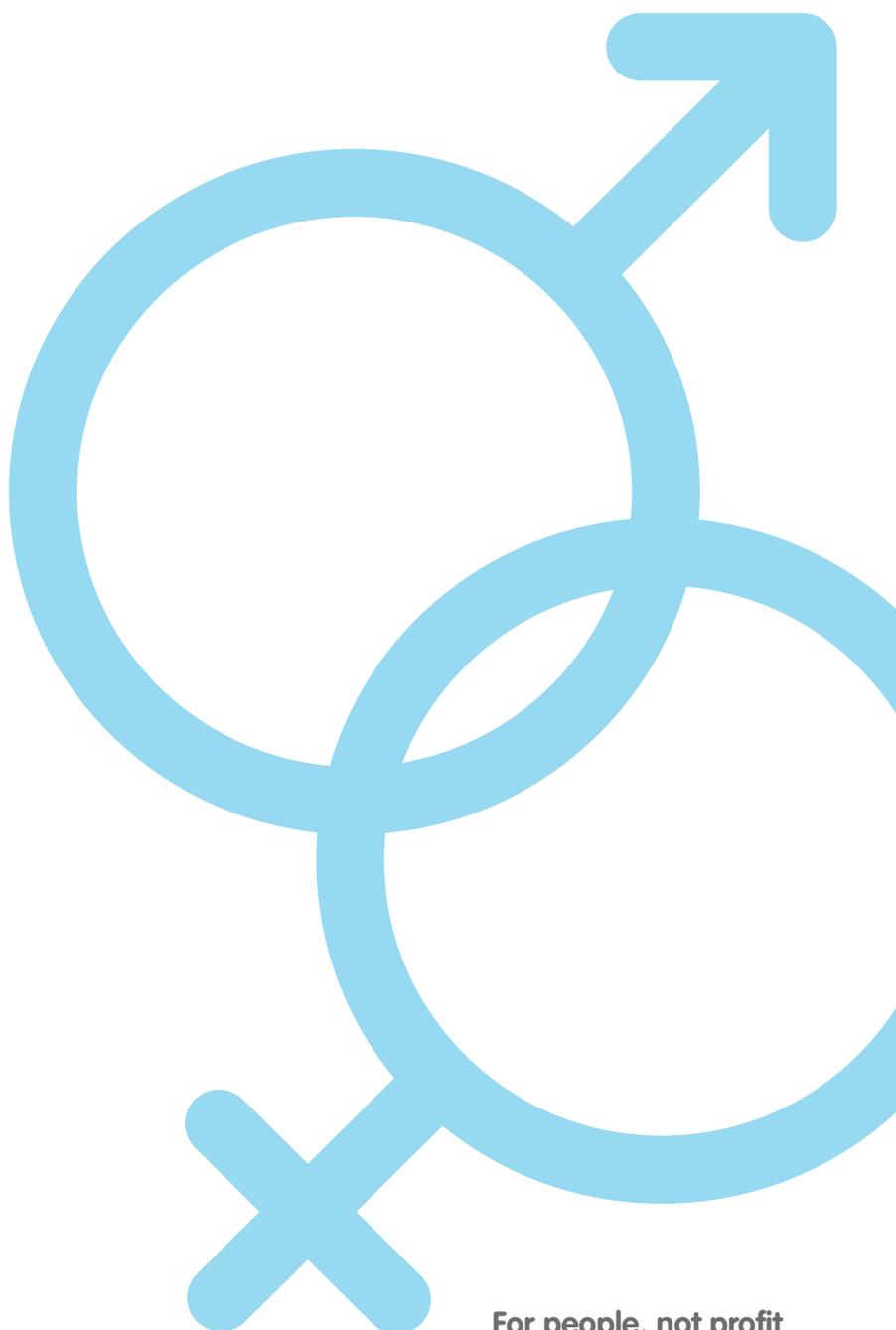




# B&CE Gender Pay report

18|19



For people, not profit

# Introduction

At B&CE, we believe that a diverse and inclusive culture is crucial to the long-term success of our business. Bringing people together from a wide range of backgrounds with different experiences, expertise and skills is crucial to the creation of a high-performance organisation.

In 2017, when we first reported our gender pay gap figures, we expected results representative of the two male-executive dominated industries we're rooted in: construction and financial services. Encouragingly, we performed better than the financial services industry average, and since then, we've increased our proportion of senior female staff. In 2017 the ratio of male to female leaders (Heads of Department and above) was 73 to 27, in 2018 it was 66 to 34 and in 2019 it stands at 63 to 37 – moving us closer to our goal to have a 60/40 split of men and women in leadership roles by 2020 and a 50/50 split by 2025. We're pleased with our progress so far.

