

MORGAN SINDALL GROUP PLC GENDER PAY GAP REPORT 2019

Due to the ongoing COVID-19 situation, we have produced a streamlined gender pay gap report for 2019 that focuses on the statutory disclosure of our data.

Our Group purpose is inspiring talent to deliver excellence in the built environment. Ensuring that we treat everyone who works for us equally is an important part of living up to our purpose. This year's gender pay gap report shows that while we have made progress in terms of increasing the number of women in the business, we still have a long way to go in terms of developing future female leaders and reducing our gender pay gap. Please read our 2019 responsible business report, published on our website at www.morgansindall.com, for details of some of the activities we have been undertaking to improve our diversity and inclusion and develop future leaders across the Group.

Gender pay reporting explained

The gender pay gap shows the difference in the average hourly rate of pay between women and men in a company, expressed as a percentage of average male earnings. A gender pay gap can be driven by a number of factors including, crucially, a lack of women in senior positions.

It is important to note that this is different to the issue of equal pay – namely the legal requirement to pay men and women the same for equal work – which is a requirement of the Equality Act 2010.

The Government Equalities Office has set out the methodology for companies to use to report their mean and median gender pay gap, bonus gap and distribution across quartiles.

Distinguishing between median and mean

Median calculation

The median is the figure that falls in the middle of a range when the wages of all relevant employees are lined up from smallest to largest.

The median gender pay gap is calculated based on the difference between the middle employee in the range of male wages and the middle employee in the range of female employees.

Mean calculation

The mean is calculated by adding up the wages of all relevant employees of each gender and dividing the figure by the number of employees of each gender.

The mean gender pay gap is calculated based on the difference between mean male pay and mean female pay.

Voluntary disclosures

Set out below is the gender pay gap data for the Group as a whole:

Morgan Sindall Group plc	Median			Mean		
	2019	2018	2017	2019	2018	2017
Gender pay gap	31.2%	32.0%	31.0%	32.0%	32.2%	32.9%
Bonus gap	42.7%	35.9%	42.0%	56.7%	47.7%	58.1%
Proportion of men and women receiving bonus payments	Men			Women		
	2019	2018	2017	2019	2018	2017
	74%	66%	62%	72%	61%	61%
Proportion of men and women in each quartile band	Men			Women		
	2019	2018	2017	2019	2018	2017
Upper quartile	91%	91%	92%	9%	9%	8%
Upper median quartile	84%	85%	85%	16%	15%	15%
Lower median quartile	71%	73%	71%	29%	27%	29%
Lower quartile	63%	64%	69%	37%	36%	31%

Statutory disclosures

The Group has five legal entities with at least 250 employees: Baker Hicks Limited, Morgan Sindall Construction & Infrastructure Ltd, Overbury plc, Lovell Partnerships Limited and Morgan Sindall Property Services Limited. We are required to report our gender pay gap data for each of these entities, as set out below:

Baker Hicks Limited	Median			Mean		
	2019	2018	2017	2019	2018	2017
Gender pay gap	23.5%	28.7%	37.2%	28.3%	32.6%	35.9%
Bonus gap	25.0%	38.8%	42.9%	42.1%	54.7%	65.8%
Proportion of men and women receiving bonus payments	Men			Women		
	2019	2018	2017	2019	2018	2017
	81%	78%	75%	79%	75%	78%
Proportion of men and women in each quartile band	Men			Women		
	2019	2018	2017	2019	2018	2017
Upper quartile	91%	94%	93%	9%	6%	7%
Upper median quartile	81%	84%	85%	19%	16%	15%
Lower median quartile	73%	70%	79%	27%	30%	21%
Lower quartile	58%	50%	48%	42%	50%	52%

Morgan Sindall Construction & infrastructure Ltd	Median			Mean		
	2019	2018	2017	2019	2018	2017
Gender pay gap	29.5%	28.7%	28.5%	29.5%	28.2%	29.4%
Bonus gap	43.2%	36.0%	45.5%	49.5%	44.4%	52.0%
Proportion of men and women receiving bonus payments						
	Men			Women		
	2019	2018	2017	2019	2018	2017
	89%	79%	69%	91%	80%	75%
Proportion of men and women in each quartile band						
	Men			Women		
	2019	2018	2017	2019	2018	2017
Upper quartile	92%	92%	94%	8%	8%	6%
Upper median quartile	87%	87%	87%	13%	13%	13%
Lower median quartile	77%	78%	77%	23%	22%	23%
Lower quartile	64%	68%	73%	36%	32%	27%

Overbury plc	Median			Mean		
	2019	2018	2017	2019	2018	2017
Gender pay gap	49.8%	51.7%	51.1%	48.4%	49.7%	49.8%
Bonus gap	58.9%	58.9%	56.7%	72.3%	73.2%	71.1%
Proportion of men and women receiving bonus payments						
	Men			Women		
	2019	2018	2017	2019	2018	2017
	89%	89%	91%	86%	93%	89%
Proportion of men and women in each quartile band						
	Men			Women		
	2019	2018	2017	2019	2018	2017
Upper quartile	96%	96%	96%	4%	4%	4%
Upper median quartile	89%	93%	90%	11%	7%	10%
Lower median quartile	68%	73%	76%	32%	27%	24%
Lower quartile	49%	47%	48%	51%	53%	52%

Lovell Partnerships Limited	Median			Mean		
	2019	2018	2017	2019	2018	2017
Gender pay gap	31.7%	32.0%	32.6%	28.7%	26.8%	28.4%
Bonus gap	13.6%	-217.3%	-191.4%	25.7%	-227.3%	-55.5%
Proportion of men and women receiving bonus payments						
	Men			Women		
	2019	2018	2017	2019	2018	2017
	43%	15%	22%	48%	12%	15%
Proportion of men and women in each quartile band						
	Men			Women		
	2019	2018	2017	2019	2018	2017
Upper quartile	89%	88%	90%	11%	12%	10%
Upper median quartile	78%	79%	81%	22%	21%	19%
Lower median quartile	60%	59%	60%	40%	41%	40%
Lower quartile	67%	65%	66%	33%	35%	34%

Morgan Sindall Property Services Limited	Median			Mean		
	2019	2018	2017	2019	2018	2017
Gender pay gap	5.6%	9.4%	11.9%	10.2%	11.3%	18.3%
Bonus gap	0.0%	0.4%	5.6%	40.3%	61.7%	79.9%
Proportion of men and women receiving bonus payments						
	Men			Women		
	2019	2018	2017	2019	2018	2017
	17.5%	22.1%	23.5%	9.4%	7.6%	9.8%
Proportion of men and women in each quartile band						
	Men			Women		
	2019	2018	2017	2019	2018	2017
Upper quartile	78%	80%	83%	22%	20%	17%
Upper median quartile	85%	81%	87%	15%	19%	13%
Lower median quartile	77%	78%	86%	23%	22%	14%
Lower quartile	64%	64%	63%	36%	36%	37%

I confirm that Morgan Sindall Group's gender pay gap calculations are accurate and meet the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

For and on behalf of the Board of Morgan Sindall Group plc



John Morgan
Chief Executive