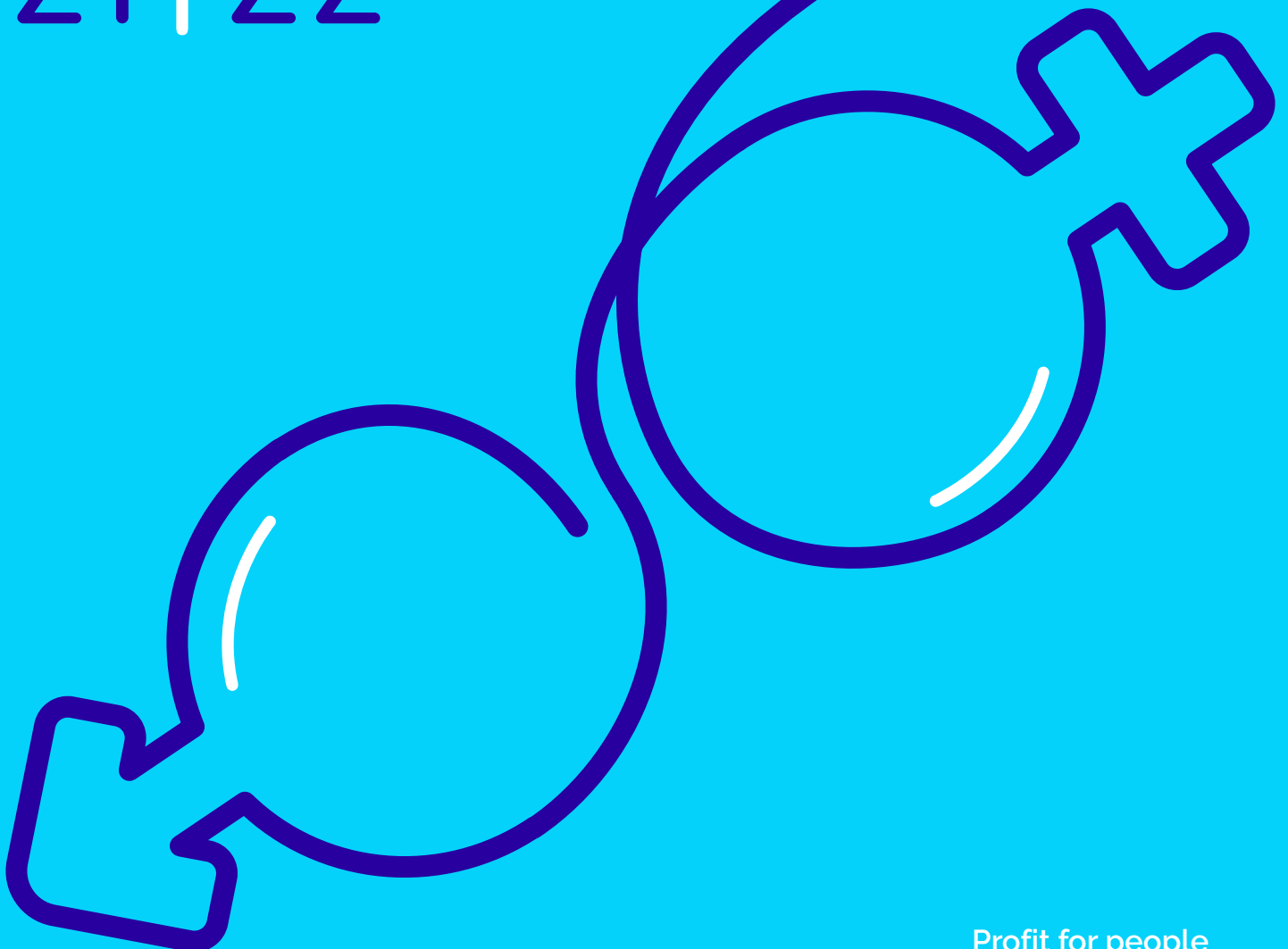


Gender pay gap report

We publish our gender pay gap figures on a government website each year. The purpose of this report is to summarise those results and to provide some further information about how we're doing against our long-term goals.

21 | 22



Executive summary

At B&CE, our people are at the heart of everything we do. We believe that an inclusive and diverse culture, where colleagues can bring their authentic selves to work, is crucial to our long-term success. We've made a commitment to close our gender pay gap and with all levels of colleagues now eligible for our bonus scheme, our gender bonus gap is moving in the right direction.

