

For immediate release

5th August 2020

RSA shares details of expanded cost programme

Following statements made in its half year results announcement on 30th July 2020, RSA today shared with its employees more details of plans to further reduce the running costs of its UK business.

These changes to RSA's operations, which build on cost savings made in 2019, will enable RSA to compete successfully in a more challenging and price sensitive insurance market, and help secure the profitability and sustainability of the business for the future.

Plans to tackle complexity in RSA's product portfolio, technology and property footprint will be accelerated building on lessons from the company's experience during COVID-19. The company is also proposing to reduce the size of its UK workforce to take account of premium reductions occurring as a result of exits and an uncertain economic climate.

Simplification and technology

Product variations will be reduced over time to better meet customer needs and decrease running costs, as well as reliance on legacy technology systems. In IT, movement from physical data centres towards cloud-based technology will also release savings while enabling more agility in data processing.

Property

With a significant number of employees keen to explore more flexible working arrangements, this creates an opportunity to reconsider and consolidate RSA's physical office space in the future.

Our people

The company is today announcing a range of measures including a voluntary redundancy programme open to applications from all employees, as well as an opportunity for employees to request reduced working hours. The intention is to reduce the size of the organisation by around 300 full time roles from current levels.

Commenting on the announcement, RSA's UK & International CEO, Scott Egan, said:

"We're committed to making sure RSA is in the best possible shape to be there for our customers in a more uncertain future. These are difficult times for all businesses, and it is important we take the actions we need to remain competitive.

“RSA’s operating costs in the UK are a long-term challenge. We are taking a range of actions to reduce them over time, including rethinking our physical office space, modernising our IT infrastructure, and simplifying our products and services.

“We also have to take difficult decisions that will impact our people, including offering a programme of voluntary redundancy to our employees based in the UK. These are not decisions we take lightly, and we will do as much as we can to support our people throughout.

“Our overarching goal remains to create a business that is able to thrive in the future for our customers and our employees.”

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