



OUR GENDER PAY GAP **REPORT**

Mears Group's report based on the UK's gender pay gap reporting requirements

WHO WE ARE

Mears is one of the UK's leading services providers to both the public and private sector, with over 10,000 colleagues, working with hundreds of partners across the UK to help develop, fund and implement their Housing with Care ambitions. We deliver housing maintenance, housing management, new homes and care services.

Our housing teams provide rapid response and planned maintenance services for a nationwide portfolio of homes.

Our care teams deliver care and support on behalf of 137 local authorities and Clinical Commissioning Groups and provide services to an increasing number of people who fund their own care.

We strongly believe in the benefits of combining housing and care approaches, to give the best possible service and to help tackle the deep-rooted challenges to the NHS and social care.

What remains as a constant is Mears' genuine social heart. We continue to differentiate from competitors on our commitment to make a difference in the communities we serve, positioning ourselves as a partner to the sector, rather than just a contractor.



We are very proud to be recognised as a Top 25 Best Big Company to Work For, which further evidences our continued focus & commitment to our colleagues and creating a fair & great place to work

GENDER PAY GAP REPORTING 2017

"Diversity and inclusion is a foundation stone for our values. It ensures that we build on our successes and continue to work for even better outcomes for our customers, clients, and colleagues. We see it as part of our day-to-day work and understand why it is key to our continued business success."



Declaration

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in black ink, appearing to be 'Alan Long'.

Alan Long, Executive Board
Director, Mears Group PLC

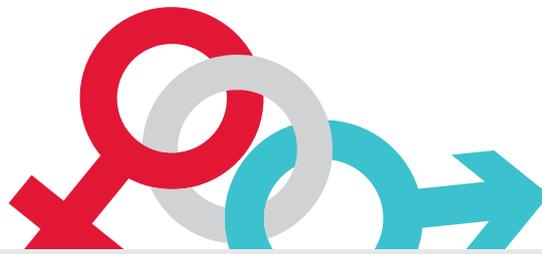


Declaration

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A handwritten signature in black ink, appearing to be 'Jo Fry'.

Jo Fry, Group Director of HR,
Mears Group PLC



OUR RESULTS FOR THE ENTIRE GROUP

We collected our data on 5 April 2018, when our workforce consisted of 5363 women and 4761 men.

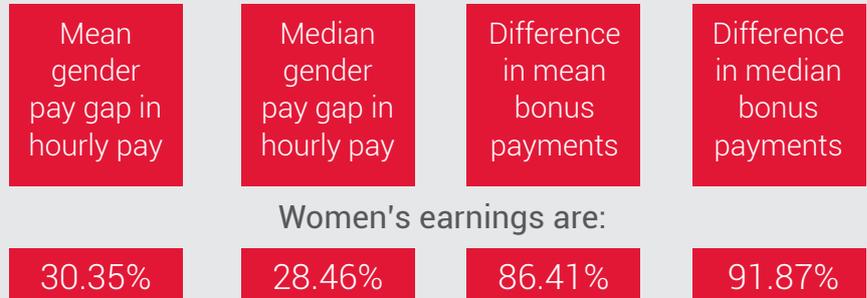
These figures show the gender distribution at Mears Group across four quartiles.

We are confident that our gender pay gap is not a pay issue – we know this because we have robust pay structures in place across our businesses which are reviewed regularly. Our analysis shows that our pay gap is driven by the structure of our workforce.

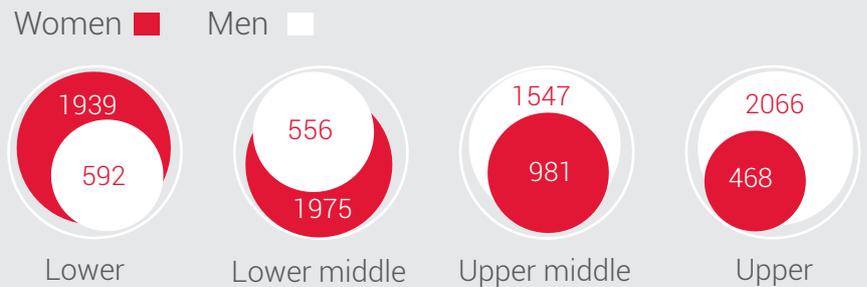
The figures show that Mears has a mean gender pay gap of 30.35% and a median gender pay gap of 28.46%, which is higher than last years average, a slightly above the average for our sector

On average within the construction sector women make up only 7% of the operative workforce.

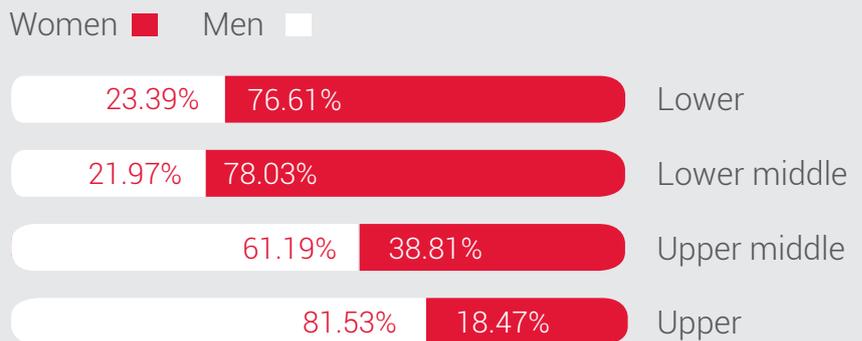
On average within the care sector male workers make up only 12% of the care workforce.



