

Gender pay gap

We continue to focus on developing a sustainable business for today and for the future. A fundamental part of this is ensuring that we foster a diverse and inclusive culture where people feel that they belong and are valued as individuals.



We want all of our people to feel they can bring their whole self to work, confident they are included and respected. We recognise we still have work to do in addressing our gender pay gap and we continue on our journey to ensure we do everything we can to support and encourage diversity and inclusion (D&I) in the workplace.

There are some fundamental steps taking place in the coming year, including committing to undertake an in-depth gender pay analysis, building our leadership awareness around D&I and ensuring our pay process is transparent and fair for all.

We continue to place great importance on investment in our people. This strengthens our market leading reputation for providing engaging and rewarding careers for our people at every level.

Declaration

We confirm the information and data reported is accurate as of the snapshot date 5 April 2021.



Andrew Vaughan
Senior Partner



Jacqui Derrick
Head of People



What is the *gender pay gap?*

Gender pay reporting legislation requires employers with 250 or more people to publish statutory calculations every year showing the pay gap between their male and female people.

We are now in the fifth year of our gender pay report. The report shows us the difference in average hourly earnings of men and women across our organisation – irrespective of their roles, the nature of their work, or seniority. It also shows us the difference in how much men and women are paid in bonuses, and the proportion of men and women receiving bonuses across our organisation.

You will see our gender pay gap represented by the mean and median earnings of men and women across the organisation. The mean is calculated by adding up the gross hourly earnings of our employees' in the relevant gender category and dividing it by the number of employees'. The median is the number in the middle of a ranking of hourly pay rate from lowest to highest.

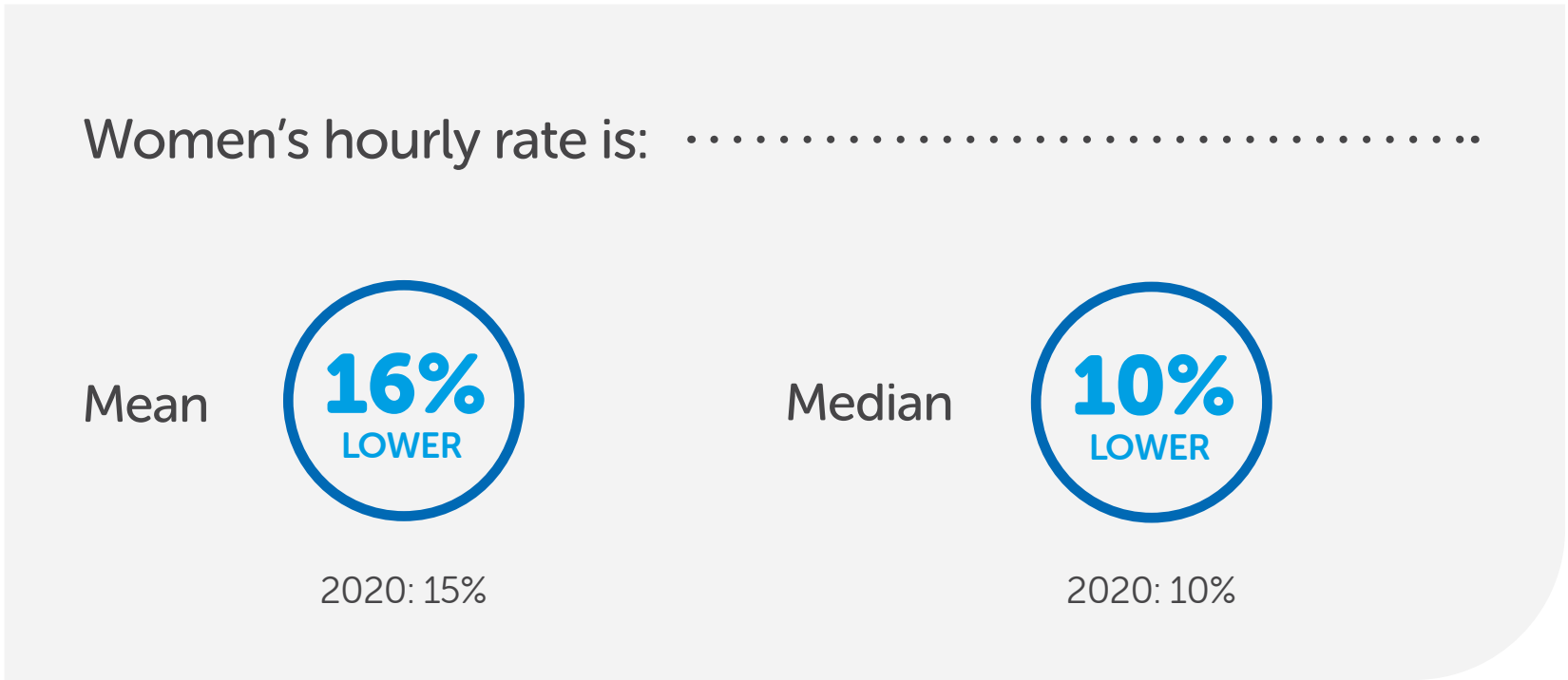
This is different to equal pay, which relates to any difference in individual pay between women and men within specific job roles. It is unlawful and against our belief to pay employees' unequally on the basis of gender or any other characteristic.