While we face some challenges, we continuously strive to improve our hourly gender pay gap and have identified where we need to improve and drive positive change. We know that we can do better and have set ourselves out on that path with the interventions below:

- Female membership of our Executive Committee has increased to 43%.
- We have recently hired 3 women onto our Boards.
- We continuously review our ways of working to encourage flexible and remote working and make us more attractive for potential employees.
- We've implemented a seven-point recruitment plan to facilitate our growth plans, enabling gender-neutral selection and a better gender balance for key leadership hires.
- All reward related decisions are monitored to ensure consistency and fairness (eg, promotions, pay reviews, bonus payments, hiring salaries and performance ratings).
- We undertake equal pay audits to ensure salaries are based fairly, relative to the individual's role in terms of accountabilities and specialism. This year we've established Inclusion and Diversity employee resource groups, led by colleagues who set the agenda for bringing our authentic selves into the workplace. Group themes are: Gender diversity, Parents and carers, Disability awareness, Multi-cultural, LGBTQ+ and Mental health awareness.
- We've established development programmes for emerging talent; half of the participants are female.
- 7 out of 14 senior hires in 2022 were females.

We've introduced a more flexible working policy, to support our people with their parenting and caring responsibilities. This has been incredibly successful in bringing more female employees into the business, with the number of women choosing to work for us increasing to 57%. However, the positive impact of flexible working is most noticeable in lower paid levels

of the business. Over the past 5 years, the number of women in these roles, which tend to fall in the lower quartile of our range of pay, has increased by 21%, from 52% to 73%. By contrast, there has been a focus on hiring in male dominated sectors, such as IT and Project Management to deliver critical projects. This has served to increase the proportion of men in higher-paid roles. A combination of these 2 factors contributes to a worsening in our gender pay gap.

Our focus remains on increasing the number of women in senior positions. This is evident in our Executive Committee where female representation has increased to 43%, and in our Boards and Trustee of The People's Pension where we've recently made 3 female hires.

We have plans in place to ensure that women at all levels at B&CE can develop their careers and progress through the pay grades and we've aligned our Remuneration policy and developed an Inclusion and Diversity policy to support this.

After reviewing key roles within the organisation and identifying how we can develop our existing staff into senior roles, we've introduced new management and leadership development programmes. This will help to ensure our employees have the skills and opportunities to progress and develop their careers to their maximum potential at B&CE.

We strive for an inclusive culture where staff feel listened to. Following the pandemic, our flexible working practices changed, and through our regular staff survey, we listened to colleagues' views to ensure that new ways of working and flexible working policies reflected their needs and continued to play a key role in helping people progress.

This year we introduced an Inclusion and Diversity Committee, with employee resource groups on a number of key areas including Gender diversity and Parents and carers. We have already seen an incredibly positive response to this which will increase the level of discussion and awareness across the organisation.



“As a purpose and values driven business, it’s imperative to me, that our organisation represents the society that we serve. We are driving our inclusion and diversity strategy to ensure we close the gaps highlighted in this report. My focus is on creating opportunities to improve diversity at senior levels whilst continuing to support a more diverse and inclusive culture.”

Patrick Heath-Lay
Chief Executive Officer



“I take my responsibility seriously, along with my leadership colleagues, to promote equality and equity across our organisation. Much earlier in my career, I experienced being the ‘token woman’. Once I realised that was the case, it shattered my trust and belief in the leadership and I moved on. By contrast, the most influential people in my career have been those who’ve accepted me, encouraged me and listened to me. Both experiences materially impact the way I set and sponsor the inclusion agenda at B&CE and as part of that I have a responsibility to ensure that women at all levels feel valued, have the opportunity to develop their career and progress through the pay grades. Not only is it the right thing to do, it’s the only way we’ll close the gender pay gap.”

Jo Carter
Chief HR Officer

Gender pay data

Proportion of males and females in each pay quartile

This year, we introduced an Inclusion and Diversity Committee, with employee resource groups on a number of key areas including Gender diversity and Parents and carers. We've already seen an incredibly positive response to this which will increase the level of discussion and awareness across the organisation.

