

Gender Pay Report

5 April 2018



Introduction



Opus Energy is a B2B energy company supplying renewable electricity and gas to over 340,000, mostly small, businesses. It has an experienced UK-based customer service team with offices and contact centres in Cardiff, Northampton and Oxford.

Contact centres are often a career springboard for those early in their career, resulting in lower retention rates at entry level grades and disrupting the talent pipeline. Although we have made good progress in improving retention rates, and have an even balance of gender at the most senior levels, we have seen an increase in the gender pay gap for 5 April 2018 when compared to 2017. The main reason for this is that we have more men than women in higher paid roles.

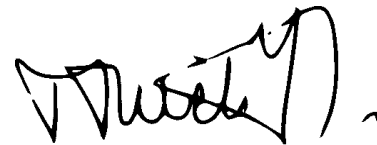
It is disappointing that the gap has increased this year, but this does not deflect my commitment to reducing it. Our action plans, which have a five-year horizon, are being implemented.

Some of the initiatives being taken forward include unconscious bias training, an employee Voice Forum, and diversity challenge reviews of our talent pipeline and promotion decisions. We are also promoting careers in our sector, encouraging applications that reflect the communities we work in and the customers we serve.

Will Gardiner

Chief Executive Officer
Drax Group

I confirm that the information provided is accurate and in line with mandatory requirements.

A handwritten signature in black ink, appearing to read 'Will Gardiner', with a small flourish at the end.

Will Gardiner

Chief Executive Officer
Drax Group



We know that diverse businesses are more successful and here at Opus Energy we have a good record of welcoming and supporting diversity.

Our mean and median gender pay gap at 5 April 2018 is 18% and 12% respectively – close to and below the national average at October 2018 but higher than last year. It is good to see more women coming in to our entry level pay quartiles – our challenge is to support and encourage them to create a career with us. It is only by increasing the number of women in our senior and higher paid roles that we will reduce the gap.

Our plans take a long-term view, as there is no quick fix. We have a talent pipeline in place, with the process including a critical review to eliminate gender bias and promote diversity. We have taken our wider leadership team through unconscious bias training as well as introduced this for all line managers. Our employee Voice Forum, launched in 2018, enables colleagues to raise issues and concerns to management.

We have been successful in increasing retention rates at our lower quartile pay band roles, which is essential to creating a talent pipeline. Key actions that have appealed to our diverse workforce are increasing recognition of individuals and teams, training our line managers in communication and engagement, and responding to colleague suggestions on wellbeing, especially mental health.

I am determined to see more women in our higher paid roles over the next five years, and feel confident that we will do so.

Jonathan Kini
Retail Chief Executive

I confirm that the information provided is accurate and in line with mandatory requirements.



Jonathan Kini
Retail Chief Executive

Our figures at a glance

The figures on the following pages show Opus Energy's overall median and mean gender pay data based on hourly rates of pay as at the snapshot date of 5 April 2018 with a comparison to 2017, our first year of reporting.

We also show median and mean bonus pay data for bonuses paid up to 5 April, plus some additional data to explain our pay data and how we are addressing it.

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What is the difference between mean and median?

The mean and median are two ways of calculating the average hourly pay and average bonus of women and men at Opus Energy.

If we created two lines, one with all the women in Opus Energy and the other all the men:

The **mean** is adding up all the data separately for the women and the men and dividing by the number of people in the respective line.

The **median** is at exactly the half way point on each of the lines.

Pay gap

As was the case in 2017, our pay gap is due to the higher proportion of men than women in higher paid positions.

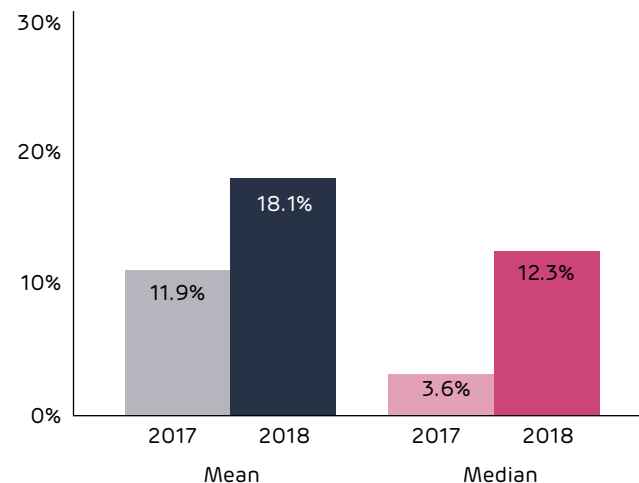
64.6% of people working for Opus Energy work in our customer services and sales. Contact centres are often a career springboard for those early in their career, resulting in lower retention rates at entry level grades and disrupting the talent pipeline. It is only by increasing the number of women entering our business and progressing to our senior and higher paid roles that we will reduce the gap.

We are taking a targeted approach that will see policies and plans delivering results over the next five years. Progress will not be linear and, as with the data for 5 April 2018, we will see some years where our gap increases before it gets better.

This does not change our commitment to reducing the gap, continuing our targeted policies and plans to shift the dial.

