



Gender pay gap

April 2022 results



About us

We act as a trusted partner for a wide range of clients, including almost 25% of FTSE 100 and over 15% of FTSE 350 companies.

Our continued growth allows us to maintain our investment programme in our people, services and technology.

This ensures we continue to be a leading, independent professional services consultancy right across risk, pensions, investment and insurance.

Declaration

We confirm the information and data reported is accurate as of the snapshot date 5 April 2022.



Andrew Vaughan
Senior Partner



Jacqui Derrick
Head of People

At Barnett Waddingham we are committed to fostering a workplace that is diverse, equitable, and inclusive.

We believe that diversity is a strength, and we strive to create a workplace where all our people feel valued, respected, and empowered. Gender pay gap reporting is a key part of this commitment.



What is *gender pay?*

All organisations in the UK with more than 250 employees are required to publish their gender pay gap annually. Gender pay gap reporting aims to show how large the pay gap is between an organisation's male and female employees in both hourly pay and any bonus payments.

The gender pay gap is different to equal pay. Equal pay refers to pay differences between men and women who carry out the same jobs, similar jobs, or work of equal value. It is unlawful and against our belief to pay people unequally because of their gender.

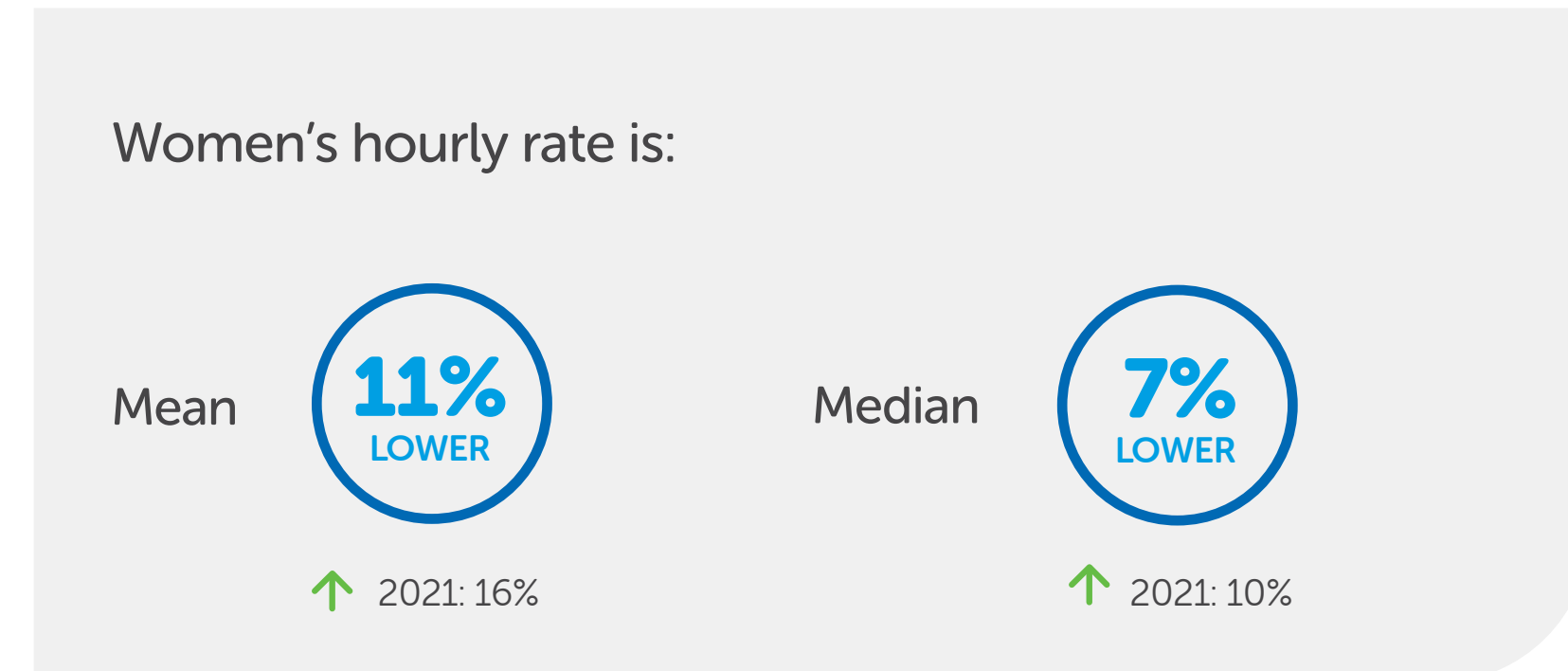
Gender pay gap calculations require a set of formal calculations to be completed which examines the difference in pay of males and females in the organisation, regardless of their job or how senior they may be.

