

# CERTAS ENERGY

## 2021 GENDER PAY GAP REPORT





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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.

At Certas Energy, we encourage an 'Open and Honest' culture and also strive to make improvements towards equality. We fully support the reporting on Gender Pay Gap and the opportunity to analyse pay within our business. We have continued to focus our efforts over the last 12 months on both improving the gender balance and empowering all colleagues to achieve their full potential.

It is our ambition to be an Employer of Choice and attract and retain the best talent with diverse backgrounds and experiences.

## REPORT DEMOGRAPHICS

Economically, we are still impacted by the after-effects of the pandemic. It is important to factor in the pandemic as this has impacted our workforce in various ways.

The data in this report was captured as at April 2021.

**Our gender ratio:** This report uses a population of **2,234** employees of which there is a **69%:31%** split.

The results are characteristic of the industry that we operate in i.e. Oil, Gas and Logistics, which is predominantly male dominated. Roles, such as Drivers and Heating Services Engineers, which makes up circa 39% of our workforce, are particularly male dominated. These roles also typically struggle to attract women; however, we do currently have 2 female Tanker Drivers and 1 female Heating Service Engineer. In 2022 this is something we look to build on, particularly as we address the National HGV shortage and look to further diversify our workforce demographic.

	Mean		Median	
	2020	2021	2020	2021
Gender pay gap (hourly fixed pay)	19%	15%	24%	20%
Gender bonus gap	26%	31%	-10%	21%

## FINDINGS

Our overall gender pay gap of 15% remains in favour of men which broadly aligns with the dominant gender in the highest pay quartiles (D and C). Positively this figure has decreased marginally by 4%. This is a larger decrease than recorded last year.

Our Drivers terms and conditions are negotiated through a collective process with our union partners which resulted in pay settlement covering 2019 to 2022. Despite the pay increase awarded to our drivers, who make a significant proportion of our employee headcount, the gender pay gap between females and males had still decreased.

## BONUSES

The average bonus amount has increased for both genders, bonuses received by males has increased more than it has for females. This is reflective of the male / female ratio in the higher bands.

## TO SUMMARISE:

**41%** of males received a bonus; a decrease of **8%** from **2020**. The number of males receiving a bonus is decreasing, but ultimately, they are receiving a higher amount (an 11% increase verses 2020).

**59%** of females received a bonus; an increase of **7%** from **2020**. The number of females receiving a bonus is increasing, the average bonus amount received by the female population increased by 2% verses 2020.

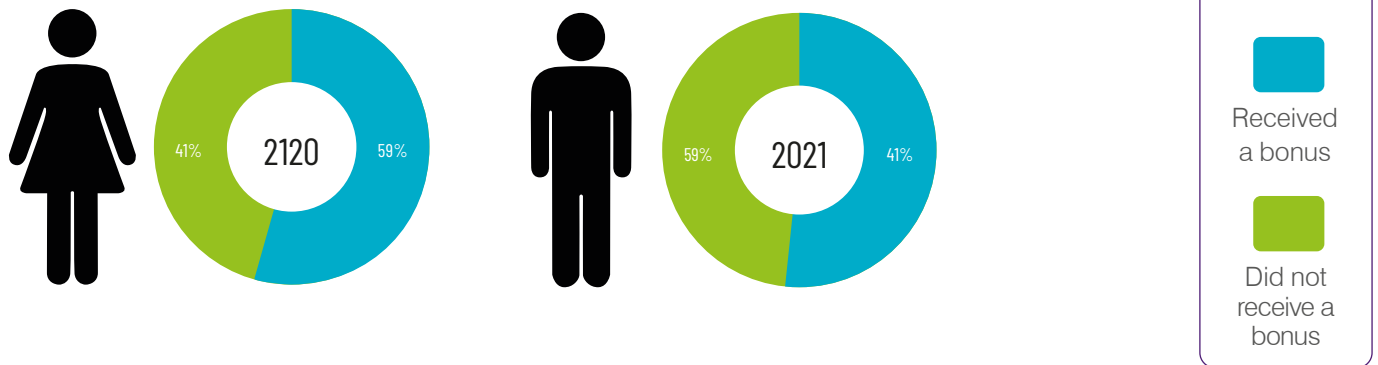
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## BONUSES



## PAY QUARTILES

DETAILS	TYPICAL ROLES	MALE		FEMALE	
		2020	2021	2020	2021
Band A (lowest)	Admin, Contact Centre and Retail	31%	32%	69%	68%
Band B	Drivers, Service Engineers, Depot Support	80%	79%	20%	21%
Band C	Drivers, Service Engineers Support Functions, and First Line Supervisor / Manager	89%	89%	11%	11%
Band D (highest)	Drivers; Support Functions / Sales Managers / Management	75%	76%	25%	24%

The above table illustrates the gender distribution at Certas Energy across four equally sized quartiles ranked from lowest hourly rate to the highest hourly rate. Each quartile represents 1/4th of the total workforce and their “mean” actual pay as it stood in April 2021.

