

TERMINIX[®]

Gender Pay Gap Report 2020



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FOREWORD

In October 2019 MPCL was sold to ServiceMaster. 2020 was an exciting time as we rebranded MPCL to Terminix UK and began establishing our new name in the marketplace as a leading UK pest control company.

As a business, we are committed to equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. We have a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or anything else listed above).

We are pleased that in our first year of reporting, our UK median gender pay gap is 13.9%. This is below the UK national median gender pay gap of 15.5% (according to the November

2020 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures). However, this is just the beginning, and there is still work to be done to improve our mean and median gender pay gap and gender bonus gaps.

We want to do more to recognise gender and other forms of diversity. Together these create a strong and sustainable business, and our goal remains to be the preferred pest management company, by both customers and our teammates alike. Therefore, we will continue to focus on developing our employee proposition to attract and retain everyone.

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13.9%

OUR GENDER PAY GAP

Our annual gender pay gap report is for the snapshot date of 5 April 2020.

Our mean gender pay gap is	Our median gender pay gap is	Our mean gender bonus gap is	Our median gender bonus gap is	The proportion of male employees receiving a bonus is	The proportion of female employees receiving a bonus is
20.7%	13.9%	46.9%	70.4%	83.3%	45.7%



PAY QUARTILES BY GENDER

The graphics to the right show our workforce divided into four equal-sized groups based on hourly pay rate. The quartile includes the 25% of employees who are the lowest paid and the quartile covers the highest paid 25%.

If we had no gender pay gap, there would be an equal ratio of men to women in each quartile. However, instead 28.3% of the employees in the lower quartile are women and 71.7% men. The percentage of male employees increases throughout the remaining bands, from 90% in the middle quartiles to 89.8% in the upper quartile.

We are confident that our gender pay gap is not because men and women are paid differently for equivalent work. Instead, our gender pay gap is because the men and women of Terminix UK for the most part work in different roles, and those roles have different salaries.

66% of females are in the lowest two quartiles, 49% in the lowest quartile and 14% in the lower middle. In the highest-paid quartile 20% are female.

Our mean and median gender bonus gaps are significant: 46.9% and 70.4% respectively. 83.3% of men in our organisation received a bonus in the 12 months up to 5 April 2020; for women this was 45.7%. This is due to more men being in management and operational roles, which generate revenue, and are eligible for call-out roles, which are eligible for bonuses and commission. While most of our administrative roles in our organisation are held by women that are not eligible for bonus payments.



Top Quartile

- 88.1% Male
- 11.9% Female



Upper Quartile

- 91.7% Male
- 8.3% Female



Lower Quartile

- 90% Male
- 10% Female



Bottom Quartile

- 71.7% Male
- 28.3% Female



WHAT ARE WE DOING TO ADDRESS OUR GENDER PAY GAP?

The main reason for the gap is that there is not an equal ratio of men to women in each quartile of our organisation, and there is a lower proportion of women in middle management and senior roles, which receive the highest pay, relative to men.

We are committed to doing everything we can to address the imbalance of men and women throughout our organisation. However, we also know this is a difficult task.

Our business is not unlike others, as across the UK economy, men are more likely than women to be in senior roles (especially very senior roles at the top of organisations). Women are more likely than men to be in administration roles which tend to fall in the bottom quartile of any organisation. In the pest management industry, men are more likely to occupy the technical and operational roles, which are paid more highly than other roles at similar levels of seniority. Women are also more likely than men to have had breaks from work that have affected their career progression, such as bringing up children. They are also more likely to work part-time, and many of the available jobs across the UK on a part-time basis are relatively low paid. This pattern from the UK economy as a whole is reflected in the make-up of our organisation.

So far, we have taken the following steps to promote gender diversity and pay equity:

- We have developed our employer proposition to encourage women to join and build a long-term career in Pest Control, building female representation in our front-line operational roles, creating a pipeline of women for middle and senior management roles going forward.
- We have revised our flexible working policy for all employees.
- We have reviewed our policy on bonus payments and our employee reward proposition.

These are our initial steps to close the gender pay gap and we expect to make a bigger impact over the next several years, as we continue to monitor and report.

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