Our organisation is structured as a partnership and partners are not included in the gender calculations requirement. The partners are not employed and as such have a different remuneration structure. However, we appreciate it is important to be open and transparent about the gender pay gap and therefore we have analysed these figures too, which are shown below our employees' data.

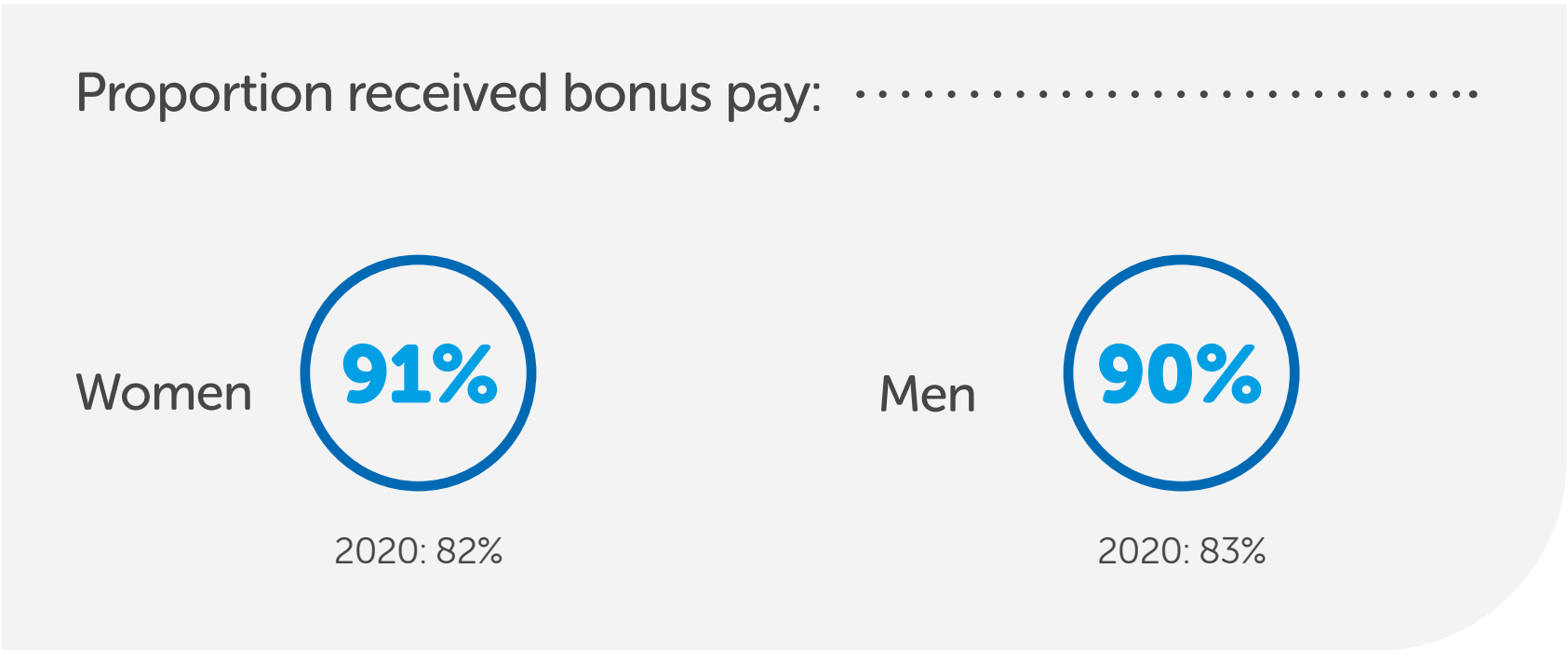
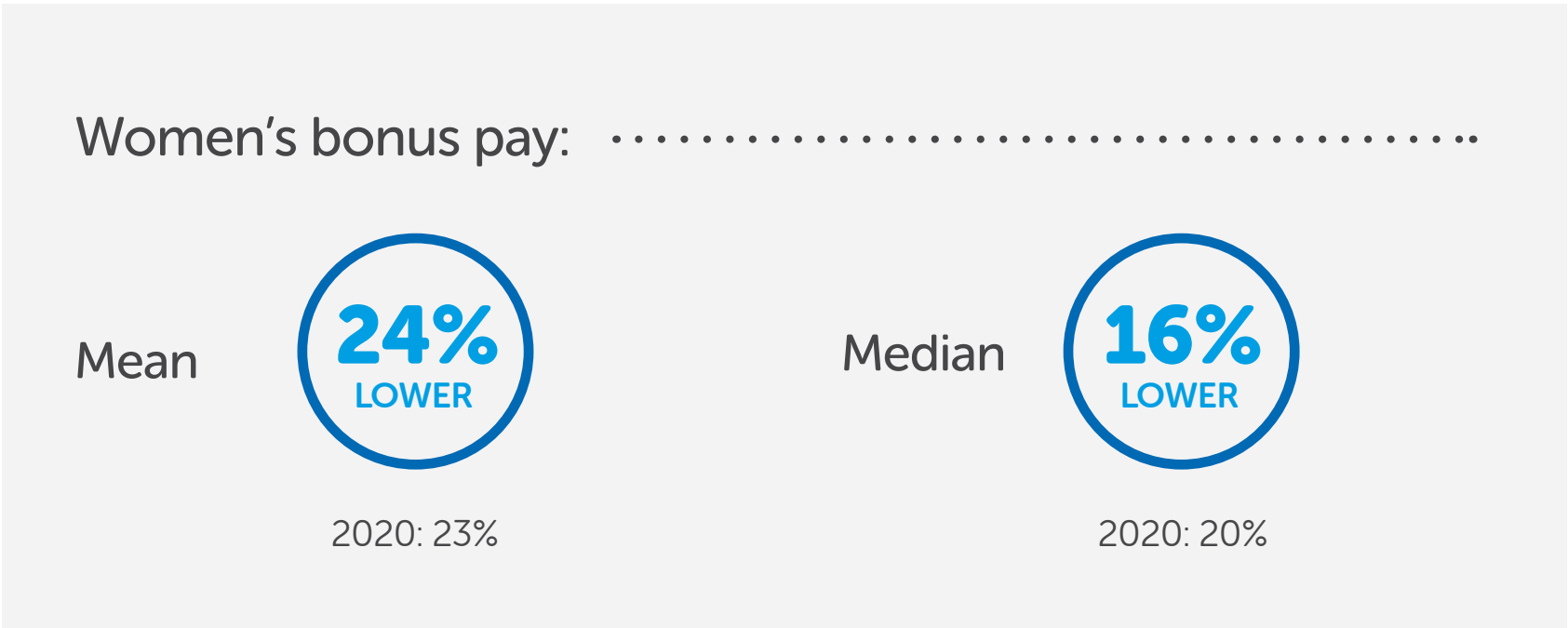


