

Certas Energy

2017 Gender Pay Gap Report

Context

From April 2017, all UK organisations that employ in excess of 250 employees are required by law 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.

Certas Energy is committed to being a diverse and inclusive employer that empowers all colleagues to reach their full potential. We are keen to support this Government initiative and committed to carrying out the actions identified in this report.

Difference in pay between men and women

Details	Mean	Median
Hourly fixed pay	21.8%	24.3%
Bonus paid	22.5%	-38.1%

The table above shows our overall mean (average) and median (middle value) gender pay gap based on hourly rates of pay as of April 2017.

It also captures the mean and median difference between bonuses paid to men and women (based on those that were eligible for a bonus) at Certas Energy for the performance year 2016/2017.

Understanding the gap

This information tells us that the overall pay gap is in favour of men. The mean and median difference is primarily driven by the demographics of our population and the under representation of women in senior roles.

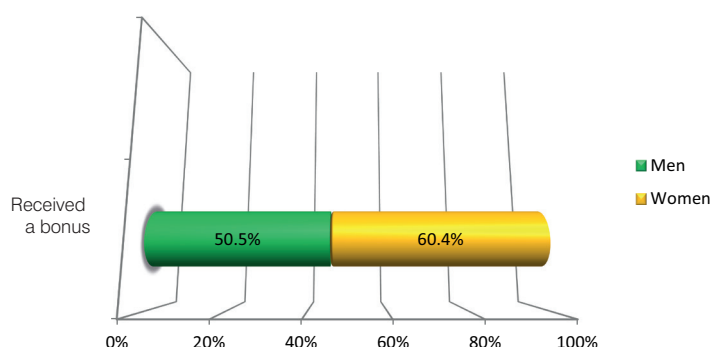
As the bonus paid is a percentage of salary, this demographic impact of more men in senior, higher-paid roles results in a mean bonus gap in favour of men.

The median bonus gap is in favour of women (calculated with reference to the middle value of bonus earned by men and women when ranked from highest to lowest). The gap in favour of women is impacted by the various type and level of roles held by women. This is counter balanced by the high number of roles at an operational level occupied by men.

We recognise that there is a pay gap and we are committed to undertaking initiatives to address this. While the gap is primarily driven by the demographic distribution of males and females across our organisation, there are other contributing factors:

- The fact that we operate in a predominantly male dominated industry particularly in roles such as drivers which account for 40% of our workforce
- The sectors that we operate in i.e. Oil and Gas and Distribution typically struggle to attract women
- Limited talent availability for specific roles due to industry wide skills shortages, which in turn impacts on our diversity challenges
- Under representation of women in management roles

Proportion of colleagues awarded a bonus for 2016/2017



The data above shows a 9.9% difference between the number of men and women being paid a bonus for their performance in 2016/2017.

We are confident that men and women in the scheme are treated equally where their roles are at similar levels and bonus payments are made based on achievement of key performance metrics and objectives.

Pay quartiles

Details	Typical roles	Male	Female
Band A (lowest)	Admin, Telesales and Retail	38.70%	61.30%
Band B	Drivers, Sales	79.20%	20.80%
Band C	Drivers, Support functions and 1st line Supervisor / Manager	91.80%	8.20%
Band D (highest)	Support / Management	83.20%	16.80%

The above table illustrates the gender distribution at Certas Energy across four equally sized quartiles.

Our plans to address the gap

We recognise that there is some work to be done in addressing the variance in pay between men and women and we are committed to ensuring that our people practices focus on how best to remedy this gap.

The reward principles that we have developed over the last few years are designed to ensure equitable pay and reward regardless of gender.

We have also developed a standard approach to job sizing using the Hay methodology which provides us with a framework of reference for pay and reward.

In addition to this, we commit to undertaking the following actions in order to address the gap:

- Regular analysis and monitoring
- Look at introducing initiatives to attract women in areas of under representation – Drivers, Heating Services and Management
- Review our Talent and succession programmes such as Apprenticeships and Returnships and seek to address the gender balance
- Seek to introduce a number of initiatives to promote Diversity and Inclusion in our Recruitment and Learning and Development programmes