

# BRE

# Gender Pay Gap Report 2018

Building a better world together

This report provides details of our results as at 5 April, 2018 and our key areas of focus

**This report is approved by:**



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Chief Executive Officer



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Head of Human Resources

- **In 2017, we published our first gender pay gap data and explained some of the actions that we would take to improve our gender pay gap.**
- **Our 2018 data (as at 5 April, 2018) shows a median (middle) gender pay gap of 16.5% (21.9% in 2017) and a mean (average) gender pay gap of 29.6% (24.8% in 2017).**
  - It is pleasing to see our median pay gap reduce in the last 12 months which is also below the national average of 18.4%.
  - We recognise that our mean gap has increased as a result of changes in the male/female representation in our upper pay quartile
- **Our 2018 data also shows a median (middle) gender bonus gap of 0% (same as 2017) and a mean (average) gender bonus gap of -16.8% (8.7% in 2017).**
  - Our 0% median bonus gap confirms that the mid point of all bonus payments made in this reporting period was the same for both males and females.
  - A negative mean bonus gap confirms that in this reporting period the average amount of bonuses paid to females was greater than males.
- **We are committed to addressing gender representation whilst at the same time ensuring that we continue to support all of our employees in the workplace and positively encourage a more diverse and inclusive workforce. Our journey continues and we will continue to work hard to close the overall pay gap and increase female representation across the organisation.**



We recognise that our people are the lifeblood of our organisation. Our aspiration is to support our employees to be excellent in their chosen field through the development of new skills, providing development pathways, career opportunities, more flexible ways of working and great places to work in. We will continue to positively encourage diversity in our staff profile – this is how strong teams, who deliver great things, are formed.

The government introduced regulations in 2017 that require employers in the UK with more than 250 staff to report on their gender pay gap by using six calculations:

- *Mean gender pay gap (in hourly pay)*
- *Median gender pay gap (in hourly pay)*
- *Mean bonus gender pay gap*
- *Median bonus gender pay gap*
- *Proportion of men and women who receive a bonus*
- *Distribution of men and women across four pay quartiles ordered from lowest to highest pay*

In March 2018, we published our first set of Gender Pay Gap results. This is BRE's second report.

### Gender Pay Gap is different to Equal Pay



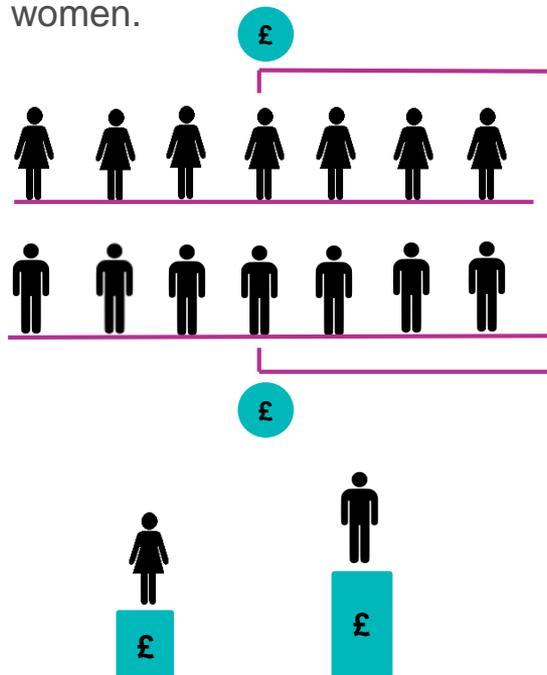
The gender pay gap shows the average difference between the earnings of women and men. It has a number of contributory factors, most of which are about the representation of women in the workplace in different industries and the jobs open to women rather than about the ways in which men and women are paid



Equal pay is about whether women and men performing the same jobs, similar jobs or work of equal value receive the same pay

# Gender pay gap: what is it and how is it calculated?

The gender pay gap is a measure that shows the difference in average earnings between men and women.



## Median Gender Pay Gap

If we lined up all of our employees in two lines (male and female) in order from the lowest paid to the highest paid, the median gender pay gap compares the pay of the middle female in the female line with the middle male in the male line. The median gender pay gap can be more representative than the mean pay gap because it is less affected by extreme values such as changes in the earnings of small numbers of very high earners.

## Mean Gender Pay Gap

A mean gender pay gap is calculated by adding up the salaries of all females in the company and calculating their average salary and then comparing this to the same for men. The mean gap can be a better measure of the labour market disadvantage for women as it will be influenced by the lack of women in high paying roles.

## Our results – Mean and Median Gender Pay Gap



*(Arrows indicate movement since 2017)*

### Gender pay gap in hourly pay (5 April, 2018)

These figures show the difference between the mean (average) and median (mid-point) hourly pay of all male and female employees, regardless of their role, expressed as a % of male employees pay.