Our gender pay gap in 2021

The regulations require us to report on our employee population as at the snapshot date of 5 April 2021.



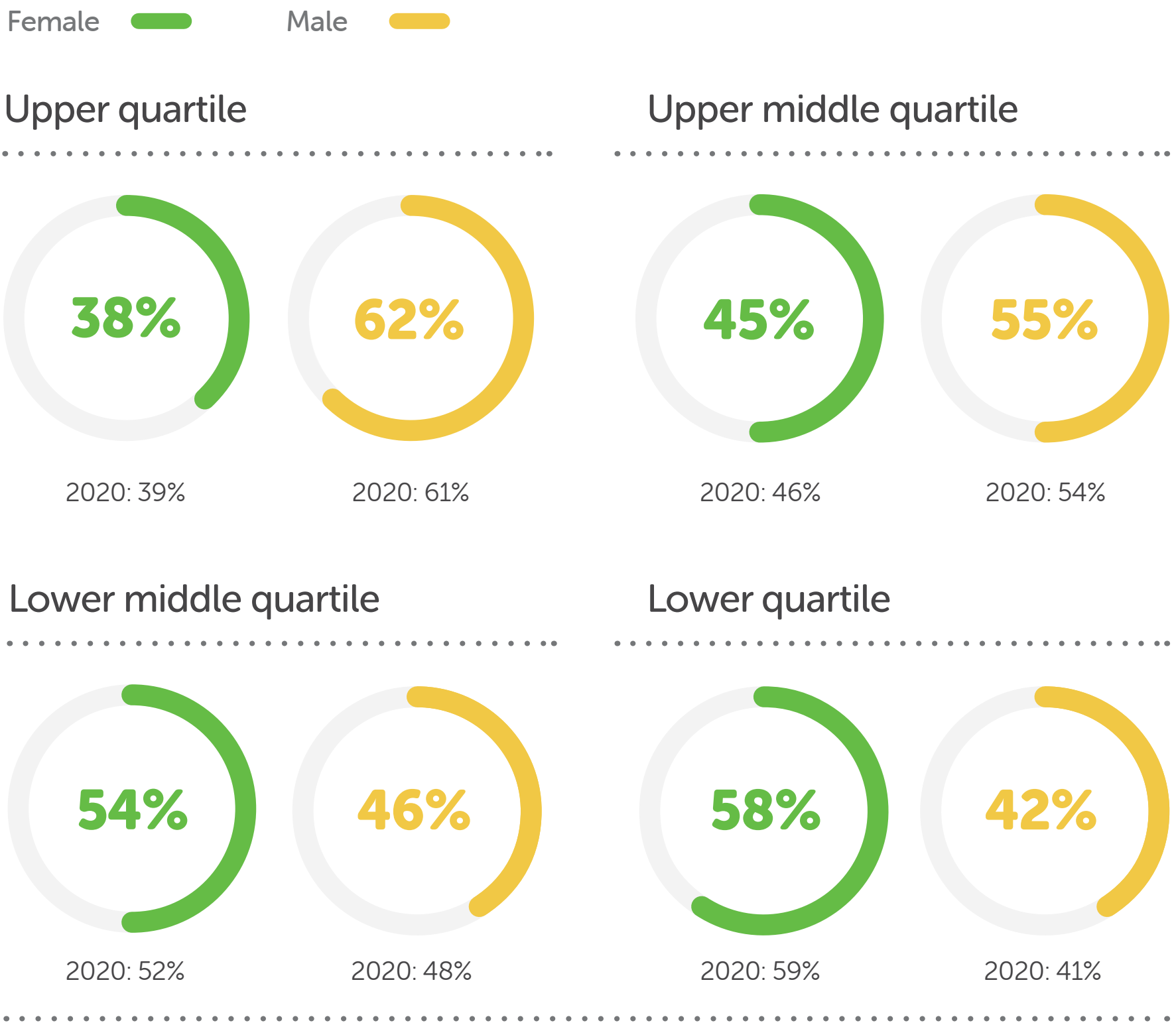
The mean gender bonus gap (image top right) is the difference in average bonus pay men and women receive. The median gender bonus gap shows the difference in the midpoints of the ranges of bonus pay received by men and women. Whilst the pay gap calculation adjusts for the impact of part-time hours (by calculating average hourly pay), the bonus calculation does not, and proportionately more of our part-time members of staff are women.



This is the percentage of male and females who received bonus pay in the twelve months leading up to the snapshot date of 5 April 2021. Our bonus scheme awards individuals based on performance.

