



B&CE Gender Pay report 2017

Introduction

B&CE firmly believes that a diverse and inclusive culture is crucial to the long-term success of our business. A diverse workforce that brings together people with a wide range of backgrounds, expertise and skills creates a rich and dynamic business environment where creation and innovation can thrive.

In early 2018, in common with all other UK firms with more than 250 employees, we are reporting important statistics on gender pay.

We welcome the government’s emphasis on gender pay. We believe that by examining these statistics, companies will be able to identify any potential pay gaps and implement measures and policies to ensure their businesses reflect the wider community in which they operate.

Let’s be clear, this is not about advantaging one group of people over any other. It’s about making sure that, no matter a person’s background, race, religion or gender, they have an equal opportunity to secure a role at B&CE and to develop a successful career here.

To be successful, we need to hire, develop and retain the best people and that includes ensuring we have the right working environment with a good balance of men and women at all levels of our organisation.

We recognise that it can be particularly challenging to find and keep women in senior roles. So, we’ll continue to develop the initiatives we already have in place to help us address that. This is important work because while our figures clearly show us that there is no equal pay issue, we recognise that we have a gender pay gap caused by a lack of women in leadership roles.

We’ve made some good progress already. This year alone, the gender split in B&CE’s leadership positions has moved from 78:22 to 73:27¹.

But that’s not good enough for me. That’s why, I am personally sponsoring B&CE’s ‘Gender Balance Network’ initiative and publicly stating our aspiration to achieve a 60:40 split in our leadership positions by 2020 and a 50:50 split by 2025.

We know there are significant challenges ahead in achieving these aspirations and we will be working hard with employees, recruiters and the wider industries in which we operate to attain them. Only by emphasising the immense value of a diverse workforce will we be truly successful at serving the needs of our diverse customer base.

Patrick Heath-Lay
Chief Executive
B&CE



¹As at October 2017

Gender Pay reporting summary:

1. Difference in women's hourly rate

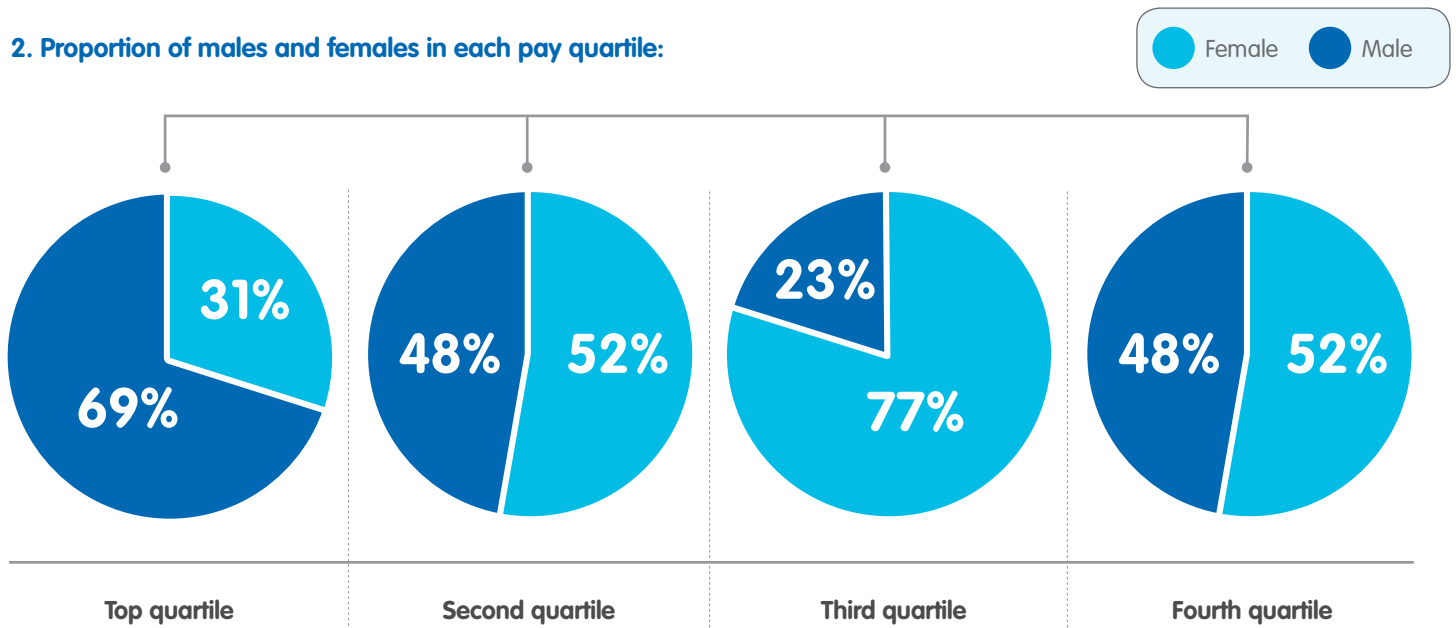
	Mean	Median
Pay gap	29%	22%
Bonus gap	70%	46%

This table shows that we have a mean gender pay gap of 29%. The larger numbers of senior men relative to senior women mean that the average pay for men is 29% higher than the average pay for women. This does not mean that men are individually paid more than women doing similar roles, it simply reflects the greater proportion of men in senior leadership roles who are therefore earning higher salaries. If you look at the median pay gap, which is the middle man at B&CE versus the middle woman, the gap reduces to 22%.