Our organisation is structured as a partnership, and partners are not included in the gender calculations requirement. Partners are self-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 results

The regulations require us to report on our employee population as at the snapshot date of 5 April 2022.



Gender pay gap

We have seen a 5% reduction in the mean gender pay gap from the previous year which means we have reduced the pay gap between our male and female employees. Although we are pleased with this result, which can be attributed to BW's commitment to closing the gender pay gap by ensuring fairness and consistency in pay processes and our development programmes, we must acknowledge that there may be other factors contributing to this reduction.

The gender pay gap is calculated based on employees who received their full pay at the snapshot date (5 April 2022). Therefore anyone who didn't receive their full pay at the snapshot date, due to unpaid leave, is not included in the calculations.

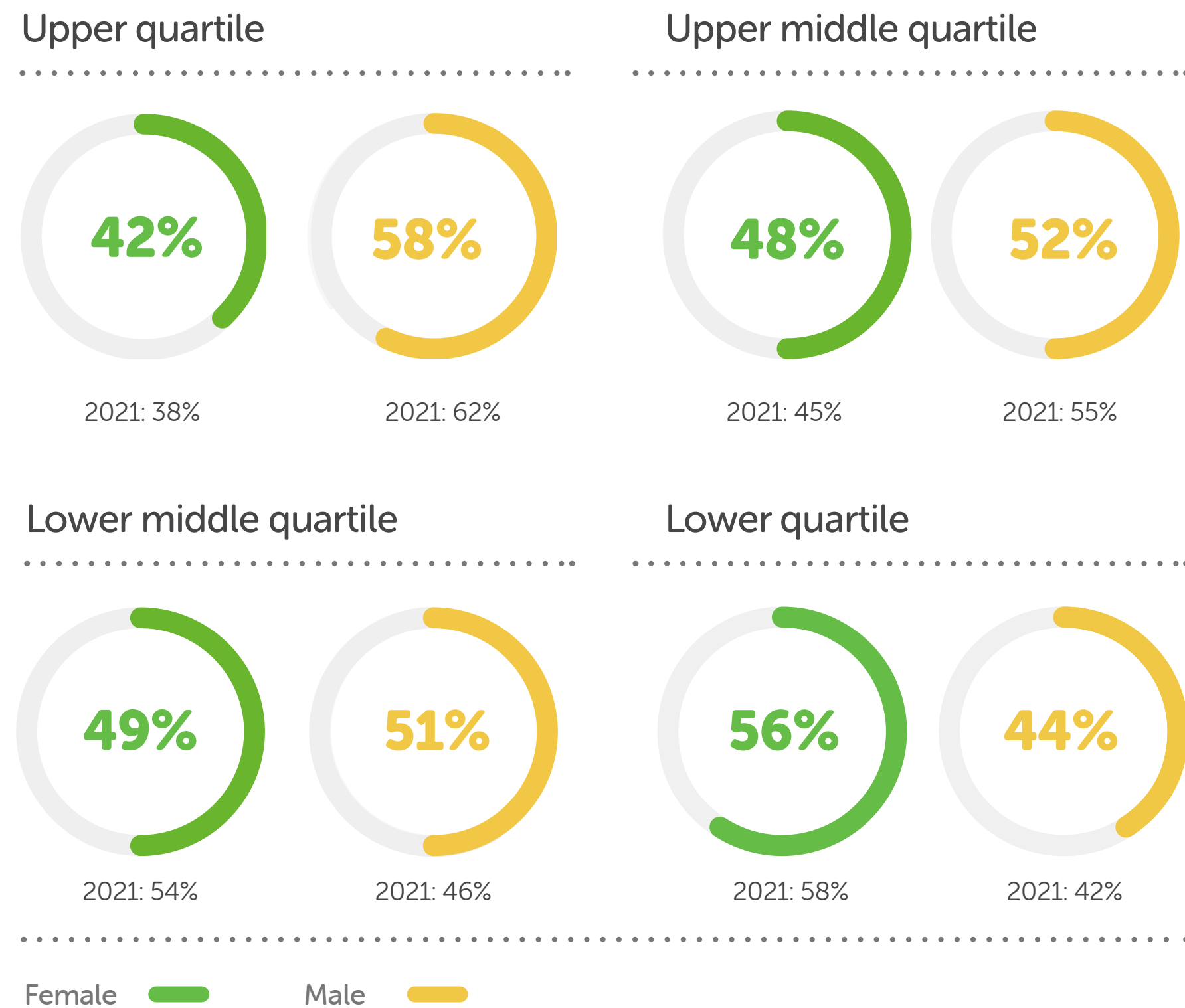
We are pleased that our gender pay continues to stay ahead of the financial and insurance industry mean pay gap figure of 28.8%* but recognise that closing the gap requires ongoing commitment and vigilance, and we are dedicated to doing our part to make a positive impact in this area.

