

# GENDER PAY GAP REPORT 2020



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One of my key ambitions is to ensure that BNP Paribas Leasing Solutions continues to be a great place to work and to champion a diverse team in all ways. I believe that the workplace can and should be a force for good that benefits everyone in society. Building and maintaining diverse and inclusive teams is fundamental to achieving that vision and our success.

2020 was an unprecedented year for all of us. Bringing many new challenges, as well as opportunities to learn and new ways of working. The changes brought upon us by the Covid-19 pandemic have shown that working flexibly can work, and will be here to stay for the longer term. Achieving the right balance for our people, the business and our customers is at the forefront of shaping our longer term plans and to help achieve our goals to diversify our workplace further.

With this in mind, I am incredibly proud to say that we have again made progress in reducing both our mean and median gender pay gap.

Building a balanced leadership team is at the core of our strategy. At the start of 2020 Rachel Appleton was appointed as our Chief Transformation Officer. Rachel previously held the position of UK HR Director, a keen advocate of promoting diversity in the workplace. Michelle Clark was appointed as UK Head of HR. This means that females now represent almost 40% of our UK Executive Committee. I am delighted with these new appointments, both critical roles to shaping the future of our UK business and our people strategy.

I have every confidence that we will continue to make progress in our mission to redress the gender imbalance. Our challenge remains to see more women across all positions but particularly within sales. Whilst progress has been made, this will not happen overnight. We will continue to work hard to develop our female talent pipeline, to support career development and build on experience to help to continue to close the gap.

Jean-Michel Boyer UK Country Manager

# UNDERSTANDING THE GENDER PAY GAP?

## Is the gender pay gap the same as equal pay?

No. They are two separate matters, as explained below.

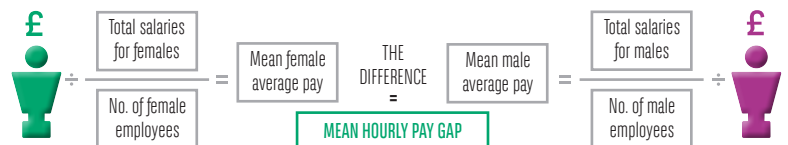
## What is the gender pay gap?

The gender pay gap concerns the hourly pay of all men who work in a company compared to the hourly pay of all women who work in the same company. It does not account for different types of jobs or levels of seniority.

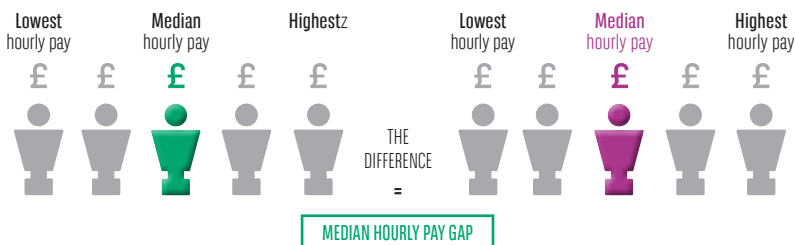
## What is equal pay?

Equal pay is when a man and a woman are paid the same for doing the same or similar work. We take our moral and legal responsibilities on equal pay seriously, and conduct reviews regularly to ensure salary and bonus decisions are fair and gender neutral.

### HOW WE CALCULATE THE MEAN DIFFERENCE



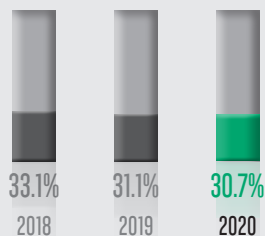
### HOW WE CALCULATE THE MEDIAN DIFFERENCE



