

**Gender
Pay Gap
Report**

2018 / 2019



We are committed to **Gender Equality**



Success

Morrison Utility Services' vision establishes how everyone's contribution can help achieve success



Environment

We have a structure which highlights our priorities while offering a supportive working environment.



Commitment

We are committed to being the UK's leading utility service provider

Introduction

> When it comes to gender equality, Morrison Utility Services is committed to creating a level playing field, so that everyone has equal access to opportunities allowing them to develop and succeed in their chosen career. This applies to all our processes and policies, ensuring fairness and equality for all.

We know that our people are pivotal in driving business growth.

Morrison Utility Services aims to be the employer of choice in the Utilities sector. Our continued success, as a part of M Group Services, creates opportunities for fulfilling and rewarding roles making the best use of all of our people's skills.



Foreword

Trevor M Hoyle,
Managing Director
- Utilities

> The figures in this report demonstrate that the utilities sector has a long way to go to close the gender pay gap. We recognise that it will take time to do this in a sustainable way, but Morrison Utility Services is fully committed to building a more diverse workforce, at all levels, as the first step to addressing the issue. In comparison to the 2017 Gender Pay Gap Report, we have seen some progress and we strive to continue our position year on year.

As the company continues to develop and grow, we are actively seeking ways to improve any gender imbalance. We can be more proactive by attracting the best people to our business through effective recruitment, regardless of gender.

I am pleased to say that we have increased the percentage of females that have been attracted to and employed within Morrison Utility Services, who we will continue to develop as part of our People Strategy.

We are proud to say we are a Disability Confident employer and we continue to make positive steps to a more inclusive and diverse workforce.

We continue to foster honest conversations with our people, regardless of gender or level of seniority, allowing us to truly understand any barriers preventing people from achieving their potential.

Understanding the Gender Pay Gap



Gender Pay Definition

From April 2017, all UK organisations which employ over 250 employees are required to report annually on their gender pay gap. The gender pay gap is defined as the difference in the average earnings of men and women over a standard period of time, regardless of their role or seniority - across an entire organisation, business sector, industry or the economy as a whole. It can be driven by the different number of men and women across all roles. The gender pay gap is different from an equal pay comparison, which would involve direct comparison of two people or groups of people carrying out the same, similar or equivalent work.



How are the median & mean gaps calculated?

Using the calculations set out in the gender pay gap reporting regulations, we have taken pay data from our entire business, of more than 4,700 employees. This data includes many different roles that bring a variety of rates of pay.

How are the pay quartiles calculated?

In the report we also share the percentage of men and women in each pay quartile. Quartiles are calculated by listing the rates of pay for each employee across the business from lowest to highest, then splitting that list into four equal-sized groups and calculating the percentage of males and females in each.

What's included in our calculations?

Calculations of mean and median pay and of quartile pay bands are based on data from Full Year 2018 only, including ordinary pay and bonus pay. Ordinary pay is not limited to basic pay, but includes other types of pay such as pay for leave. It does not include pay for overtime, pay relating to redundancy/termination of employment, or the value of benefits which are not in the form of money. Calculations of mean and median bonus pay use bonus pay from the twelve months ending 05 April 2019.

Gender Pay Gap & Bonus Gap

Our Results 2018



➤ When it comes to gender equality, Morrison Utility Services is committed to creating a level playing field, so that everyone has equal access to opportunities allowing them to develop and succeed in their chosen career and field of expertise.

Gender Pay Gap*

Difference between female and male pay

	Morrison Utility Services (%)
Median	13.4
Mean	15.9

Illustrates the higher average percentage of basic rate of pay for male employees.

* Rate of pay is calculated from basic pay, shift payments, all allowances and bonuses received and prorated to an hourly rate, Overtime is excluded.

Median is the middle value in a collection of data. Mean is the average value of a data set.



