

Gender Pay at Simplyhealth



Simplyhealth



At Simplyhealth, our purpose is to help people make the most of life through better everyday health. As the first female CEO of Simplyhealth I firmly believe that we can only deliver our purpose through creating opportunities for all of the fantastic people who work here.

Fairness should be a given in any business, but fairness isn't just about pay, it goes further than that. It's about fairness in opportunity and career development.

Reporting our gender pay gap is important because it gives us a starting point from which to improve and I am pleased to be opening up real conversations about gender equality with our people.

In 2017 we had two businesses operating under the Simplyhealth brand, which means this report outlines the gender pay gap within both areas of the organisation.

As of the reporting deadline our mean gender pay gap is **27.2%** in the Simplyhealth business and **20.9%** in our Denplan business. In my mind the existence of any gender pay gap at all is not good enough, and although we compare favourably with many similar companies, I am committed to doing all I can to reduce our gender pay gap.

When I joined Simplyhealth I was the only female member of our Executive Leadership team. Since becoming CEO in 2013 I have been committed to changing attitudes and mindsets because we now want to be a truly diverse business. I am also pleased to say we now have an equally balanced leadership team.

I want to create a culture of diversity and continual development so our people can fulfill their potential and feel inspired to achieve amazing things for our customers. I know that we will be most successful in achieving our ambition for our people and our customers if we have strong and consistent principles of Equality, Diversity and Inclusion.

That is vitally important and means when it comes to recruitment, career development and promotion we will ensure at every level we are doing all we can to treat our people fairly, no matter what their gender, age, religious beliefs, ethnicity, sexual orientation, relationship status, disability or carer status.

You'll find the detail behind our gender pay percentages later in our report, as well as many examples of what we are doing to champion equality and diversity at Simplyhealth. You will see that our actions do not specifically focus on women. For me, it's important to create the conditions where everyone feels they work for a fair and inclusive company that continues to invest in their future. By doing this I believe that women will continue to grow at all levels within Simplyhealth.

I look forward to reporting again next year on the further progress we have made.

Romana Abdin

Chief Executive Officer
Simplyhealth

What is the difference between gender pay and equal pay?

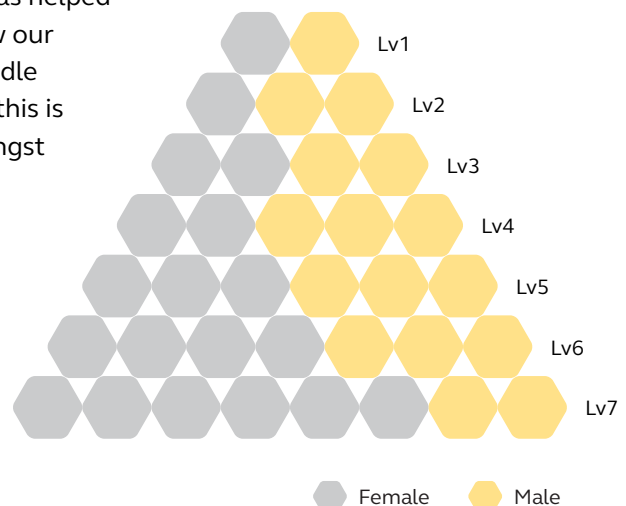
Whilst both equal pay and the gender gap deal with the disparity of pay women receive in the workplace, they are two different issues:

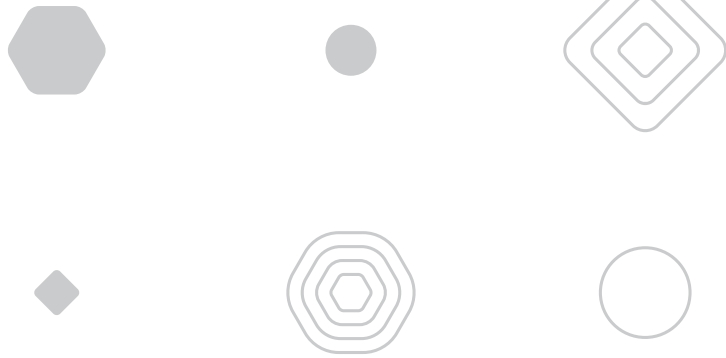
1. Equal pay means that men and women in the same employment performing equal work must receive equal pay, as set out in the Equality Act 2010.
2. The gender pay gap is a measure of the difference between men's and women's average earnings across an organisation or the labour market. It is expressed as a percentage of men's earnings.