Breakdown of workforce by hourly pay in April 2022	2022 Male %	2022 Female %
Upper quartile	73 %	27%
Upper middle	47 %	53%
Lower middle	27%	73%
Lower quartile	27%	73%

Mean hourly pay gap

Our mean gender pay gap in April 2022 stood at 36%, which means that the mean average male hourly rate of pay across the Company was 36% higher than the mean average female hourly rate. The mean average is calculated by adding up all the hourly pay rates and dividing them by the number of employees.

This data reflects an increased offering of flexible and part-time working which has seen significantly more women hired into entry level roles in the Company. This reflects our commitment to support women to develop their career within B&CE through initiatives including leadership training, flexible working and fair recruitment practices.

Median hourly pay gap

Our median gender pay gap in April 2022 stood at 43%, which means that the median average male hourly rate of pay across the Company was 43% higher than the median average female hourly rate. The median average is calculated by putting the hourly pay rates in order and then selecting the hourly rate in the middle.

The median pay gap is higher than the mean pay gap as the female median will be in lower middle category whereas the male median will be in the upper middle category.

Mean hourly pay gap



Change +1%

Median hourly pay gap



Change +3%

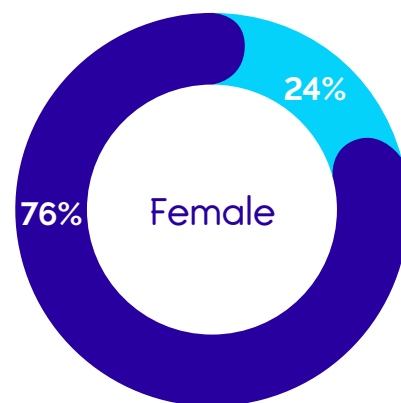
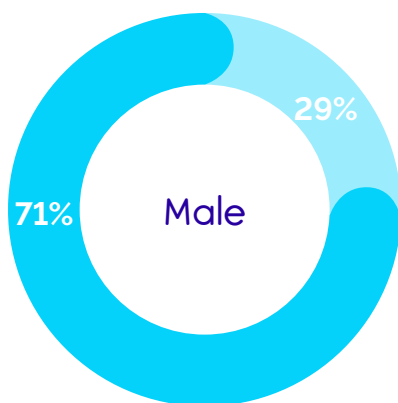
Gender bonus gap

This pie chart below reflects bonus payments made between April 2021 and March 2022. The main B&CE bonus was paid in June 2021 to senior employees - accountability levels (ACL) 4-6 - and high performing employees in ACL1-3. Other employees received a flat rate payment to reflect their contribution through the challenging lockdown year. A new bonus structure is now in place which ensures all colleagues are eligible for a bonus. The first payment was made in the July 2022 payroll and will be reflected in next year's gender pay gap report.

The percentage receiving a bonus reflects that employees had to join the plan by 1st October 2021 to have been eligible for payment. The reason for the difference between the mean and median bonus gap is a result of these 2 different bonus arrangements.

The majority of employees received the flat rate payment, so the median gap is zero. The mean bonus pay gap is influenced by the relative size of bonus payments and this reflects the mix of more male employees in the higher ACLs.

Percentage receiving bonus (paid between April 2021 and March 2022)



Bonus Pay Gap

Mean **60%**

Median **0%**

What we've already done

Investing in the development of our colleagues

We remain committed to ensuring B&CE is a place where everyone can thrive and has access to opportunities to achieve their full potential. We've implemented an 'Inner Strengths' training programme aimed at empowering high potential internal talent (60/40 male/female split). For our highest potential talent, we've introduced a 6-month 'Future Leaders' development programme aimed at enabling them to have greater impact across the organisation and build their careers as future executives (50/50 male/female split). Both programmes include a focus on diversity and unconscious bias training and ensure development plans are in place for all employees on the programmes. Courses covering unconscious bias, leading diverse teams and hiring diverse teams are also being rolled out across the organisation. We've reviewed key roles within the organisation, ensured that employees have clear plans for developing their careers, and have identified how we can develop our existing staff into senior roles within the business.

Attracting and retaining diverse candidates

We have created a seven-point recruitment plan to facilitate our growth plans and enable gender-neutral selection and a better gender balance for key leadership hires to help us create a more diverse organisation. As part of this, we have introduced hiring manager training to ensure managers understand how to create an inclusive experience for candidates.

In our most recent staff survey, 83 per cent of respondents said they believed that B&CE is an inclusive place to work (up 8 points since March).