## OBSERVATIONS:

- Band A:** Approximately 68% of the population in Band A are retail workers which are predominantly female. A significant proportion of employees in this quartile were uplifted to the Real Living Wage in April 2021 as opposed to the National Minimum Wage.
- Band B:** 57% of this band is made up of Drivers; Heating Service Engineers and Depot support staff which are male dominated roles.
- Band C:** This has remained the same. This band remains to be male dominated; with 71% the population of this group consisting of Drivers.
- Band D:** This is the highest pay band. 22% of this band consists largely of Artic Drivers; with the remaining population made up of middle to senior management and sales management. If we review the Senior Leadership Team the ratio has altered since 2020 and is now 7 male: 4 females.

## SO WHAT HAVE WE DONE...

One of the benefits in preparing the Gender Pay Gap Report is presenting the opportunity to analyse the data and our business demographics to highlight any disparity in pay.

We are committed to ensuring that our practices continue to be fair and equitable. One step we took in 2021 was to uplift colleagues on National Minimum Wage to Real Living Wage. This mostly impacted our retail sector which is predominantly female.

We continue to focus on attracting more females into roles within our business which are typically under-represented. We have numerous strategies in place to support this and improve the diversity of our workforce.

A number of women have also been appointed or promoted to senior roles and we are committed to continuing with this trend. As at April 2021, 36% of our Senior Leadership Team is female.

In addition, women comprise 54% of the cohort on our Management Apprenticeship programme and 29% of our Leadership Development cohort.

The reward principles that we have developed and applied over the last few years are designed to control potential biases and to ensure equitable pay and reward regardless of gender. We continue with a meritocratic based reward philosophy based on achievement underpinned by an industry recognised benchmarking methodology.

We have positively encouraged Flexible Working opportunities in our recruitment and selection activity and partnered with providers that cater specifically for the parent population. We have also invested in exploring diverse talent pools through our Apprenticeship programmes.

Finally, we are proud to now offer agile working on a permanent basis. This is a successful step towards supporting our colleagues with their commitments and work/life balance.

## INCLUSION & DIVERSITY AT CERTAS ENERGY:

Our Inclusion and Diversity forum is now in its second year. Our mission is to create a meritocratic and high-performance culture, further providing the opportunity to 'Make Difference Matter'. Our colleague I&D champions have a subgroup committed to the focus on gender and will review the findings of this report as part of their strategy.

## HOW WILL WE CONTINUE ADDRESSING THE GAP?

It was pleasing to record a 4% decrease in the gender pay gap in relation to hourly pay.

This aside, the pay gap is still in favour of men and continued work is needed to bridge the gap. We are aware that this requires a long term investment of time, commitment and resources. The difficult demographic of the industry that we operate in and the challenges around attracting and retaining women particularly in management roles must be acknowledged.

We value the benefits of having a diverse workforce and our strategy continues to focus on embedding a High Performance culture.

We are committed to achieving a better gender balance at the middle/first line leader level and providing and promoting more opportunities for women in the workplace. We will continue to work with our partners to ensure that we are targeting women particularly in specialist and senior roles and in areas of under representation such as Drivers and Heating Services. This is a renewed focus as females are a strong solution to the current HGV driver shortage which is a challenge faced across the industry.

We also commit to having proportionate representation in our Talent and Development programmes and recommend a 'Balanced Shortlist' for recruitment in all roles to encourage more diversity.

As part of our HR strategy, we are focused on Workforce Agility and will continue to promote our Flexible Working policies and encourage our leaders and workforce to consider non-traditional working arrangements and methods. We have listened to the feedback of our colleagues and managers to be able to provide workable solutions that are proving successful.

Our HR team with the support of the I&D champions continue to review and consider any policies that may need to be amended or created to further support equality at work.

We will continue to champion meritocratic reward and pay principles that have been developed over the last few years and are designed to ensure equitable pay and reward regardless of gender. We have an established approach to job sizing which provides us with a point of reference for pay and reward.

We will continue to undertake regular analysis and monitoring to understand the impact of these initiatives.