

BPP Gender Pay Gap Report 2019

As a training and education provider we actively encourage career progression based on results and talent, regardless of gender or any other form of bias. We value diversity and the knowledge and development of our workforce has a direct impact on the success of BPP.

We work hard to ensure there is consistency and transparency for our staff and potential employees.

Our gender pay gap report for 2019 indicates that our pay gap has increased slightly compared to 2018. There are a variety of factors to consider when addressing the challenge of a gender pay gap. We have put a number of long-term initiatives in place over the past 12 months which are intended to reduce the gap over time. These are detailed later in the report. As a business we will continue to focus on talent acquisition, career development and retention, as well as how we pay and reward performance.

In 2019, our workforce consisted of 61% female employees to 39% male.

The responsibilities of this report

BPP is required by UK legislation to share the data of our legal entities employing over 250 staff. Due to a restructure of the employing entities of our staff, BPP is now no longer required to produce a report for BPP Professional Education Ltd and must now report for BPP Holdings Ltd and BPP University Ltd on the gov.uk website. We have taken the decision to voluntarily provide data for BPP as a whole.

The information we are required to publish includes:

- The differences in mean/median pay between men and women calculated on the basis of equivalent hourly rates
- The distribution of men and women between pay band quartiles, calculated using the range of hourly pay rates
- The differences in mean and median bonus pay between men and women
- The proportion of men and women receiving a bonus pay in a year

What is the Gender Pay Gap?

Gender Pay vs Equal Pay

The gender pay gap is the difference between the hourly rate of pay of male and female employees (as set out in the regulations), expressed as a percentage of the hourly pay rate of male employees across the whole organisation. The gender pay gap is reported on both a mean (average) and median (mid-point on a distribution) basis.

In terms of equal pay, UK law has prohibited paying different amounts to men and women doing 'like work', 'work of equal value' or 'work rated as equivalent' unless there is a 'genuine material factor' for the difference.

Mean vs Median figure reporting

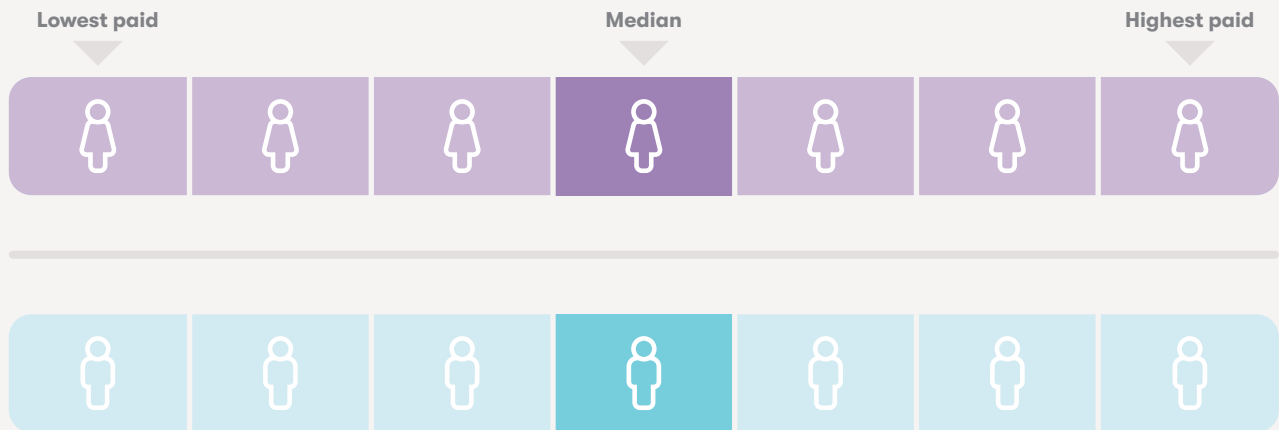
We are required to report both the mean and median figures for this report.

These metrics are complementary and illustrate different aspects on the distribution of pay across an organisation.



Distinguishing between median and mean

Median calculation



The median is the figure that falls in the middle of a range when the wages of all relevant employees are lined up from the smallest to largest.

The median gender pay gap is calculated based on the difference between the middle employee in the range of male wages and the middle employee in the range of female wages.

Mean calculation

Sum of **women's** hourly rate of pay



Sum of **men's** hourly rate of pay



VS

Total number of **women**

Total number of **men**

The mean is calculated by adding up the wages of all relevant employees and dividing the figure by the number of employees. The mean gender pay gap is calculated based on the difference between mean female and male pay.