Bonus programme

All members of staff are now eligible for our bonus scheme, with bonuses distributed based on relative individual performance and external market practice.

Promoting flexible working

We've introduced more flexible working practices to reflect market practice and feedback from our employees to make B&CE a more attractive workplace for potential hires. Flexibility is critical, particularly with our location in Crawley, to attract talent from a wider geographical area and who have to juggle domestic commitments.



83%

of respondents said they believed that B&CE is an inclusive place to work.

“After returning from maternity leave, being able to balance my role and spend time with my son was really important to me. While that juggle will always be a bit tricky, my manager ensured I could work flexibly. Working 4 days, I do the career I love and have worked hard to achieve, and on the other day I’m Mum; time that’s really important for me and my son.

“I was worried having a child might impact my career but since returning, I’ve been selected for the new Future Leaders programme. It’s fantastic to know that the organisation has faith in me and is investing in my development.”

Eloise Henderson

Head of Strategic Communications

“Being selected for the Inner Strengths programme gives me a real feeling of accomplishment. It’s so encouraging to know that all the hard work I have put in so far is valued and that the company believes in me, recognises my potential, and is prepared to invest in me.”

Louise Spencer

Customer Service Manager

“Having worked globally earlier in my career, I recognise the importance of different views and gaining from the experience and perspectives of others. Gender should not be a barrier to success and I am proud to be part of a business that is striving to ensure that everyone is recognised and rewarded appropriately for their contribution.”

Jason Rose

Head of Risk

“I joined B&CE straight out of school, on an apprenticeship. I was given the opportunity to achieve financial services qualifications and was encouraged to progress into different roles.

“After developing an interest in project work, I was encouraged to undertake shadowing opportunities, which helped me to achieve a project-based role within the Operational Transitions team. B&CE has not only helped me to achieve each goal I’ve set my mind to, but the team here gave me the necessary tools and support to help me figure out the direction I wanted my career to go in.”

Mariam Ibrahim

Business Specialist - Support Hub

Moving forward

Recruitment

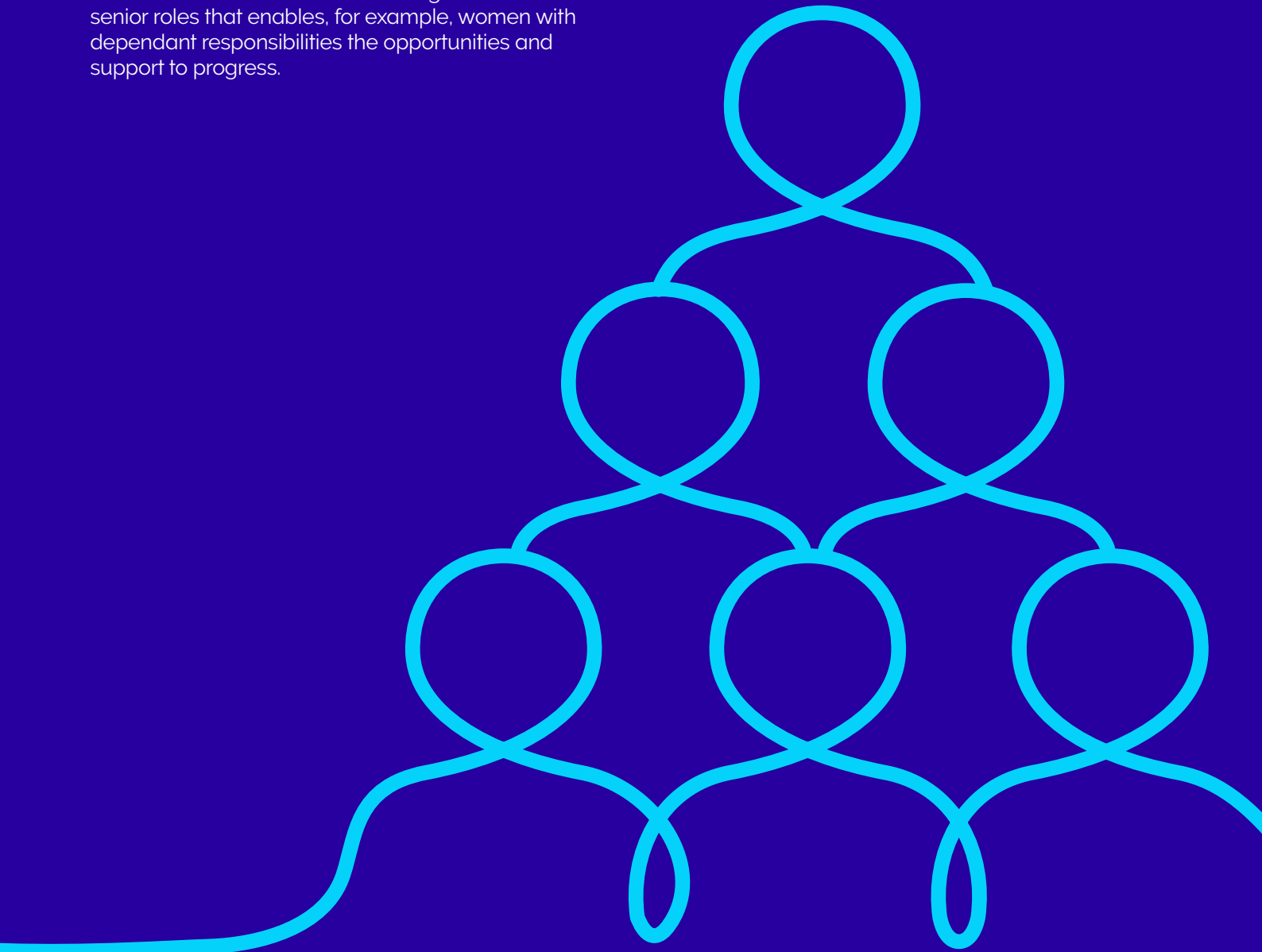
We'll continue to ensure our advertising is inclusive in both content and reach. Our managers participate in interviewing skills sessions focussed on creating an inclusive experience for candidates. We've been working on our Employee Value Proposition (EVP), aligned with our company purpose to reinforce what makes B&CE stand out as an employer of choice in terms of working arrangements, impact, development opportunities, benefits etc.