(*Source: figures provided are from a provisional 2022 report ([Gender pay gap - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/gender-pay-gap)).

Pleasingly, we have seen a positive shift in the movement of females into the upper-middle and upper pay quartiles which has led to a narrowing of the median pay gap. However, our lower paid roles are still predominantly occupied by females, meaning that the median for females is therefore lower than men who have greater representation amongst our senior levels, impacting our median pay gap.

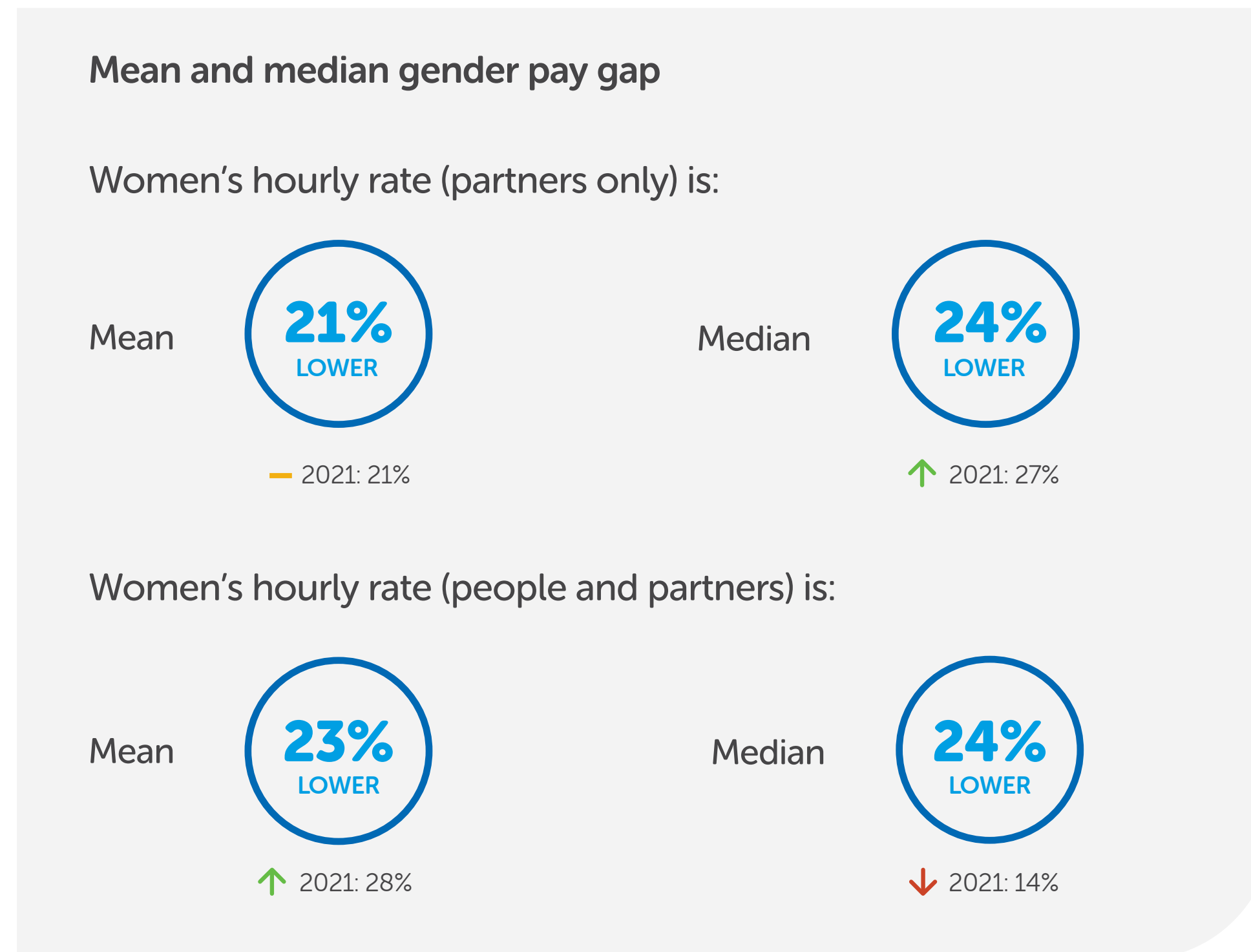
Proportion of males and females by pay quartile

