

Diamond Resorts Gender Pay Gap Report 2018

Diamond Resorts is committed to the promotion of gender equality in the work place, including ensuring that equal jobs are paid at an equal wage.

The UK Equality Act 2010 (Gender Pay Gap Information) Regulations (**Regulations**) requires that we calculate and publish the average salary paid to our UK team members throughout the UK operations in April 2017. To do this we identified a population of almost 400 'relevant' team members, (i.e. team members receiving their full month's salary in April 2017) and divided them into four even quartiles by headcount. Using a prescribed method, we conducted an analysis on each quartile to calculate both the mean and median average hourly rate of pay. The results are given in quartiles and split by gender. This provides a comparable snapshot of the 'average' team member salary from which we draw our data.

The Regulations also require that we calculate an average of bonuses paid to team members during the 12 period leading to April 2017. Again, using a prescribed method we identified the total number of team members who were paid a bonus during this period, divided the payments by gender, and determined the mean and median value of the payments made to both men and women. This is provided as a comparable snapshot of the 'average' bonus payment.

What do the results tell us?

Gender Pay Gap

Proportion of Males and Females in each Pay Quartile

Quartile	F	M	Grand Total	Female%	Male %
Q1	59	40	99	60%	40%
Q2	54	45	99	55%	45%
Q3	57	43	100	57%	43%
Q4	51	48	99	52%	48%
Grand Total	221	176	397	56%	44%

We have a higher female to male ratio amongst our team members, with 56% women employed versus 44% of men.

Mean Gender Pay Gap

Quartile	F	M	% F to M
Q1	7.71	7.68	-0.40
Q2	8.40	8.23	-2.05
Q3	9.74	9.51	-2.48
Q4	33.38	45.09	25.97

There is a gender divide in roles that could be considered 'traditional', such as Housekeeping (female) and Maintenance (Male). Consideration has been given to Remuneration for those roles and is based on the value they bring to the business. Overall we are pleased that there is a relatively small gap within the first three quartiles. We have found there to be a positive bias in the salaries paid, with women receiving up to 2.5% higher salary when looking at the 'Mean' average.

In the final Quartile (Q4) men earn almost 26% more than women calculated on the mean average basis. Q4 includes technical roles requiring a specific level of education and/or expertise, and Management in all areas of the UK business, from Team Leaders to Vice Presidents. Some positions

are subject to external market forces, such as IT, Finance, HR and Legal. The business ensures that Team Members are paid appropriately. There are also significant gender divides within these areas, for example there are more males in IT and Finance (in more senior roles) and more females within HR and Legal.

Median Gender Pay Gap

Quartile	F	M	% F to M
Q1	7.77	7.77	0.00
Q2	8.47	8.19	-3.42
Q3	9.66	9.15	-5.57
Q4	18.86	20.46	7.82

The average salary paid to both men and women in the first quartile is the same. A wider gap appears in Q2 and into Q3 in terms of a positive bias towards women who earn between 3.42% and 5.57% more respectively. This is attributed to a gender divide between roles and also the number of women employed within these quartiles.

In Q4, the Gender Pay Gap identified within the Median calculation changes to a 7.82% bias toward men. This indicates that whilst there is a fairly equal split between the genders within Q4, the very highest earners are likely to be male.

Bonus Gender Pay Gap

Proportion of Males and Females receiving a bonus payment

Gender	Total	Percentage
F	155	59.16%
M	107	40.84%
Grand Total	262	

The term 'bonus' means additional payments that relate to bonuses, commissions and share options. Within the 12 month period leading to April 2017 a total of 262 team member received bonus payments. Of these, 155 (59%) were women and 107 (41%) were men.

The majority of payments were attributed to Sales and Marketing Operations, where commissions encourage sales activity and form a significant part of the recipient's remuneration. Marketing and Sales perform different roles within the business and these roles attract different financial rewards based on the return they create. Women make up a greater proportion of Marketing, and Sales team members are more likely to be men.

Mean Bonus Gender Pay Gap

	F	M	% Gap
Mean Gender Pay Gap	£6,201.97	£11,268.96	44.96

The Mean Bonus Gender Pay Gap indicates that men earned almost 45% more in bonuses than women. This is in part attributed to the gender split of those roles which attract a bonus payment. A higher number of women work in positions that attract some form of bonus, but where the bonus does not form the majority of salary. In contrast, sales attract bonuses as a large percentage of remuneration. Where senior non-sales roles attract a company bonus, these payments are based on a percentage of salary. Variations in payments are created by either the monetary value of the salary paid, the percentage awarded as a bonus, or a combination of the two.

Median Bonus Gender Pay Gap

F	M	
£647.50	£921	29.70%

In addition, for the financial year 2016-2017, bonuses paid have been impacted by the purchase of Diamond Resorts by Apollo Global Management LLC. Any shares owned by employees at that time were subject to a compulsory purchase. The payment of these shares increased the £ value of the monies paid to a small number of employees who were shareholders, which in turn has impacted the Mean value of the Bonus Gender Pay Gap. The Median Bonus Gender Pay Gap reflects this.

How do we plan to address the Pay Gap?

Our biggest challenge is to address the gender bias which attracts men and women into specific roles. Through the implementation of family friendly policies such as flexible working and shared parental leave, as well as the current availability of child care vouchers (due to end 2018), we hope to continue to encourage more women into our workforce. Where roles are traditionally seen as masculine, generally technical, or feminine, generally administrative, we intend to review our recruitment practices to encourage men and women into all areas of the business. We also plan to review our succession planning practices to ensure that neither sex is subject to any 'glass ceiling'.

(Statement to be signed by Susan Crook, Statutory Director)

I hereby confirm that the data contained within this report is true and accurate.

Name: SUSAN CROOK
Position: DIRECTOR
Date: 4 April 2018