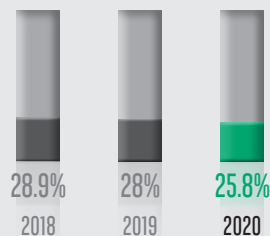
## GENDER PAY GAP

# RESULTS

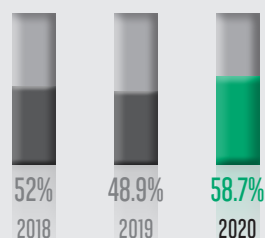
## Our mean hourly pay gap



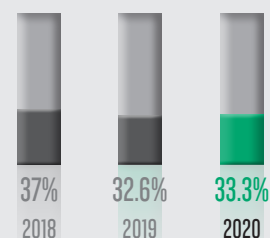
## Our median hourly pay gap



## Our mean bonus gap



## Our median bonus gap



## GENDER BONUS GAP

### What do we know about our gap?

- A gender pay gap is a measure of the difference between the average earnings of men and women (irrespective of roles or seniority). It differs to 'Equal Pay', which is our obligation as an employer to give men and women equal pay for equal work. Our gender pay gap is not a result of equal pay issues. We have a gender-neutral approach to pay across all levels of the organisation, and we regularly benchmark and monitor this to ensure a fair approach.

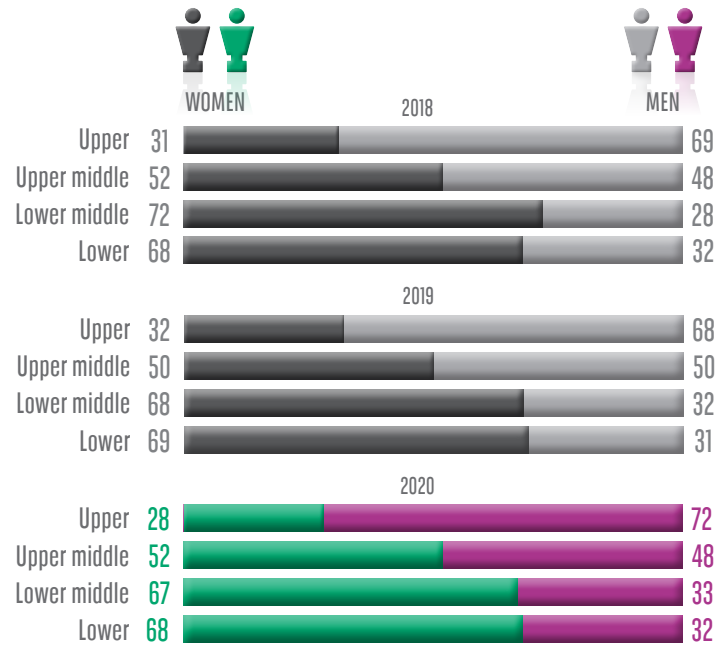
### LSUK gender pay gap

- We are pleased to report our 2020 figures show improvements in both our mean and median pay gaps. We understand why we have a gender pay gap. The key drivers both across the financial services industry, and here at BNP Paribas Leasing Solutions, is due to low female representation in sales and senior leadership roles, which relative to other positions, attract higher rates of pay.

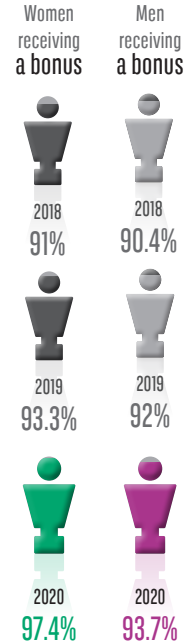
### LSUK gender bonus gap

- The bonus gap is the difference between the bonus pay or any commission payments paid to male relevant employees and that paid to female relevant employees.
- This year's data shows an increase in our bonus pay gap, this is largely driven by payment of bonuses and commission due to our sales team. This is in order to recognise strong performance and to support our ambitious growth targets. We know the sales team is unfortunately still predominantly a male team, with men holding the majority of the most senior roles within the team.