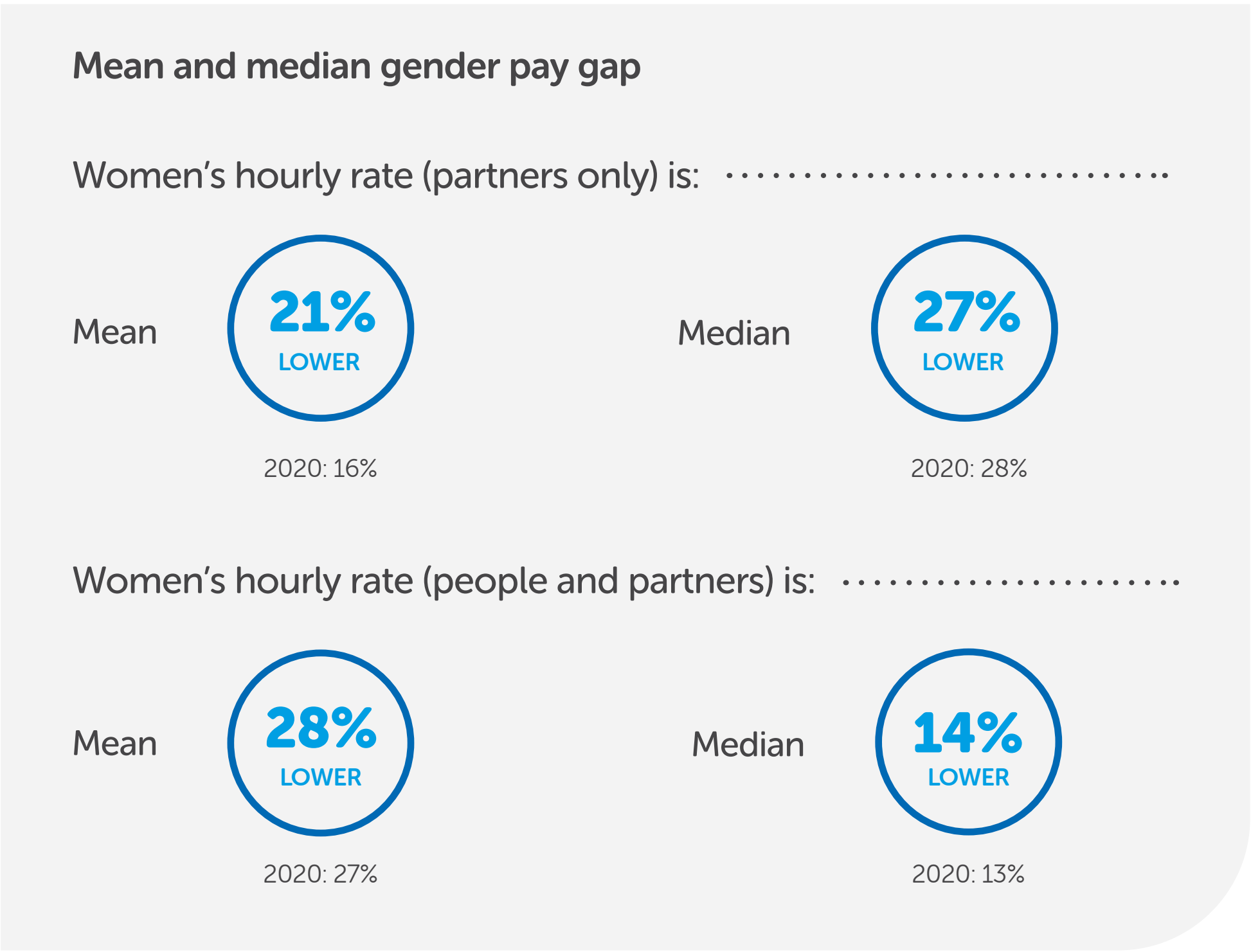
Proportion of males and females by pay quartile

This is the percentage of males and females in four quartile pay bands (dividing our workforce into four equal parts). The upper quartiles show that we have a reduction in representation of women. This shows we have less women in these higher pay bands which is an area we will be seeking to redress in our action plan.



Partners

Partners are self-employed and therefore are not included in the requirement for gender pay reporting. Including partners in the analysis makes a large difference to the pay gap because as of 5 April 2021 we have 89 partners, 26% of whom are female. Due to the smaller number of female partners, a change in one or two individuals can have a significant impact on the numbers which we have seen in the mean result this year.



Why do we have a *gender pay gap?*

We believe diversity of thought achieves better business results, for both our clients and for us. We want to work with the best people regardless of gender, race, religion, disability or any factor unrelated to the roles we ask them to do. Women make up 50% of our workforce and we provide opportunity and reward based on choice and merit and not on any conscious or unconscious bias. However, we recognise we currently have a higher ratio of men at a senior level and this is having an impact on our gender pay gap results.

Other factors that contribute to this are:

- While we have equal representation of women in the firm, the representation at senior levels is weighted towards men. There is a higher proportion of men in the disciplines that currently attract higher salaries in the market. This is not out of kilter with our industry as a whole.
- Men occupy 65% of roles in actuarial consulting areas and IT combined, where both disciplines currently have high demand for these skills and traditionally have attracted higher salaries. These roles make up more than a third of all the roles in the firm, which negatively impacts the gender pay figures
- Whilst female uptake in our industry is showing signs of improvement, as we have seen in recent years through our graduate programme, historically, this was not the case and more men are now established in senior roles, many of which sit in those disciplines with premium salaries.