This is the percentage of males and females in four quartile pay bands (dividing our workforce into four equal parts). We've seen increased representation of women in the upper quartiles since last year, however we recognise we still have less women in these higher pay bands when compared to men, which is an area we will be seeking to redress in our action plan.



Partners pay gap

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 2022 we have 89 partners, 26% of whom are female.





Why do we have a *gender pay gap?*

Whilst we have seen an increase of females progressing to senior levels and a subsequently greater representation of females in senior levels since our previous report, we recognise that we continue to have a higher representation of men in senior levels, and this is impacting our gender pay gap results.

60% of our highest seniority levels (excluding Partner) of 'Principal' and 'Associate' are men. 40% of these men sit within the consulting areas of our business, which is known to attract premium salaries. A combination of less women at these senior levels combined with almost half of the men at these levels working in consulting, areas known to pay higher salaries, is negatively impacting our gender pay gap.

Increasing the representation of women in senior roles, and in disciplines which attract premium salaries, will take time. But we are committed to supporting and developing our employees to achieve this through our gender pay gap action plan, and increased focus on pipeline development by our Talent Management Board.

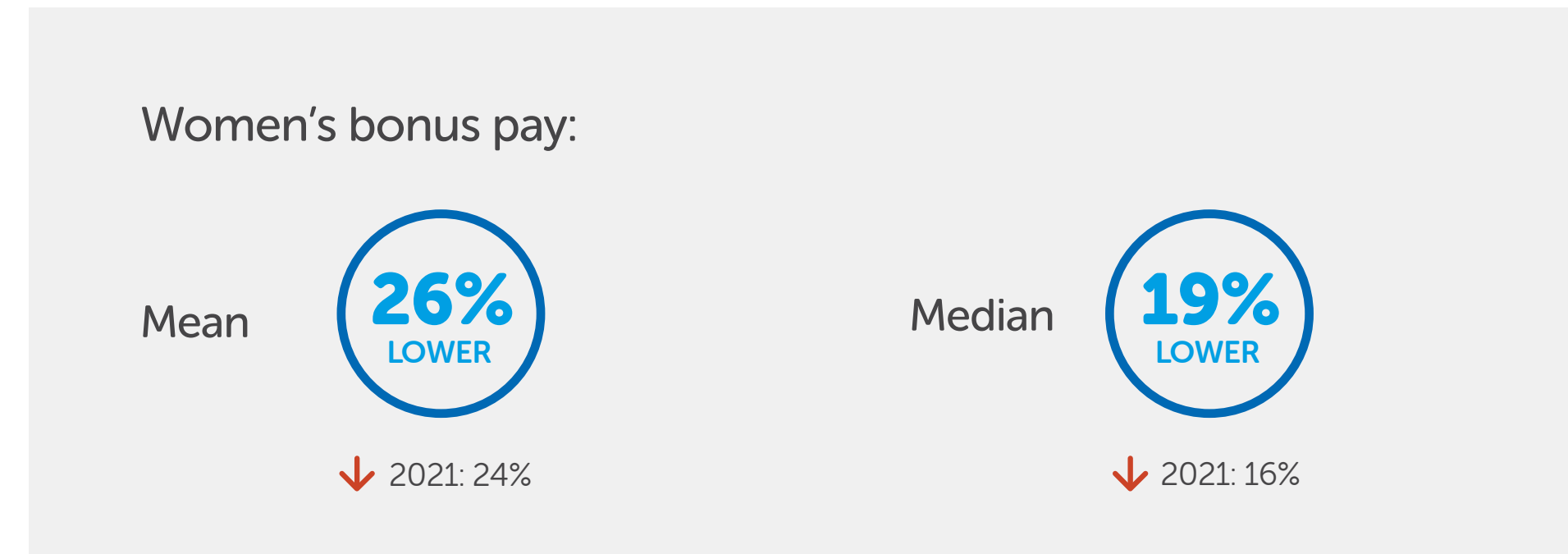
Our gender bonus gap

Our bonus pay gap increased to **26%** in comparison to last year's figure of 24%, with the median gap increasing to **19%**, from 16%.

81% of females at BW received a bonus and 80% of males. This is slightly lower than previous years. Our bonus scheme allows eligibility for all employees, based on start date. When comparing employees who are eligible to receive an annual bonus, 99% of males and 100% of females received a bonus payment for this reporting period.

We ensure any pay decision is fair, consistent and awards allocated are without bias by reviewing awards with a dedicated Moderation team. We also provide guidelines and training for all managers involved in remuneration decisions to ensure fairness and consistency of awards – this includes annual bonus payments.

The mean gender bonus gap 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 2022. Our bonus scheme awards individuals based on performance.

Bonus gap

Why do we have a bonus gap?