Listening to our people

83% of our employees recognise us as an inclusive employer (an increase of 8 points since the March survey). We aim to increase this through the introduction of our Inclusive Champions Committees. We've set one up for Gender diversity and Parenting and caring, to ensure we're responding to our employees' needs, to create an inclusive working environment.

Flexible working

Our focus is on continuing to increase the diversity in the upper pay quartile roles in the Company, and we'll continue to trial flexible working in select senior roles that enables, for example, women with dependant responsibilities the opportunities and support to progress.



"I'm honoured to be part of the Executive leadership at B&CE. This position enables me to play a significant part in turning our Company's vision into a reality. Achieving our goals is something that I am truly passionate about and the wide diversity in the Executive Committee team (there are two other female peers) gives us a good range of perspectives enabling the team to make informed and balanced decisions.

As women, we have just as much ability, desire and potential as our male counterparts within the organisation, and I look forward to continuing to mentor and support all to grow and achieve their potential just as B&CE has supported me in reaching mine '

Sue Hunter

Chief Financial Officer

"I was thrilled to be selected as a member of the Inclusion and Diversity Committee. It's great that the Committee includes people from different levels of seniority and I hope we can work to ensure inclusion and diversity are considered right across the organisation.

"As a young woman, I'm really happy to have the opportunity to make lasting cultural changes within B&CE and I hope these will help to reduce our gender pay gap."

Katie Porter

Member of the Inclusive Champions Committee & Senior Social Media Officer



Moving forward (continued)

Leading by example

We've implemented an induction workshop for new line managers, with a focus on people management processes including recruitment, and additional training on unconscious bias. Leadership training on inclusion has taken place with further activity planned to set the appropriate tone from the top. Each member of Executive Committee has a diversity-related target, to ensure we lead from the top.

Training

All employees complete mandatory training in Equality & Diversity and Bullying & Harassment, to raise awareness of inclusive behaviours and help encourage diversity. Courses covering unconscious bias, leading diverse teams and hiring diverse teams are also being rolled out. This is critical to ensure we have the right environment to be attractive for talent that will give a variety of perspectives that reflect our customer base.

Continuing with our commitments

To reduce our gender pay gap, we need to ensure that there is the opportunity for women to progress up the pay grades. We will continue to review and challenge equity of performance ratings, and reward changes, looking at how they are applied in an inclusive way. In addition, we'll focus on the leadership training we have put in place and will ensure we work to identify talent to nurture within the organisation. In addition, we'll regularly review our people policies to ensure they are inclusive for all employees.