# RESULTS



## PROPORTION OF EACH GENDER RECEIVING A BONUS



All of our people receive an annual bonus based on two key criteria: eligibility on joining and provided they are not working their notice period at the time of bonus payment. Any variation in 100% payment for either men or women is therefore related to new joiners or leavers. Overall, we have significantly higher mean bonus gap than hourly pay gap. This is because our bonus gap is a function of greater variable pay at more senior levels (primarily occupied by men). It is also impacted by the bonus calculation not taking into account bonuses for part-time workers (who are mainly women) being pro rata. Although the part-time working pattern has a negative impact on bonus gap figures, we remain determined to support flexible working.

## Population by quartile

Pay quartiles are calculated by ranking the hourly pay of all staff, then splitting the range into four equal quartiles and calculating the proportion of men and women in each quartile. The higher proportion of men in the upper quartiles reflects the fact that there are more men than women in senior positions, front-office and technical roles, which attract higher rates of pay.

## DECLARATION

I confirm the information and data reported is accurate as of the snapshot date 5 April 2020.

Jean-Michel Boyer UK Country Manager

# WHAT WE ARE DOING TO ADDRESS THE GENDER PAY GAP



Over the last year, we have all understood and accepted a little more about how our people have to juggle the various priorities in their lives. Our key priorities in 2020 were the health and wellbeing of our people, and continuing to support our customers and partners throughout the pandemic. While cultural and societal change often happens slowly, the crisis has accelerated the flexible and remote working agenda.

We need to capture and retain the positive impacts of remote working. We are working closely with our Senior Leadership Team to review and expand our approach to remote working post-pandemic. I believe this will greatly help us in our mission to further close the gap. One positive to come from the crisis has been more agile ways of working. Opening up opportunities and possibilities that didn't previously exist. I believe this will really help to start to break down some of the pre-conceptions of what is needed for women to succeed in more senior and sales roles.

The foundations and frameworks to ensure inconsistencies in salaries between men and women, and an inclusive recruitment process, are now well established and embedded into our culture. I for one am optimistic that many of the barriers to women's progression can be overcome. On the other hand, the additional caring responsibilities this year have disproportionately fallen on women, not just in BNP Paribas Leasing Solutions but across the board. Only by removing the root causes of the gender gap pay, and creating a workplace where all employees can thrive to achieve their goals, will we tackle the issues in play here. As a business we are all committed to playing our part to fix this.

Michelle Clark (UK Head of HR)

## Recruitment



- We actively drive internal mobility, with an emphasis of **identifying and supporting growth of women into more senior and sales roles.**
- In partnership with **our diversity and inclusion employee networks**, we have embedded more inclusive hiring practices such as:
  - Unconscious bias training for hiring managers
  - Identifying internal talent for promotion
  - Spotlight campaigns to promote internal mobility
- We continue to work with **external recruitment partners** to submit **gender-balanced shortlists** for all roles.
- We strive **to interview at least one woman for each role**, or provide a valid reason why not.

## Career



- We reenergised our **Early Careers Employee Network** with Executive Committee level sponsorship. We are using male and female career stories and role models **to attract females into traditionally male dominated roles.**
- Launched local and **Corporate mentoring programmes** to support internal career progression, **ensuring a balanced representation of men and women.**
- Our **'Leaders for Tomorrow' talent programme** qualification criteria has been adapted to **ensure a balanced talent pool of men and women.**
- We continue to promote our **'RISE' programme**, a mid-career curriculum **for women to address retention and career development.**
- We commit to **including at least one woman on each succession plan**, and supporting the implementation of meaningful development.

## Culture



- We rolled out awareness training for all managers on supporting teams with managing work/home life balance, recognising stress signals, and changing mindsets to build confidence in abilities.
- We relaunched our Diversity & Inclusion networks – moving to inclusive virtual events with accessible post-event recordings and materials.
- We reviewed our approach to remote working and updated our policies. All of our staff will have the opportunity to work remotely for a portion of the working week.
- We host open invitation workshops to discuss gender pay gap results, LSUK's gender balance strategies and use these to identify actions to address.



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