As part of our most recent bonus analysis, men and women at the same level were awarded the same award in terms of bonus percentage. However, bonus calculations require us to publish actual bonus payments, which do not consider adjustments for part-time hours. Bonuses are paid as a percentage of earnings. As we have more women who work part-time hours compared to men, they receive lower bonus awards due to lower earnings as they work reduced hours. Of the female population receiving a bonus, 35% are part-time, as opposed to 6% of men. Also, with a greater number of men at the senior levels within the business, levels which have higher bonus targets attached to them, bonus values paid to men will, by default, be higher.

Actions

Being open, transparent, and honest about where we are is crucial in bringing about change. We understand that pay gaps are just one part of the picture. As a business, we're committed to creating an inclusive culture, where everyone is able to fulfil their potential. Our Management board have recently approved our new DEI (Diversity, Equity, and Inclusion) strategy and our People Committee remains focussed on implementing our gender pay gap action plan.

Drawing upon our differences delivers better outcomes for our clients, communities, and our people. It's fundamental to BW's core values and we feel it's essential for the success of our business.



Here's what we're currently doing to create an inclusive working culture:



**Disability Confident
Employer Level 2**

We have recently achieved the Level 2 status of 'Disability Confident Employer'. With this status we hope to further demonstrate our commitment to fair employment opportunities. How? By providing training and career development and promoting equality of opportunity for people with disabilities. By attracting and retaining the services of employees who are or become disabled. And, overall, by our commitment to an inclusive workplace environment.



10,000 Black Interns

Our continued commitment to the 10,000 Black Interns programme aims to improve the experience and opportunities for racial and ethnic minorities at the firm. Through the 10,000 Black Interns initiative we have recruited talented people into the business. As a result, we have committed to our continued involvement with this important project which is improving diversity in the UK's professional industries.



UpReach and Speakers for schools

Through our partnership with upReach and Speakers for schools we're providing disadvantaged students across the UK with the opportunity to unlock their potential by offering them work experience and the opportunity to connect with consulting professionals.

Attraction of talent



Developing our people



Calm your inner critic

Self-doubt and questioning our ability to perform our jobs can affect both men and women. However, it is recognised that there are differences between men and women in how they deal with such thoughts and the impact this may have on career progression. Men are more likely to push away feelings that they're not good enough. Women are more likely to subconsciously allow these secret fears to sabotage their success.