We're determined to close our gender pay gap and are continuing with programmes already in place and are introducing new initiatives to drive our plans forward.



“One of the main motivations for moving to B&CE was because I was struck by how much it genuinely values its people. I am a working dad and the culture of the organisation has empowered me to ask for flexibility whenever I need it, which has made for a refreshing change. Genuinely caring about the people who work here is a key factor in the company's success and it is clear that leaders are determined to make it even more inclusive in the future.”

Blaise Tapp

Media Relations Manager

“Having worked hard to progress my career to a senior level, I was reluctant to compromise that once I started a family. However, the inevitable demands of two young children meant that I simply couldn't do it all. Having the opportunity to work flexibly means I can continue developing my career whilst being there for my children; being part of them growing up daily and having the flexibility to attend key moments like starting school, school trips and sports days.”

Emma Davenport

Head of Strategy

“I've joined the Gender and Diversity employee group to be part of a positive change around gender and diversity awareness. I'm passionate about treating people fairly, regardless of their personal circumstances. I'm excited to be part of a group to champion this change and am proud that this initiative is being encouraged by B&CE.”

Claire Buckman

Project Manager

For more information:



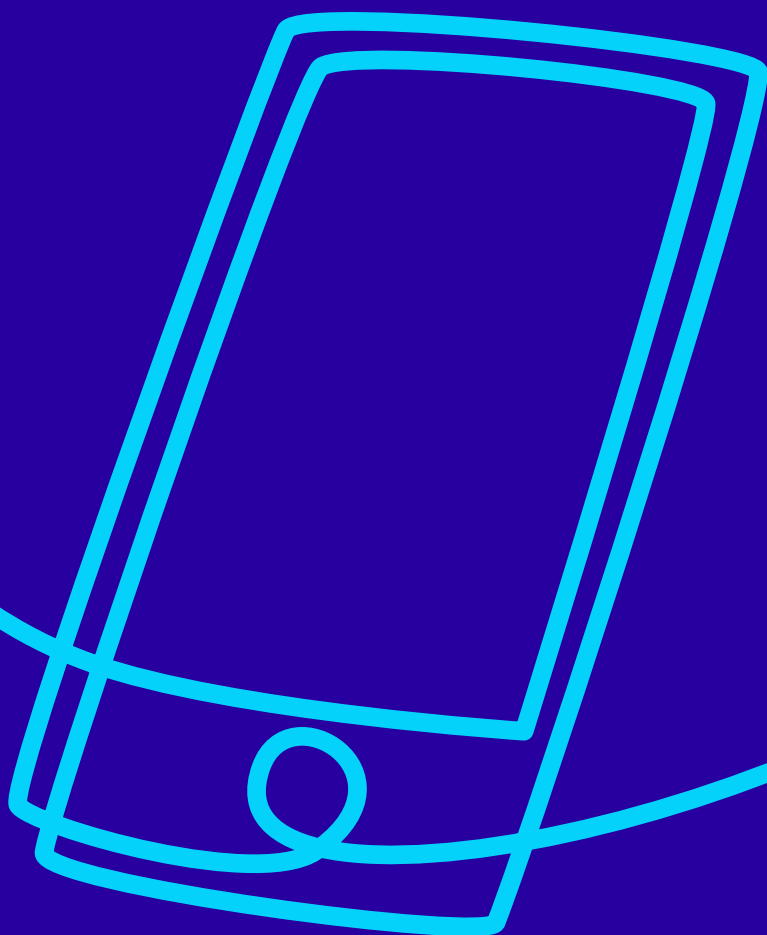
08457 414142 or **01293 586790**



info@bandce.co.uk



www.bandce.co.uk



B&CE Holdings Limited

Manor Royal, Crawley, West Sussex, RH10 9QP. Tel 01293 586666. www.bandce.co.uk

Registered in England and Wales No. 377361. To help us improve our service, we may record your call. This is the parent company for the B&CE Group of companies. B&CE Holdings Limited is an appointed representative of B & C E Insurance Limited which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority Ref: 177791, and B & C E Financial Services Limited which is authorised and regulated by the Financial Conduct Authority Ref: 122787.