However, what we didn't expect is that despite our efforts, our gender pay gap would increase from 28.67% in 2017, to 29.65% in 2018, and 31.43% in 2019. We've taken great care to understand why this is:

- At the very highest level of the organisation, there are more men than women, even if the direction of travel is positive. In 2017 there was only one female director, now three of the 14 Directors are women including one of the four Executive Officers..
- A concerted effort to enable flexible and part-time working has seen significantly more women hired - with the organisation now 59% female - but disproportionately at lower levels of seniority.

Two years ago, there was almost a 50/50 split of men and women in the first quartile roles, which is now close to 25/75 in 2019. If we'd maintained this distribution of roles

in the first quartile combined with the improvements made in the number of women in more senior roles, we would've had a reduction in our gender pay gap by around 8%. Instead we've seen a substantial increase in the number of women in the first quartile roles, driving down the average pay for women across the organisation.

As a not-for-profit organisation, our bonuses are modest. Our total bonus pool is just 2% of our total annual company-wide remuneration. In 2019 we've seen an increase in our median bonus pay gap from 40% to 54% despite our mean bonus pay gap reducing slightly, reflecting the higher bonuses in absolute terms awarded at Director level. In June 2019, we introduced a new bonus scheme which covers all employees based on their performance. We hope this will reduce our bonus pay gap over the next few years.

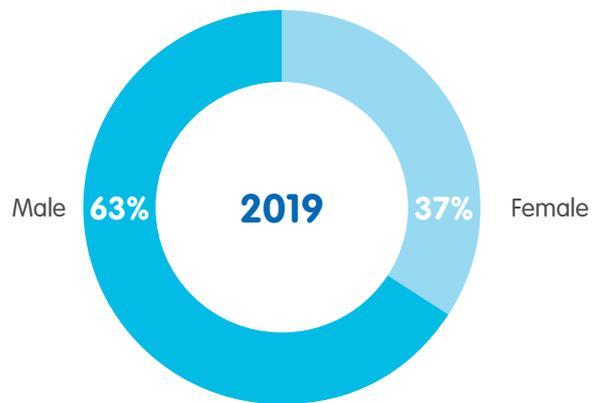
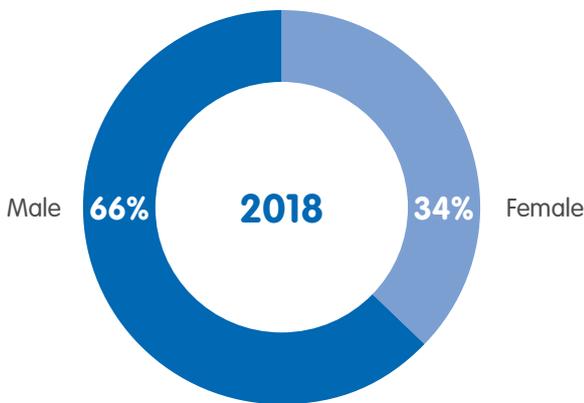
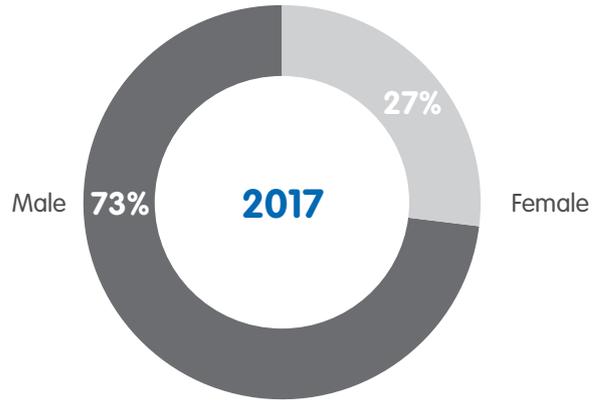
We continue to ensure that, where possible, 50% of candidates put forward for senior roles are women; we've also further developed our Gender Balance Network. We'll continue to invest in the development of our staff to prepare them for future management and leadership positions. We're looking closely at areas where we can make further improvements, and remain committed to supporting all our employees as they strive to develop their careers at B&CE.

**Patrick Heath-Lay**  
Chief Executive Officer  
B&CE

# Gender pay reporting summary

## 1. Progress towards 60/40 and 50/50 goals in split of male and female leaders

Our ratio of male to female leaders (Heads of Department and above) has improved from 73/27 in 2017, to 66/34 in 2018, and 63/37 in 2019, moving us towards our goal to have a 60/40 split of men and women in leadership roles by 2020 and a 50/50 split by 2025. The number of female Group Directors and Executive Officers in our organisation has increased from one in 2017 to three in 2019.



## 2. Difference in women’s hourly rate

Two years ago, we had a 48/52 split of men and women respectively in the first quartile roles, which is now at 26/74 in 2019. If we’d maintained this same split of roles in the lowest quartile, we would’ve seen a reduction in our gender pay gap by around 8% over that period.

Our commitment to flexible and part-time working appears to have had its biggest effect in the first quartile positions, attracting more female applicants.

