

Gender Pay Gap Statement

At Morris & Spottiswood we treat all employees fairly, regardless of gender. Our employment processes, recruitment policies and pay practices reflect this.

Despite this, we recognise that we have a gender pay gap which we will be working hard to address and to reduce. We believe this arises in large part due to the fact that the majority of our employees are male and that they tend to fill the more senior positions in our organisation which attract higher salaries.

To give some context to the gender pay results, our business has two very distinct groups of employees: “blue collar” and “white collar” employees.

- **49% of our employees are employed in ‘blue-collar’ construction trade/engineer positions** (e.g including Joiners, Plumbers, Electricians, Supervisors etc.). This employment group is currently entirely made up of men.
- **51% of our employees are employed in ‘white-collar’ construction roles** (Site Managers, Project Managers, Quantity Surveyors and Senior management operational and commercial posts), in-house support services and office support roles (including in-house support services: Health & Safety, HR, IT, Finance, Business Development and Bid Support, as well as Customer Service and Administration support) 70% of this employment group are men and 30% are women.

Our blue-collar pay structures are mainly based around national industry agreements across the range of trades we employ, whereas our white-collar and support roles have clear pay structures and are industry benchmarked. Many white-collar roles are also affected by a skills shortage across the industry, with significant competition amongst employers for talented people. This in turn drives pay rates up for these roles.

Whilst we treat all employees equally, the Construction industry has traditionally attracted more men than women to construction-related roles, a tradition we are addressing (see below). Up to now female applicants have been more attracted to work in our in-house Support Services and office support or Administration roles. These roles have traditionally received lower pay than some of our other in-house roles, for example Business Development and Bid Support, which tend to generate additional income for the business and therefore receive higher salaries. The gender pay gap results reflect this trend.

Gender Pay Gap - Our Results

The difference between male and female hourly rates of pay in Morris & Spottiswood are as follows:

MEAN(average)	MEDIAN(middle)
60.03%	47.92%

When we compare male/female comparators in specific job roles the gap closes significantly. In one group, the mean gap is -0.7%, illustrating that the company-wide gap of 60.03% is not indicative of true pay equality where there are men and women carrying out the same job role. We are confident our employees are paid equally for equivalent jobs. Our pay structures are benchmarked by role rather than person. This gives us the ability to maintain gender pay equality. However, it is recognised that there is further attention needed to close the gender pay gap.

Pay Quartiles

Gender Pay Gap by Quartile	Men%	Women%
Top quartile (75-100%)	98.91%	1.09%
Upper middle quartile (50-75%)	90.43%	9.57%
Lower middle quartile (25-50%)	87.10%	12.9%
Lower quartile (0-25%)	62.37%	37.63%

Like other companies across our industry, we have a lower proportion of females in senior roles than we would like. Most of our female employees are employed in support service, customer service and administration roles. Our operational and commercial roles involve a degree of business travel and working away from home. We recognise that this is not always conducive to family life and can be a deterrent to

attracting females to our business. However, this continues to be an area of focus for us so that we may find ways to increase the number of females remaining and progressing in employment with us into the upper pay quartiles.

We have added further trainee/graduate opportunities into the business across operational and commercial roles. 83% of recent quantity surveyor trainees were female and we see this as a positive avenue to attract more women into our business. We will continue to drive opportunities to other parts of our business to encourage more females to start or develop their career with Morris & Spottiswood

Bonus Gender Pay Gap

There were no bonus payments during the relevant period for the purposes of producing this report.

How we are tackling our gender pay gap We have a variety of strategies in place to address the gender pay gap within Morris & Spottiswood. We will work towards minimising the gap by:

- Reviewing our existing policies on flexible working to offer a more attractive work/life balance and to ensure that working flexibly is not a barrier to females progressing to senior roles.
- Reviewing our recruitment and selection processes to understand how we can attract more female senior leaders; in the last 6-months we have recruited two female directors – one who sits on our Operational Board and a Non-Executive Director.
- A continued emphasis on equal pay through our annual remuneration review and benchmarking process to ensure parity across roles.
- Continuing to develop our succession planning talent framework to create transparent career paths and opportunities to promote from within.
- Having a more balanced male and female proportion on our management development programmes which will then feed into the metric for internal promotions; a new Director's Development programme consists of 20% women from our business.

Accuracy statement

I confirm the gender pay gap data contained in this report is accurate and has been produced in accordance with the regulations.

signed by George Morris, Chairman

A handwritten signature in black ink, appearing to read 'George Morris'.

04/04/2018