➤ BONUS PAY GAP

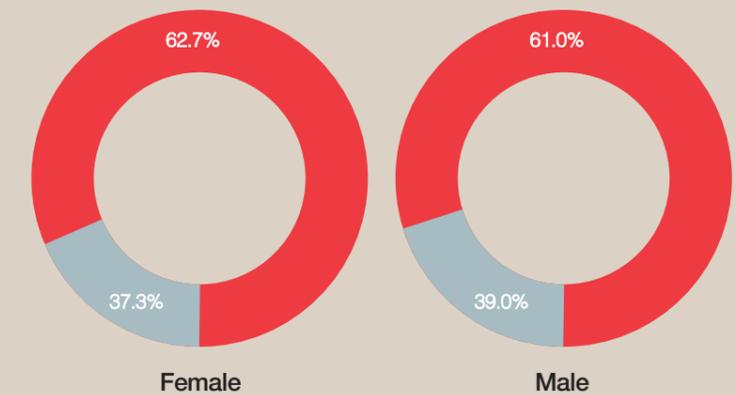
Proportion of employees awarded a bonus for 2018 are shown. This demonstrates there is broad alignment between our people receiving a bonus.

Statistics for Full Year 2018:

	% Female	% Male
Received	62.7	61.0
Not received	37.3	39.0



Bonus Pay Gap
62.7% of female employees received bonus pay, compared to the 61.0% of male employees.



■ Received bonus

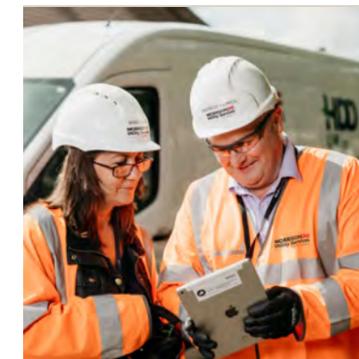
Demonstrates the average higher value of bonus paid to male employees compared to female employees.

Median	33.7
Mean	77.8*

*Mean figure is disproportionately higher due to bonus payment structures with some of our people.

Gender Pay Gap & Bonus Gap

Our Results 2018

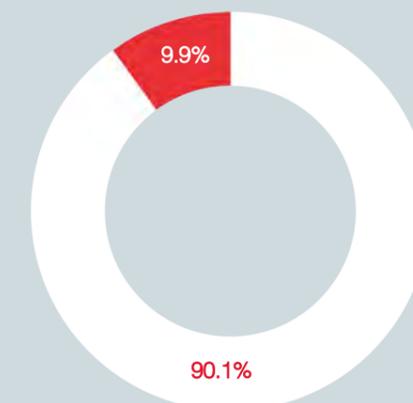
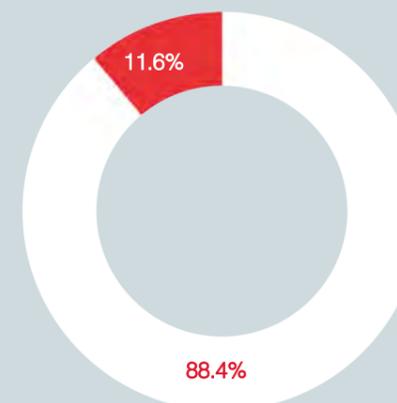
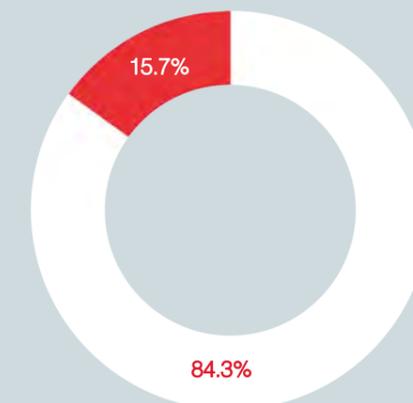
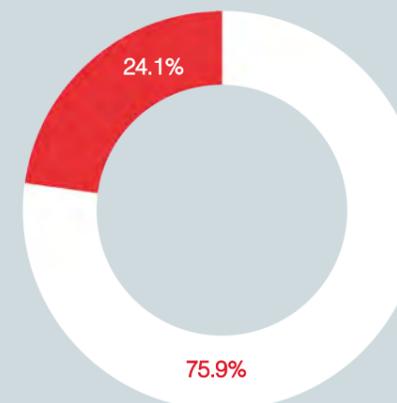