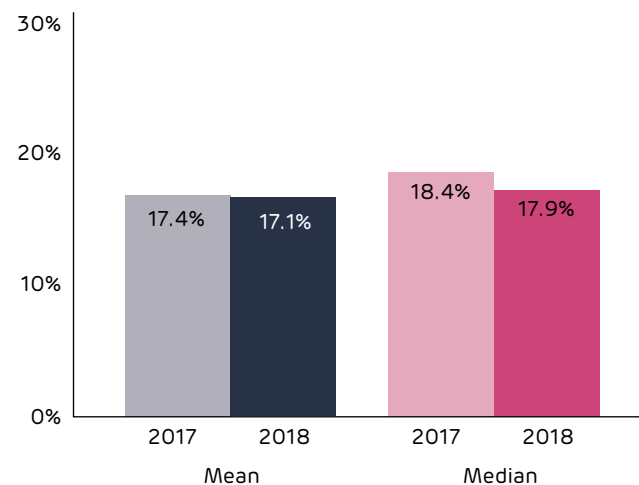


What is the difference in average hourly pay for men versus women at Opus Energy?



How does this compare with the national picture?

The Office for National Statistics* has calculated a national average published October 2018.



*ONS Guide to the Annual Survey of Hours and Earnings (ASHE), gender pay gap tables, published October 2018

Bonus gap

We have seen a negative shift in the bonus gap due to personnel changes in our higher paid positions.

Colleagues at all levels in the company participate in a Drax Group bonus scheme, sharing the same 'scorecard' of measures and targets. This ensures that no matter where we work at Drax or Opus Energy we are all working towards delivering the same priorities and that there is a fair and transparent approach to rewarding success.

By increasing the proportion of women in our higher paid positions, we will reduce the gap. We will do this through our attraction, retention and progression policies.

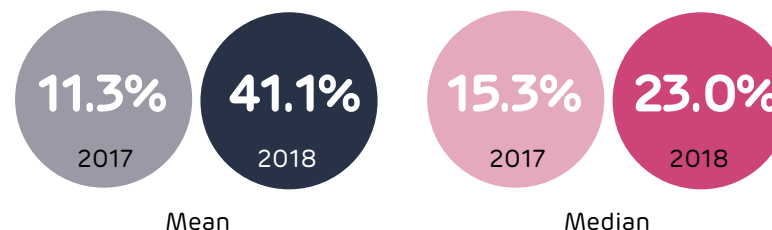
The proportion of women and men in each pay quartile



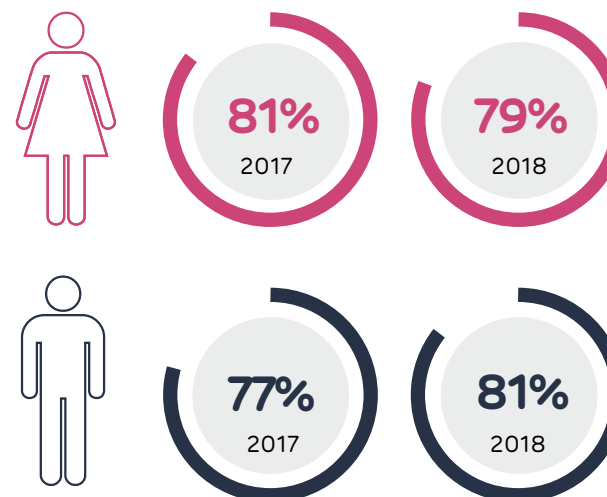
There is a small increase in the proportion of women in the lower (5 percentage points) and lower middle (7 percentage points) quartiles but a decrease in the upper middle quartiles (4 percentage points) and upper quartile (7 percentage points) – this is despite having an even gender balance in our most senior positions.

As well as targeting an increase in the number of women progressing and making a career in our business, we are increasing diversity and inclusion at all levels of the organisation to develop a more diverse talent pipeline.

Gender bonus pay gap at Opus Energy



What proportion of colleagues received bonus pay?



Our progress towards a more diverse future

Unconscious bias training

All Opus Energy senior managers have completed unconscious bias training. At Opus Energy we want everyone to have the opportunity to fulfil their potential. Unconscious bias training is also included in our performance management training for all line managers.



We include a critical review of our promotion, recruitment and talent pipeline decisions to eliminate gender bias and promote diversity.

Potential and talent pipeline



Leadership training and academy approach

To encourage all colleagues to invest in their development and build their career, we have planned investments in leadership training and our new academy approach for Customer Service, Credit and Sales. These will provide pathways for growth throughout all levels of the organisation, supporting our diverse workforce.



Family policies

We have revised and improved our maternity and paternity policies to encourage more women to return to their career after childbirth or adoption.

Attracting, retaining and progressing diversity

We have been successful in increasing retention rates, which is essential to create a talent pipeline. Key actions that have appealed to our diverse workforce are increasing recognition of individuals and teams, training our line managers in communication and engagement, and responding to colleague suggestions on wellbeing, especially mental health.



STEM (science, technology, engineering, mathematics)

As part of our Drax Group education outreach programme, we have formed partnerships with Engineering UK, the National STEM Learning Centre, The British Science Association, Teach First and Business in the Community.

We're also Group members of WISE (women in science and engineering) to promote gender parity in STEM, POWERful Women to advance gender diversity within the energy sector, and we sponsor the All-Party Parliamentary Group on Diversity & Inclusion in STEM.

