles by 2020. Our current representation is approximately 20%. The performance goals of the executive team are linked to achieving progress in female representation rates.

## Involving employees

We are working with our active employee resource groups, specifically our young persons and future leaders' network (RFuture), our women's network (RWomen), and our network for working parents and caregivers (i-CARE), to provide additional networking opportunities, mentoring and general career support for women to ensure we retain and advance talented people at RBC.

## Embracing work/life flexibility practices

In addition to providing specific training for people managers, we continue to enhance policies and practices with a specific focus on shared parental leave and flexible working arrangements for women and men. These include paid time off for the first six weeks when returning from maternity, the provision of a maternity buddy before, during and after absence, the improvement of paternity leave options, and increased flexibility on work schedules. In 2018, to further embed these policies, we ran an awareness campaign, fronted by employee role models who have introduced flexible arrangements which benefit their staff and clients.

## Leveraging community partners

We embrace the opportunity to make change in society and believe collaboration results in better outcomes. On gender issues, we partner in the UK with Business in the Community, Women in Banking and Finance, We Are the City, City Women's Network, 100 Women in Finance, Working Families, Parenting for Professionals and City Parents.

# Conclusion

Improving the gender balance across businesses and levels of seniority is a priority for RBC. We are making progress and will continue to drive change. While we accept that there is much work ahead to achieve our gender diversity ambitions, we are encouraged by the initial progress that has been made in this area and remain confident in our approach to ensuring fairness for all colleagues working at RBC today.



**Dave Thomas,**  
CEO RBC Europe Limited, and  
Head, Royal Bank of Canada  
(London Branch)



**Joanna Meager,**  
Head, RBC Investor Services  
Trust, UK

## Recognition and Rewards

### **Business in the Community Gender Benchmarking Survey 2018:**

RBC received a Silver award and rated 7% ahead of the average scorer.

### **Working Families:**

RBC was consistently ranked as a Top 30 Employer in the Working Families 2017 and 2018 Benchmark Report, which assesses the policies and work culture of circa 60 companies.

### **Bloomberg Financial Services Gender Equality Index:**

RBC is one of over 100 companies from ten sectors to join the inaugural 2018 Bloomberg Gender-Equality Index. The reference index measured gender equality.

# Appendix

## RBC gender profile at a glance and regulatory reporting

### 1. Gender pay difference summary

	Consolidated Entities			
	Mean		Median	
	2018	YoY	2018	YoY
Gender Pay Gap	40%	2%	40%	(1%)
Bonus Gender Pay Gap	67%	(3%)	69%	0%

The gender pay gap is the difference (mean and median) between the hourly rate of pay of male employees and female employees. This is expressed as a percentage of the hourly rate of pay paid to male employees.

### 2. Changes in gender pay by entity 2017-2018

	RBC Investor Services Trust						RBC (London Branch)						RBC Europe Ltd.					
	Mean			Median			Mean			Median			Mean			Median		
	2017	2018	YoY	2017	2018	YoY	2017	2018	YoY	2017	2018	YoY	2017	2018	YoY	2017	2018	YoY
Gender Pay Gap	26%	20%	6%	28%	27%	1%	35%	33%	2%	30%	29%	1%	51%	51%	0%	57%	55%	2%
Bonus Gender Pay Gap	46%	39%	7%	62%	68%	(6%)	64%	63%	1%	60%	55%	5%	65%	72%	(7%)	86%	86%	0%

### 3. Changes in proportion of women by quartile and entity

	RBC Investor Services Trust			RBC (London Branch)			RBC Europe Ltd.		
	2017	2018	YoY	2017	2018	YoY	2017	2018	YoY
Upper	27%	28%	1%	14%	16%	2%	8%	8%	0%
Upper Middle	26%	32%	6%	23%	24%	1%	20%	25%	5%
Lower Middle	40%	42%	2%	33%	35%	2%	39%	37%	(2%)
Lower	64%	60%	(4%)	53%	54%	1%	61%	64%	3%