Pay Quartiles

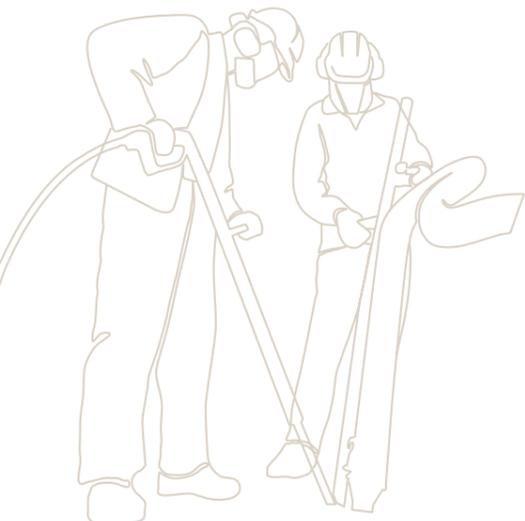
The below table and charts demonstrate the distribution of gender across four equal quartiles of pay from the lowest 25% of earners to the highest 25% of earners. For example, for the highest 25% of earners, overall our business consists of 9.9% female and 90.1% male.

	% Female	% Male
Lower Quartile	24.1	75.9
Lower Middle Quartile	15.7	84.3
Upper Middle Quartile	11.6	88.4
Upper Quartile	9.9	90.1

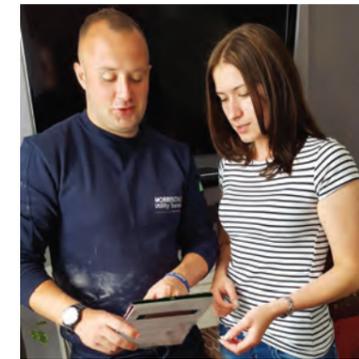
Proportion of female and male employees according to quartile pay bands



Female
Male



Our Highlights 2018



> Our Highlights

- We hold 'Investors in People' accreditation
- We are a Disability Confident employer
- We achieved an average of five training days for each of our people
- Endorsed by EU Skills for our Management Development Programme
- Campaigns highlighting Health & Wellbeing in the workplace focused on mental health and managing stress, safe working in the sun, winter driving risks and activity challenges
- Our STEM Ambassadors spoke to over 3,000 primary and secondary school students about our work to help encourage a young and diverse audience to our business and sector with 15 of our 50 ambassadors being female
- Our Apprentice and Graduate programmes offer equality of opportunity in order to attract the best talent from across the entire talent pool
- Our People Strategy provides a framework to ensure we are a leading employer for those who want to work and remain working within the utilities sector.



Our work on Inclusion & Diversity is designed to maximise the abilities and contribution of our people. Through our 'People Strategy' we are continuously looking at ways to improve the development opportunities for our current workforce and tomorrow's utilities professionals.

Through compliance training, managing and fostering emerging talent and providing structured development programmes we are establishing a new culture within Morrison Utility Services, ensuring that we value our people and attract a diverse pool of new entrants to our business to build a long lasting career with us.

We recognise that our people are our most valuable asset and are committed to providing a stimulating working environment in which they can realise their full potential.

Colin Jellicoe, Group HR Director



> What Next? Our Commitments

Our commitment to unlocking progression and greater inclusion for our people.

Giving everyone access to new career opportunities

We have invested in technology to enable fair and consistent recruitment procedures promoting career progression and personal development.

We are creating more apprenticeships through our trainee programmes to broaden our diversity.