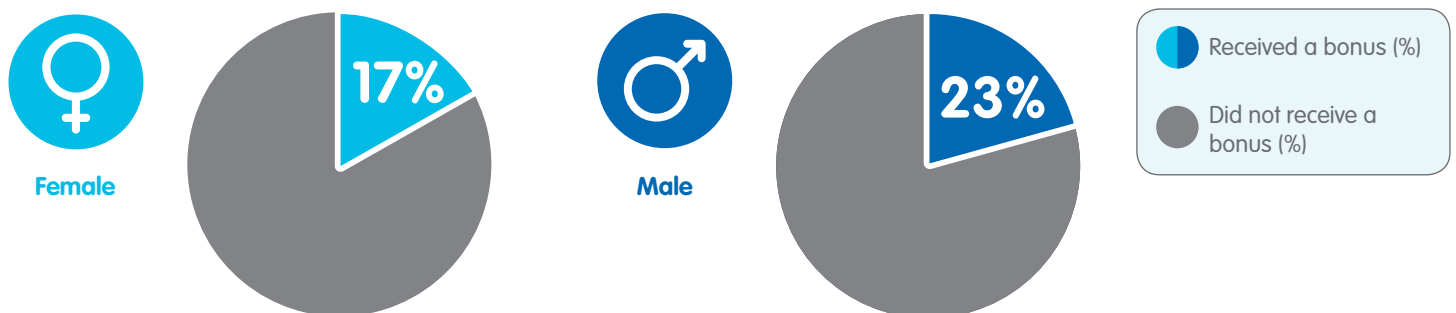
At 29%, our mean gender pay gap is smaller than the average for the financial services industry² (34%), but larger than the UK average for all industries (17%). The gender pay gaps are correspondingly higher when you consider bonuses received by staff who are eligible to receive them.

We have taken great care to understand what these figures mean and we are confident that this is not an issue of equal pay. We are rigorous in our approach to ensuring that our pay structure is gender neutral in both design and implementation. Quite simply, we do not have as many women in senior roles as we would like and, as a result, this is dragging down the average pay and bonus figures for our female employees. The primary reason for this is that while women currently account for 55% of our workforce, they have just one-third of our management and technical roles, and very few are in our highest paid roles. This is shown in the charts below.

2. Proportion of males and females in each pay quartile:



3. The proportion of males and females receiving a bonus payment.



At B&CE, we are committed to addressing all gender imbalances and we strive to build a truly diverse workforce. You can read more about how we are doing that in the following section or below.

² PwC Women in Work Index 2017, p.4

Bridging the gender pay gap

We recognise that there is much we can do to reduce our pay gap. Our focus has been on addressing the challenge of recruiting and developing women into leadership roles. We've already put some measures in place to address this, and have many more planned.

How we are addressing gender balance at B&CE

Gender Balance Network

We brought together a group of senior women in B&CE to build a program of activities that will help support women in mid-level roles as they work towards leadership roles. As well as providing coaching and training opportunities, this network of senior women will offer 1-2-1 mentoring for colleagues across the organisation.

Leading from the top on diversity

The remuneration of the senior leadership team will be linked to delivery against internal targets on gender diversity from 2018-9 onwards.

Enhanced maternity benefits and flexible working arrangements

During 2017, we have continued to develop our benefits package with an enhanced maternity pay package and by giving all employees the ability to buy additional annual leave. We are also reviewing our Flexible Working Policy to ensure that we are operating as flexibly as possible with all our people.

Addressing unconscious bias

We have reviewed our recruitment practices to ensure unconscious bias is eliminated at all stages. We are also delivering unconscious bias training to all people managers across the organisation.

Gender balanced shortlists for all roles

Our recruitment process seeks to ensure that, where possible, 50% of candidates put forward are women.

Women in Finance Charter

In 2017, we signed up to the Women in Finance Charter – a national best practice framework to address gender diversity in the financial services sector.

We believe that these measures are a good starting point. However we, like many other organisations across the UK, have further to go to tackle the issue of gender (and all forms of) diversity in the workplace and this will continue to be a priority for us.

In doing so, we can ensure that our organisation properly reflects the society in which we operate and can effectively harness talent, wherever and in whomever we find it.