What might cause a Gender Pay Gap?

A gender pay gap is the result of a number of internal and external factors. External studies have shown that it may be a result of, but not exclusively due to, the following circumstances:

- a) A higher proportion of males in senior positions
- b) A higher proportion of females in lower paid roles
- c) Women are more likely to have breaks in service that might impact their career progression and long-term earnings

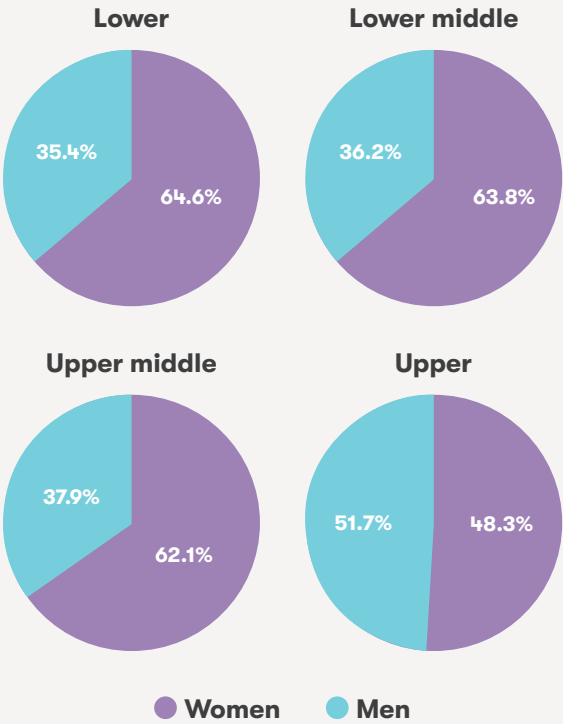
BPP Statistics



Pay and bonus difference between
women and men at BPP Group

	Mean	Median
Hourly pay	14%	14%
Bonus pay	60.2%	30.9%

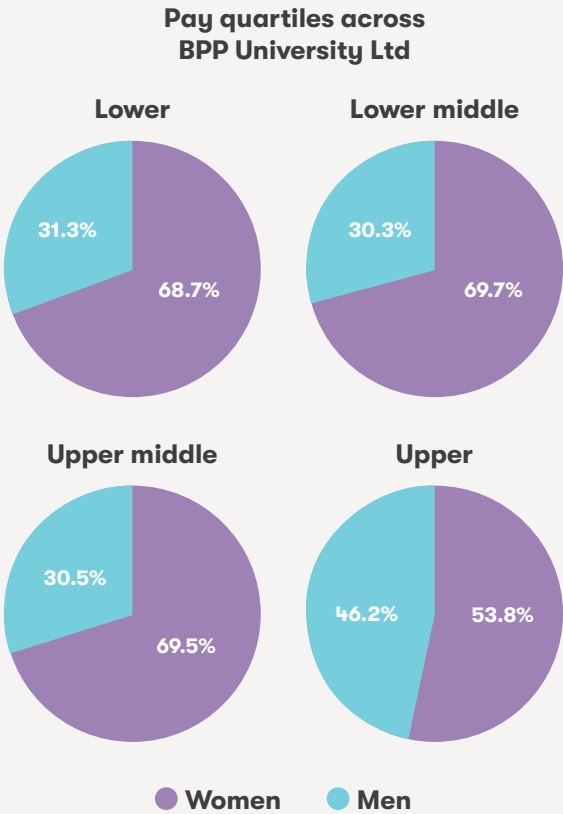
	Women	Men
Proportion receiving a bonus	12.1%	16.4%