Our people

Before we get into the detail on our gender pay gap, we think it is helpful to understand our people and the roles that we have at Simplyhealth, as this has a significant impact on our results.

- Around 1,300 amazing people work at Simplyhealth and around two-thirds of these are female.
- Of the hundreds of great people who talk to our customers each day, around 80% are female. These roles typically attract a lower rate of pay.
- Our challenge, which the report has helped to highlight, is to continue to grow our gender diversity amongst our middle and senior management team as this is currently under represented amongst females.





Our highlights

At Simplyhealth, we take real care to ensure that we offer rewards and benefits that are fair and competitive, so we can attract and retain the talent we need to grow. This of course includes ensuring our people are paid appropriately for the work they do.

An area we have made significant progress on and something we're really proud of is having an equally balanced Executive Leadership Team of four women and four men. This is giving us the diverse thinking we need to help our organisation reach our ambitions. We also have some fantastic examples of women in our organisation who have proved that you can develop your career at Simplyhealth.



Romana Abdin
CEO

Romana joined Simplyhealth in 2001 and became our first female CEO in 2013. Romana doesn't have the 'standard' CEO background, having started her career as a barrister. However, she has always been passionate about culture and people, and has focused on changing attitudes and mindsets to ensure Simplyhealth becomes a truly diverse business.



Caroline Sharp
Head of Communications

Caroline joined us in 2010 as our first Copywriting Manager and has taken every opportunity to develop her career at Simplyhealth. She has had two children during her time here and has adapted her role to help her work more flexibly. We offered Caroline's current role to her when she was on maternity leave and waited until it was the right time for her to return to it.



Carolyn Barkin
Director of Delivery

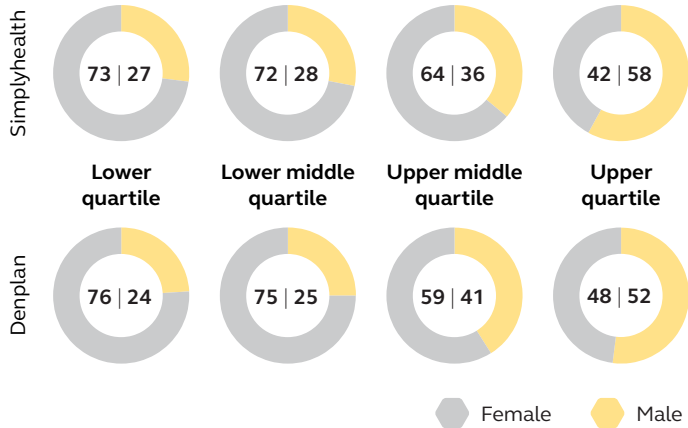
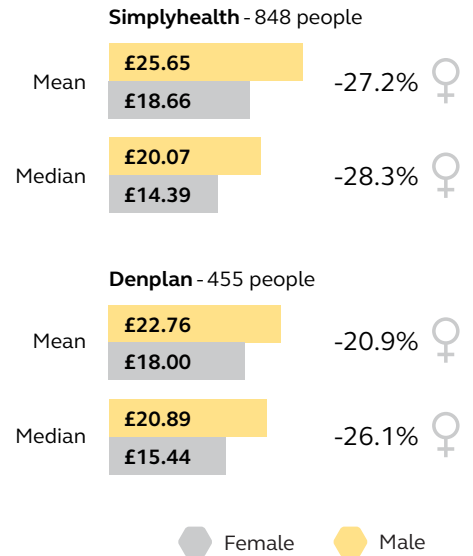
Carolyn joined Simplyhealth in June 2016 and is our first employee at Director level to work part-time. Having flexibility in her role means Carolyn is able to juggle her parental responsibilities and healthcare needs. Carolyn has been so successful in her role she recently won a Power part-time award.

Our results

Gender pay gap

What you need to know:

- During 2017, our business operated under two separate employing companies which means we need to report our results separately.
- The gender pay gap is calculated in line with the reporting regulations taking pay information for over 1,300 of our people.
- The gender pay gap is simply the difference (as an average) in pay of men and women across each company. This disregards the job levels of our people.
- The gap includes pay information such as salary, commission, bonus and allowances.