Strengthening access to coaches & mentors

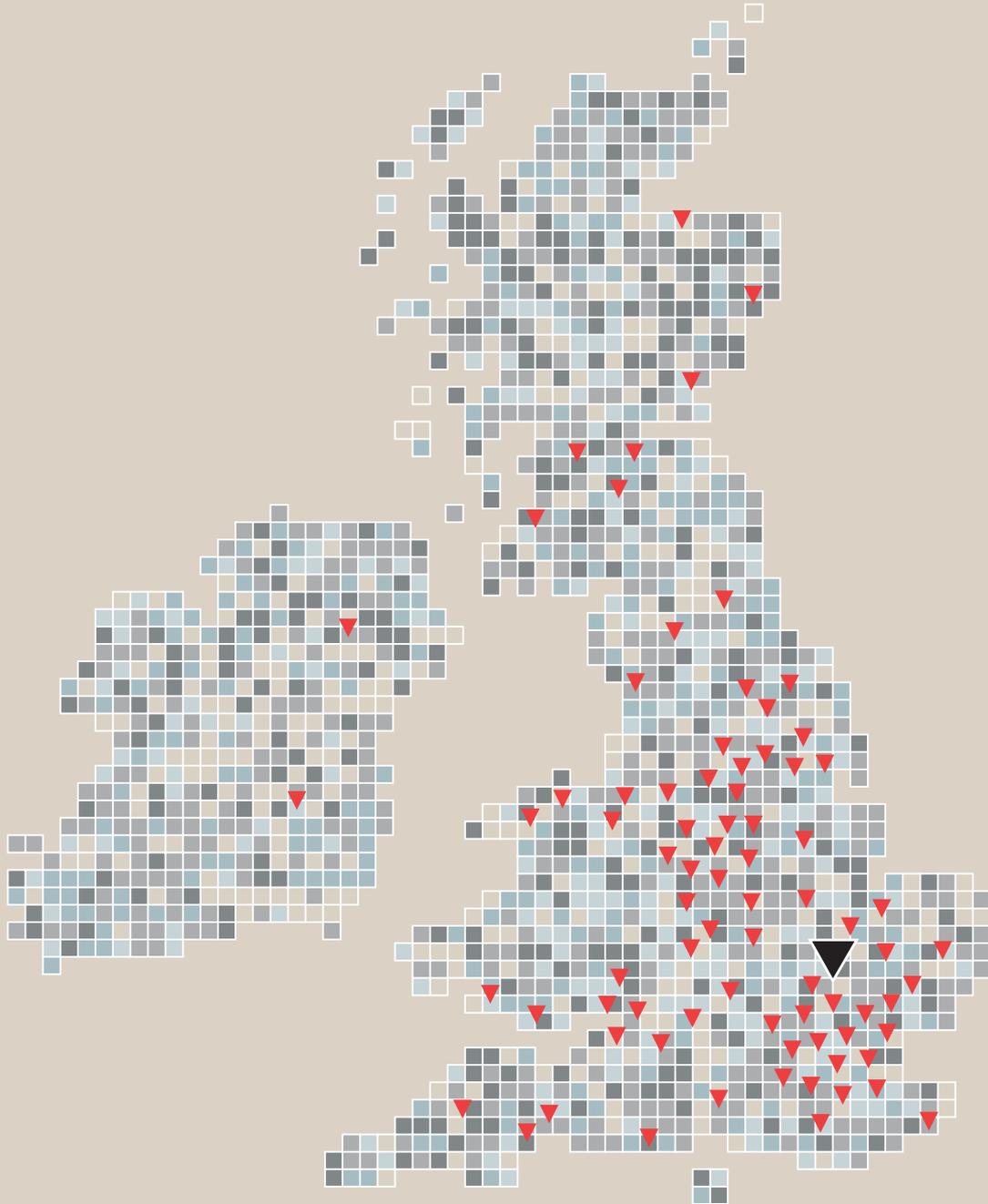
We will develop a network of coaches and mentors, as we recognise the benefits of mentoring and coaching on individual career progression

We will engage role models to support new entrants and those developing careers in our sector.

Building internal networks

As part of the People Strategy we want to create internal networks to mentor, inspire and influence our people around the business on the topic of inclusion. Networks will have senior sponsorship and key focus areas will include inclusion and diversity, gender equality, ethnicity and disability.





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