Pay and bonus difference between
women and men at BPP University Ltd

	Mean	Median
Hourly pay	7.9%	5.2%
Bonus pay	38.2%	66.7%

	Women	Men
Proportion receiving a bonus	5.3%	4.6%



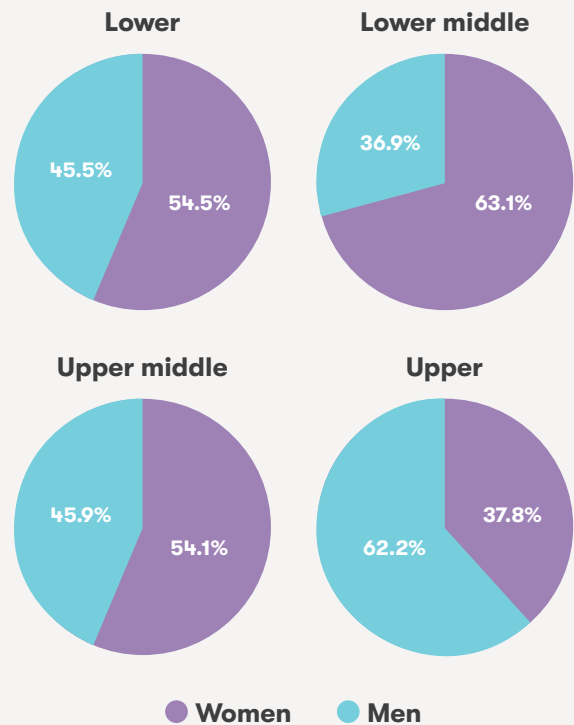


Pay and bonus difference between women and men at BPP Holdings Ltd

	Mean	Median
Hourly pay	23.8%	18.2%
Bonus pay	69.2%	50%

	Women	Men
Proportion receiving a bonus	33.5%	22.5%

Pay quartiles across BPP Holdings Ltd



ONS (Office for National Statistics) figures report the national median average base pay gap is 17.3% – BPP Group has a median average base pay gap of 14% and a mean of 14%.

We will continue to investigate the reasoning behind the increase in our overall pay gap this year. BPP University Ltd has a median pay gap of 5.2%. This is well below the ONS national average and well below the industry average for education providers of 14.8%¹ which is positive news.

BPP Holdings Ltd includes the majority of our executive team along with employees in support roles such as Client Services, HR, Finance, IT and Marketing.

As a result, there is a very wide range of salaries within Holdings with a high number of senior male executives which will influence the pay gap.

The pay quartiles are relatively comparable to the distribution of gender in our workforce (61% female, 39% male) apart from the upper quartile. The key factor influencing the upper quartile result is a higher proportion of males in our most senior positions, which are our highest-paid roles.

The bonus pay gap has increased from last year. There is a relatively small proportion of employees who receive bonuses and they are often only provided to senior positions within the company, which are predominately occupied by males. Discretionary bonuses are paid to positions which have a major impact in to the overall results of BPP.

We are now focusing on improving our talent acquisition and development processes to ensure that we have a balanced recruitment and talent management processes to enhance opportunities for career progression within the business.

What are we doing about our Gender Pay Gap?

We will continue to address any gaps and make sure our policies and practices are fair. This includes actively reviewing decisions around our annual performance, pay and bonuses.

Narrowing our gender pay gap is a long-term initiative. Over the past 12 months, we have put in place a number of significant initiatives through our People and Digital Transformation programme that will have a positive impact over time. BPP wants to ensure that we have fair and transparent processes and policies, a gender balanced culture and that we remove any obstacles currently influencing progression. We encourage a flexible and positive work environment and future focussed career development conversations.

Activity completed this year

- i. Gender Pay Committee – To monitor and review initiatives and progress.
- ii. Living Wage accreditation – BPP has increased its minimum wage to above the statutory minimum and now pays the Real Living Wage to employees.
- iii. Working Families Network – We have created an internal support group for working families. The group offers support to those employees either going or returning from maternity/paternity leave.
- iv. Senior talent programme – We are currently taking a large group of our managers through a talent assessment and development process. This will give visibility of capability and aspirations leading to new development opportunities and succession plans based on robust and fair talent data. There is currently a 52:48 M:F split for attendees.
- v. Recruitment essentials – We are rolling out a new training programme to all people managers. The course addresses the need for fairness, balance and transparency in recruitment practice and aims to increase competence at interview skills and identifying talent.
- vi. Introduction of a new Performance and Career Development process – This year we have introduced a new approach to performance management and development to ensure that all employees have regular development conversations with their line managers. The new process is future focused and encourages all employees to discuss their career aspirations so that BPP can support them with development and progression.
- vii. Equality, Diversity and Inclusion (ED&I) Committee – This year we have created a Group ED&I committee to focus on employee initiatives across a wide range of issues that will create a more inclusive workforce.

Future initiatives

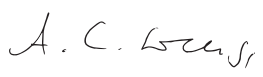
- i. Balance Initiative – A new programme of work to address HR policy change, behavioural change, awareness and education, storytelling and providing career development opportunities.
- ii. Incorporate Leadership Competencies and Core Competencies into our Performance Management and Recruitment process to ensure that employees are clear on the competencies and capabilities required at BPP.

Declaration

We confirm that the information provided is accurate and in line with mandatory reporting requirements.



Graham Gaddes
Chief Executive Officer



Alison Wells
Director of Legal & HR