#### ***We have a gender pay gap because:***

- our organisation is made up of 62% men and 38% women
- given the nature of our business, we employ people with qualifications in science, technology, engineering and mathematics (STEM) related fields. National demand for these skills is high but the number of women studying and working in STEM remains low.
- we have a larger proportion of males in upper pay quartiles where salaries are higher (more information to follow)

# Our results - Bonus pay gap and proportion of employees receiving a bonus

## Bonus gender pay gap

(earned in 12 months prior to 5 April 2018)

**MEAN Bonus gap = - 16.8%**

(↓ 25.5% on 2017)

**MEDIAN Bonus gap = 0%**

(↓↑ 0% on 2017)

**Proportion of employees who receive a bonus** (earned in 12 months prior to 5 April 2018)



**13.8%**

↑ 6.6% on 2017



**10.9%**

↑ 5.5% on 2017

## Bonus gender pay gap

To calculate the **bonus gender pay gap**, we include the following: performance related bonuses, sales commission payments, long service awards, vouchers and staff awards.

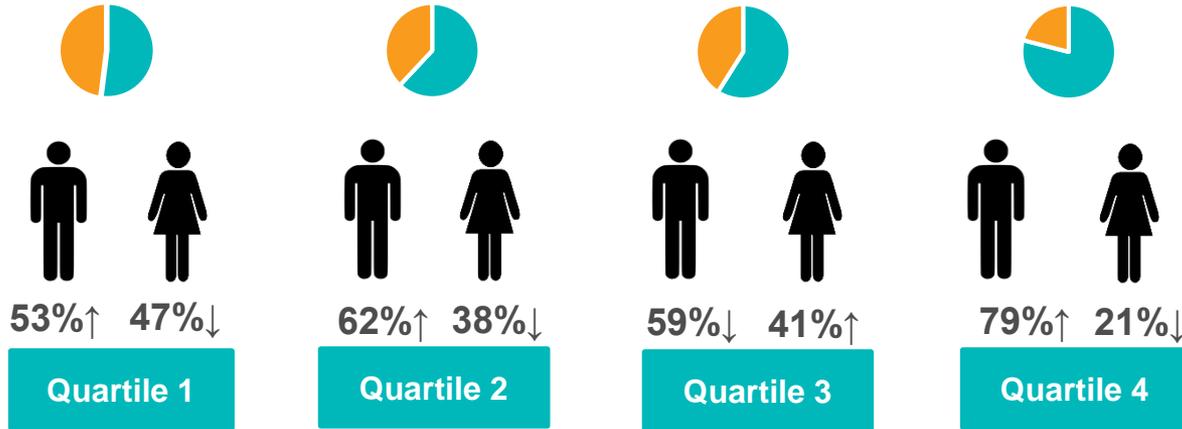
The reason we have a **negative mean bonus gap** of -16.8% is that in this reporting period, the average amount paid to **females was greater than males**. This is a difference of 25.5% compared to last year where the average amount paid was greater to males than females.

The reason we have a **median bonus gap** of 0% is that the mid point of all bonus payments made in this reporting period was the same for both males and females. This result is the same as last year and it is important to note that bonus payments do not exasperate the overall Gender Pay Gap.

(Arrows indicate movement since 2017)

# Our results – distribution of employees across pay quartiles

Distribution of employees across pay quartiles (at 5 April, 2018)



*(Arrows indicate movement since 2017)*

This shows our gender distribution across four pay quartiles. The pay quartiles are created by dividing our employees into four equally sized groups based on their hourly pay rate. In order for there to be little or no gender pay gap, there would need to be the same ratio of men to women in each quartile band.

You can see that our gender pay gap predominantly stems from a greater proportion of males v females in the 4<sup>th</sup> pay quartile.

Our substantial investment in developing a robust Job Family Framework, underpinned by an appropriate remuneration structure, is making good progress and is one way in which we will be able to better drive and monitor positive change in our gender pay gap.

We believe in **equality of opportunities** for everyone regardless of gender and are committed to achieving a **diverse** and **gender balanced** team. We'll achieve this by:

**RECRUITMENT**

- Continuing to strive to attract the most diverse and talented individuals and further develop our strong partnerships in education to widen the breadth of talent we are able to attract.
- Continuing to use gender neutral language in our resourcing processes
- Seeking to ensure that we achieve a gender balance on shortlists by sourcing candidates from the widest available talent pools

**FLEXIBILITY**

- Advertising roles with flexible working options, such as part-time work, remote working, job sharing or compressed hours, where possible
- Continuing to allow people to work flexibly, where possible

**DEVELOPMENT**

- Delivering unconscious bias training for our managers in 2019

**JOB FAMILIES**

- Implementing the job family framework which will replace our legacy structure and pay band system and deliver greater transparency and robustness to our pay, promotion and reward processes

**POLICIES**

- Implementing enhanced pay for Shared Parental Leave to make it easier for fathers to share child care responsibilities

# Thank you

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