To support women in battling with this inner saboteur we introduced the calm your inner critic programme, designed to provide women with the necessary tools to manage such thoughts preventing them from progressing with their career.



Academies

Managers and team leaders have an important role in supporting the development of our employees, helping them to achieve their career goals. To support managers with this we've introduced a number of academies, ensuring they are equipped with the skills required to support the development of their team.



Inclusion through understanding

To become truly inclusive, it's important to understand what inclusion means for us as individuals, within the workplace, when interacting with others, and to be aware of potential barriers to inclusion wherever we go. This year we launched the 'Inclusion through Understanding' workshop through our people management academy, aimed at recognising micro-aggressions, how these can manifest in the workplace and how we can recognise the impact such behaviours have and can act as barriers for employees. With a successful launch amongst our people management academy, we're excited to offer this workshop across our various academies in the coming year.



Menopause guidelines and training

In the past year, we have taken steps to support employees experiencing menopause by developing guidelines for managers and employees, providing team leader training, and offering a range of resources through our wellbeing provisions, including a peer support group that has proven to be very popular.



Unconscious bias training

We offered a webinar to employees, including managers involved in hiring processes on what unconscious bias is, how it can impact recruitment and how we can recognise any unconscious bias we may have.



Inclusivity networks and partnerships

At BW we encourage and welcome different opinions, views, and cultural perspectives – we want to provide our people with a sense of belonging where they can feel supported and celebrate their gender, sexual orientation, religion and culture. We've taken a step towards this through our inclusivity networks.

Through our six inclusivity networks: Early careers, Gender equality, Inter-faith, LGBT+, Multicultural and Wellness+ we have held a wide variety of events, workshops, and webinars to help engage, educate, and raise awareness on a range of important issues which included smashing stereotypes, Pride and the menopause!



O:pen

O:pen - We are active members of this pensions industry LGBTQ+ network group, an inclusive organisation open to professionals working in pensions who believe in the importance of promoting and celebrating LGBTQ+ diversity and inclusion within the industry.



Diversity Project - We've partnered with the Diversity Project, a cross-company initiative championing a more inclusive culture within the pensions and investment profession. By taking voluntary roles on the advisory board and steering group we've been able to benefit from the projects research and initiatives, contributing to our DEI plans.

Our action plan

We're aware that our gender pay gap is largely due to the under representation of women in senior roles. Our actions to close the gender pay gap have, and continue to be, focused on increasing the proportion of women at senior levels of the organisation.

To achieve this, we have developed a comprehensive gender pay action plan, approved by our People Committee, which outlines specific steps we are taking to promote gender equality. The action plan covers a broad range of areas with specific actions under the following key areas:



Inclusive culture



Data and analysis



Early careers attraction



Recruitment



Remuneration



Talent and leadership development



Family friendly policy review

Data and analysis

We continue to analyse our gender pay gap in more detail to understand the data trends and undertake a more fundamental review of what this data tells us, outside of the limitations of the legally required calculations.

We are in the process of implementing a new HR and Finance system which will allow us to collect additional data regarding the diversity of our employees, other than gender, which will help us understand where our colleagues are facing barriers and, most importantly, what we can do to overcome these.

Finally, a word from our DEI Lead Partner and DEI Steering Group Chair, Simon Rusling

“Our comprehensive commitment to creating a more diverse, inclusive, and equitable workplace at BW, set out in our DEI strategy, is the product of extensive research, engagement, and collaboration with all stakeholders. It sets out a clear roadmap for actively promoting DEI in all aspects of our operations, including our commitment to improving our gender pay gap.

Our ongoing commitment to DEI at BW is not just a moral obligation, but also a business imperative that drives innovation, enhances employee engagement and productivity, and bolsters our reputation as a responsible corporate citizen. I am confident that our DEI strategy will enable us to create a workplace culture that celebrates diversity and empowers all our people to reach their full potential.”



Simon Rusling

DEI Lead Partner and
DEI Steering Group Chair



Please contact your Barnett Waddingham consultant if you would like to discuss any of the above topics in more detail. Alternatively, get in touch via the following:

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