We have strengthened key departments across the organisation, with a considerable number of senior hires in traditionally higher-paying, male-dominated sectors such as investment and IT which has impacted our pay figures.

Mean pay gap



Change 1.78%

Median pay gap

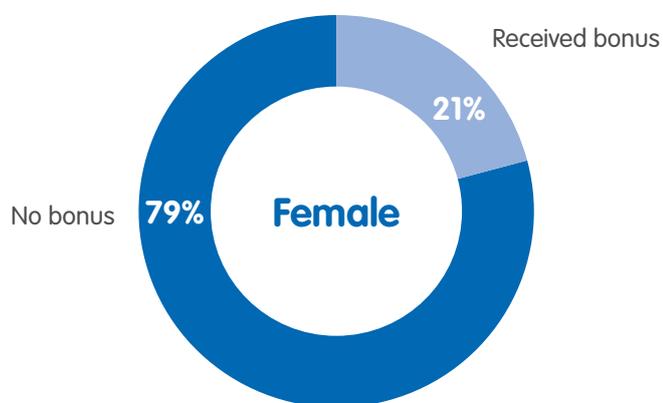


Change 7.16%

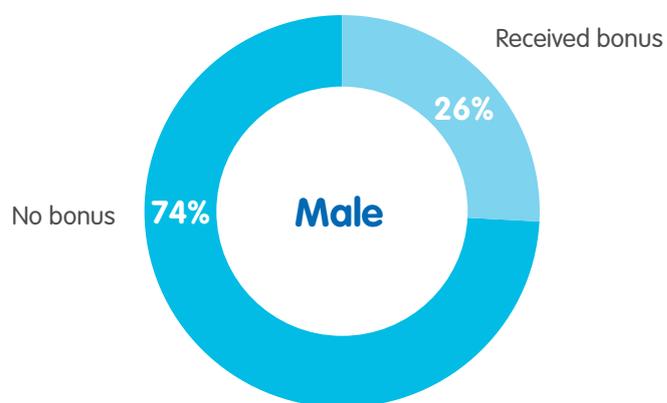
### 3. Proportion of males and females in each pay quartile

	2017		2018		2019	
	Male	Female	Male	Female	Male	Female
Lower quartile	47.7%	52.3%	30.0%	70.0%	25.9%	74.1%
2nd quartile	23.4%	76.6%	32.8%	67.2%	32.3%	67.7%
3rd quartile	47.7%	52.3%	42.9%	57.1%	40.6%	59.4%
Upper quartile	69.4%	30.6%	65.5%	34.5%	63.4%	36.6%

### 4. Proportion of males and females receiving a bonus payment



Mean bonus: £1,813.41  
 Median bonus: £1,200.00



Mean bonus: £5,330.95  
 Median bonus: £2,600.00

## 5. Gender bonus gap

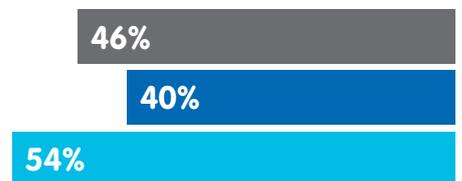
In 2019 we've also seen an increase in our median gender bonus pay gap from 40% to 54% while our mean gender bonus gap reduced slightly. As a not-for-profit organisation, bonuses are modest when compared to financial services more widely – with our bonus pool less than 2% of our total company wide remuneration and currently concentrated at Director level.

In June 2019, we rolled out a new bonus scheme which we hope will help us see a reduction in our gender bonus gap in the next few years.

Mean bonus pay gap



Median bonus pay gap



# We're working hard to address gender balance

**Women in Finance Charter** – We continue to be proud signatories of the Women in Finance charter – a national best practice framework to address gender diversity in the workplace – with our Group Director of People representing Insurance and Long-term Savings on the Charter Industry Board.

**Gender Balance Network** – In 2017, we brought together a group of women at middle management level to build a programme of activities that will help to support them as they work towards leadership roles. Having developed this into a successful network of more than 80 active members, we've built on the success this year by offering employees insightful sessions on a range of topics and providing networking events and peer to peer coaching sessions.

**Leading from the top on diversity** – The remuneration of the senior leadership team remains linked to delivery against internal targets on gender diversity in leadership roles.

**Enhanced flexible working arrangements** – In 2018, we introduced enhanced flexible working options for all workers, including core hours working, enhanced home working and the opportunity to take career-breaks for long-serving employees. This year we've implemented IT and telephony equipment to further support staff working from home and now advertise all positions with the option to discuss working flexibly.

**Improved recruitment process** – In our recruitment process for senior roles, we continue to seek to ensure that, where possible, 50% of candidates put forward are women.

**New performance management process** – We've standardised the performance management process and linked performance management to reward, to reduce the potential for subjectivity or bias.



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