Pay quartiles

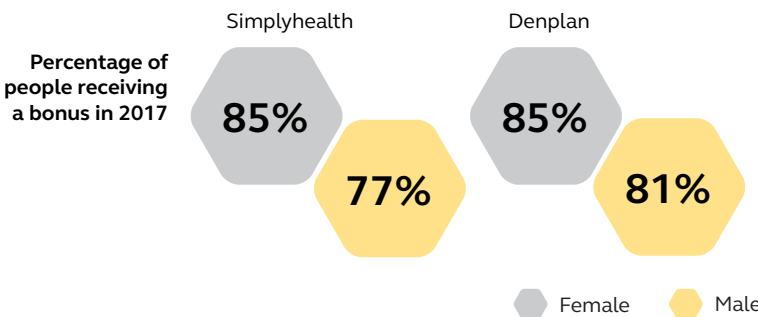
Pay quartiles are calculated by ordering the pay rates of all employees from lowest to highest and splitting them into four groups of equal size. We then take each group and look at the proportion of males and females in each.

You will see that typically, our lower two pay quartiles have a much larger proportion of females than males which is supported by the fact that the majority of our female employees are in customer facing positions.

Bonus

Our people are eligible to receive additional rewards based on their performance and our criteria for receiving a bonus is consistently applied.

As our people climb the career ladder in our organisation(s), their total reward opportunity increases. This means that typically, employees who hold more senior roles, receive larger bonuses. As explained a little earlier, as so many of our female employees occupy more junior roles, this has a significant impact on the bonuses they receive.



Bonus gap

	Mean	Median
Simplyhealth	36.2%	54.5%
Denplan	22.3%	25.0%

Improving the Gender Pay Gap at Simplyhealth

Our Leadership Team

Many organisations under-represent women in their most senior teams. We're pleased to say that this is not the case at Simplyhealth. Here our leadership team is well balanced in terms of experience, personality and gender. There are now four men and four women in the Simplyhealth Executive Leadership Team. We believe this is not only the best mix for our business but also ensures our ways of working favour both genders.

Broadening our job levels

Last year we reduced the 48 job levels we had across our business to just seven. This gives us a greater ability to understand the mix of people and roles at each level. We can examine whether there are specific gender issues at any level or if there are lessons to be learned from looking at how and who progresses from one level to the next. We are in better shape to analyse our business and make improvements than ever before.

Our approach to rewarding our people

We have used a significant proportion of our 2018 salary budget to ensure that anyone who is at the lower end of the pay scale for their level catches up with their colleagues at the same level by increasing their salaries at a higher rate than their peers. We propose to also do this this next year, so that by the end of 2019 all of our people, as a minimum, will be paid within the pay range.

Our bonus plan for 2018 is designed to ensure everyone gets a fair share based on company performance. We will monitor our recognition scheme closely to ensure that everyone in Simplyhealth has a chance to be recognised for their brilliance, no matter what their job level or gender is.

Aiming Higher

We take an Aiming Higher approach to performance that ensures our leaders are having great career conversations with their people. These conversations are centred on the aspirations of the individual based on their unique circumstances. We want our people to grow and put themselves in great shape for career success.

Acquiring talent

When a vacancy arises we take a broad view to encourage a gender balanced candidate list. We publish vacancies more clearly across Simplyhealth and ensure that the requirements needed for a role are no more exhaustive than is entirely necessary. We also ask our leaders to encourage their people to apply for roles outside of their comfort zone. When we advertise a job externally we will challenge ourselves if the list of applicants is biased towards one gender – we will take a new look into the market where this is the case.

Creating a Carer Network

At Simplyhealth we want every person to achieve their full potential. We know that many of our people have specific carer responsibilities. We are developing a Carer network this year so we can work with our carers and understand what more we can do to enable their careers to grow.

Closing remarks

Whilst we are uncomfortable having a gender pay gap of any size, we know that our results are a reflection of the types of jobs and skills we have today in order to deliver great service to our customers.

This report has helped us to understand our position and the positive role we can play to addressing the pay gap going forward. So, we welcome the need to report our results each year as this will give us the ability to track our progress and put the right interventions in place to improve our performance.

As Chief Executive Officer for the Simplyhealth Group, I, Romana Abdin, can confirm that the information contained in this report is accurate.



Romana Abdin
Chief Executive Officer
Simplyhealth