Our gender bonus gap

Due to the higher proportion of men than women in more senior roles and in higher paid disciplines in the firm, bonus values paid to men will, by default, be higher. Salaries are higher at our principal and associate levels and bonus targets are also higher at these senior levels.

Women and men at the same level are paid similarly in terms of bonus percentage awards. However, the bonus calculations require us to publish actual bonus payments, which do not take into account adjustments for part-time hours. As more women than men at BW work part-time, their bonus levels are lower as bonuses are awarded as a percentage of earnings. Of the female population receiving a bonus, 34% are part-time, as opposed to 5% of men.

The text 'Bonus gap' is written in a large, yellow, handwritten-style script. It is positioned over a photograph of four business professionals (three men and one woman) standing on a wooden deck and talking. A large green semi-circle is on the right side of the image, and a blurred plant is in the foreground.

Closing the gap

Specific actions to address our gender pay gap

Whilst gender has very much been part of our focus on D&I over the past few years, we recognise there is still work to do in addressing our gender pay gap. In order to realise change in this area, we have committed to three specific actions in order to close our gender pay gap.

By September 2022 we are committed to the following actions:

- Finalise the analysis into our data to determine the root causes of our gender pay gap
- Continue research to further build HR knowledge and expertise around the most effective and proven approaches and actions to reduce gender pay gaps
- From the autumn we will present our action plan which will be owned by our Management Board and delivered as a project under our people and culture strategy. Our action plan will be clearly communicated with our people as we engage with them to ensure we tackle this important issue together as an organisation.

Shaping our D&I strategy and ambition

We recognise that real change comes from the top. We are using specialist consultants in D&I to support our Management Board to further develop and challenge our D&I strategy and to support their skills development and awareness in this area. Our people and culture strategy has D&I as a pivotal theme, and we will undertake regular reporting to our leadership team on our progress.



We're making our hiring strategy as inclusive as possible

We've partnered with [VERCIDA](#), a careers platform which enables us to attract diverse people to our organisation.

VERCIDA stands for values, equality, respect, culture, inclusion, diversity, and accessibility. The site connects candidates to employers who place high importance on diversity and staff wellbeing. We have been advertising on this platform from the beginning of June 2021 and this should attract a greater diversity of people to our organisation.

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Being ranked among the top 100 nationwide apprenticeships companies demonstrates our commitment to high quality and supportive apprenticeships. Our apprenticeship scheme is important to us as it is part of our people strategy, creating opportunity for supporting young people from diverse backgrounds and ensuring we develop them for future success.

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We are extending the reach of our graduate programme away from the traditional actuarial profession into our pensions administration and employer consulting business areas.

Alongside our normal summer intern programme, we have partnered with the [10000 Black Interns](#) scheme to broaden our reach and diversity of candidates.

We are recognised as [Level 1: Disability Confident Committed](#), which means we follow specific commitments and identify at least one action that makes a difference for disabled people. We're actively exploring how we can extend this commitment.



We're bringing D&I to the forefront

Our D&I networks are in their second year of operation. Bringing together motivated and driven advocates has boosted engagement, raised awareness and, most importantly, helped our business improve on our commitments to D&I. We've seen great participation from our people and the networks have raised awareness of various issues through webinars, fundraising events and sharing of personal stories. We're looking at developing more intersectionality on this in the following year.

We've partnered with the [Diversity Project](#), a cross-company initiative championing a more inclusive culture within the savings and investment profession. BW people have taken up voluntary roles on the advisory board and steering group and we are benefiting from the project's research and initiatives.

We want the pay process to be more transparent

We're continuing to analyse our yearly salary, bonus and promotion review processes to ensure they're being looked at fairly. On top of that, we've been working with people managers to ensure they understand our pay processes with the intention they can have better, more open conversations with their teams about pay and position in pay ranges in the future.



WorkSmart – our approach to the new ways of working

WorkSmart, our flexible working framework has been carefully developed following extensive and regular engagement with people and clients. Our approach ensures our people are able to create a positive work-life balance and the business can continue to thrive.

We're gathering more data

Alongside gender, we hope to be able to collect more diversity data. At the moment, due to our system restrictions, we hold limited data to analyse our levels of diversity. We expect the investment we're making in a new HR system will enable us to accurately collect and facilitate analysis of many elements of diversity data.

A woman with dark curly hair, wearing a yellow sweater, is sitting at a desk and working on a laptop. The background shows a wall with several framed pictures.

WorkSmart