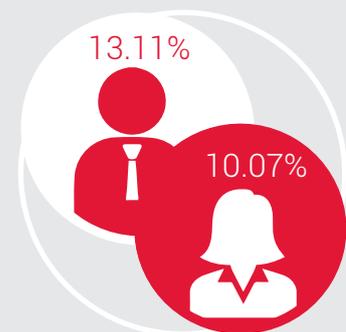
Number of men and women in each pay quartile



Proportion of men and women in each pay quartile (%)



Proportion of men and women receiving a bonus payment





EVENING OUT THE GENDER BALANCE

We pride ourselves on being a socially responsible organisation and we continue to work hard to reduce our pay gap. Over the last twelve months, we have and will continue to:

- Strengthen our approach to; applying pay in accordance with our job profiles, and managing change control.
- Validate our approach - last year we attained a nationally recognised diversity and inclusion accreditation through Diversity Networks.
- Encourage all colleagues to update their personal info on our HR system, so that we can ensure we better monitor and manage all employee lifecycle events and use the data to make better informed business decisions.
- Provide diversity & inclusion awareness training to our senior managers and front-line colleagues.
- Encourage more women into senior management roles across the Group, more women into front-line operational roles and more men in to Carer roles – we have already:
 - increased the number of women at Board level.
 - had success with encouraging more women in trades and men into care through our 'Tradeswomen in Maintenance' and 'Men in Care' initiatives.
- Monitor pay and ensure there is no bias towards either gender, from recruitment through career progression opportunities.
- Operate gender balanced shortlists for all management positions – supporting our ambition to even the balance across the Group.
- Identify emerging talent across the Group through the introduction of talent profiles and supported development plans.
- Use Executive and Senior Leadership teams to champion high-performing and emerging talent through a designated mentoring programme.
- As an equal opportunities' employer, appoint the best candidate into the role, regardless of their gender or other factors covered by the Equality Act.

TAKING ACTION

Over many years, we have worked hard to reduce the risk of pay inequality in our organisation, however the gap in both our mean pay and mean bonus shows there is more work to be done. And while we don't have an equal pay issue, we will continue to undertake activity to reduce our pay gap.

RESPONSIBLE BUSINESS

We have three well established working groups within the Group (Workforce, Social Value and Diversity & Inclusion) all with the focus of creating chances and fairness for all. All three groups have external representation from organisations and individuals who are experts in their field and who we treat as 'trusted friends' to validate and challenge our thinking.

Over the coming year these working groups will continue to concentrate on: attraction, recruitment, retention, awareness training, pay and reward, salary benchmarking, high performing culture (including appraisals), our bonus system, brand awareness and celebrating success.

OUR COMMITMENT

We are building a diverse and inclusive culture that reflects the communities which we serve; one that attracts and retains the best talent and enables our colleagues to thrive.

Gender pay is part of our broader diversity agenda and our aim is to become industry leaders in this area. We recently refreshed our diversity strategy, (originally published 2017) and this can be viewed on our website:

www.mearsgroup.co.uk

Over the next two years, we have committed to:

- Greater diversity at middle and senior levels

including the Board (specifically race and gender).

- Hold better diversity & inclusion information about all our colleagues.
- Setting targets to increase the representation of women and BAME people at middle and senior levels, and at all levels in Housing.
- More women in trades.
- More men in Care.
- More people with disabilities.
- Diversity among apprenticeships.
- And finally, addressing the impact of an ageing workforce while also respecting the benefits that older employees give to the business.



OUR RESULTS FOR EACH LEGAL ENTITY

	Number of employees		Hourly rate		Hourly rate quartile percentage								Bonus		Proportion in receipt of bonus	
	Male	Female	Mean pay gap	Median pay gap	Male Q1	Male Q2	Male Q3	Male Q4	Female Q1	Female Q2	Female Q3	Female Q4	Mean pay gap	Median pay gap	Male	Female
Mears Group PLC	227	181	34.84%	33.13%	26.73%	49.51%	74.51%	71.57%	73.27%	50.49%	25.49%	28.43%	82.72%	25.23%	14.10%	11.60%
Mears Limited	2568	526	17.23%	21.76%	60.08%	89.26%	91.57%	91.11%	39.92%	10.74%	8.43%	8.89%	37.16%	56.80%	10.16%	6.84%
Mears Scotland LLP	512	40	15.84%	18.86%	83.33%	91.30%	97.83%	98.37%	16.67%	8.70%	2.71%	1.63%	3.70%	20.55%	30.47%	20.00%
Morrison Facilities Services Limited	505	204	24.18%	31.71%	35.03%	72.32%	90.34%	87.15%	64.97%	27.68%	9.66%	12.85%	54.97%	52.77%	14.85%	3.92%
Mears Care Limited	364	2894	5.51%	3.46%	9.82%	9.46%	11.56%	13.85%	90.18%	90.54%	88.44%	86.15%	26.14%	15.12%	13.74%	13.55%
Mears Care Scotland Limited	201	1206	-5.26%	-1.03%	20.17%	14.81%	13.64%	8.52%	79.83%	85.19%	86.36%	91.48%	-54.01%	0.05%	2.49%	4.98%