In May, we celebrated 125 years of helping and defending members when they need us most. Our continued success is reliant upon colleagues who are performing well and achieving their personal potential. That’s why we invest in developing, retaining, recruiting and rewarding colleagues with the right skills and professionalism.

At MPS, we want everyone to know they are being treated fairly and equally, and are valued for their unique ideas and experience. Our organisation is a place where everyone has the opportunity to progress and develop their career, no matter their gender.

By publishing and monitoring our gender pay gap, we can ensure our recruitment and remuneration policies are robust and that we maintain an inclusive work environment.

Beverley Proctor,
Executive Director of Human Resources
OUR KEY FIGURES FOR 2017

The tables and infographics below represent our overall median and mean gender pay and bonus gap of our UK workforce, as of 5 April 2017.

This is a UK requirement only, and this report does not include our international colleagues.

<table>
<thead>
<tr>
<th></th>
<th>MEDIAN</th>
<th>MEAN</th>
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</thead>
<tbody>
<tr>
<td>Gender pay gap</td>
<td>29.5%</td>
<td>24.5%</td>
</tr>
<tr>
<td>Gender bonus gap</td>
<td>42.7%</td>
<td>38.4%</td>
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Understanding the numbers

- Our duty is to report the gender distribution of our workforce in four equally-sized quartiles, based upon the level of pay – Lower, Lower Middle, Middle Upper, Upper.
- We must also report the median and mean difference in pay and bonuses between men and women across the whole organisation. This is called a gender pay gap report.
- MPS uses a job evaluation system, which comprises five levels from Executives (Lead) to Senior Leaders (Translate), Middle Managers (Guide), Team Leaders / SME's (Implement), and Colleagues (Core).
- MPS has 875 workers in the UK – 36% are male and 64% are female.
- Analysis of our gender pay figures shows we have a higher proportion of total female employees working in Core-level roles versus a higher proportion of our total male employees at Guide, Translate and Lead levels across the organisation. In this way, MPS is similar to many professional services organisations in the UK.
- Bonuses are based on a percentage of salary. This means part-time employees receive a reduced bonus compared to full-time colleagues. 17% of MPS employees work part-time, of which around 83% are female. Part-time female employees tend to be in roles at Core level, whereas part-time males tend to be in roles at Guide Level - and therefore paid on a higher, prorated salary.
- Bonuses are also paid prorated for completed months service in the year. As at 5th April 2017, nearly a quarter of our employees had been with MPS less than 1 year, which means they either did not receive a bonus or received a reduced bonus. 68% of these new starters were female, which impacts our bonus gap figures.
A GENDER PAY GAP IS NOT THE SAME AS PAY INEQUALITY

It is important to stress that a gender pay gap is not the same as pay inequality.

A gender pay gap is a measure of the average differences in pay and bonus (known at MPS as Variable Pay) between male and female employees across the whole of an organisation. Equal pay, on the other hand, is a specific legal concept that requires men and women be paid the same for equivalent work.

We are confident that men and women are paid equally for doing equivalent jobs at MPS.

We do not discriminate on any basis. This includes recruitment, promotion, pay and bonus management:

- All roles at MPS are evaluated and benchmarked against an external benchmarking database. 98.5% of our staff are paid within the established pay ranges set for each role – with no individual paid below the market rate.

- We pay new starters from a competitive position. Those developing their skills, knowledge and experience are paid towards the lower end of the salary range and will progress through the salary range on demonstrating the required level of competence.

- Our Variable Pay Policy and Framework applies equally across genders. Bonus pay for Core-level employees is calculated as a percentage of salary, based on achievement of Team Targets and Behaviours. For employees in levels Implement and above, we also set Individual Targets.
As you would expect from an equal-opportunities employer, we are committed to fairness, equality, and inclusion.

We always select and appoint on merit. This will not change.

But we look to cast our net wider, to attract the greatest number of quality candidates – both male and female.

**WE ARE COMMITTED TO PAY EQUALITY AND PROVIDING OPPORTUNITIES FOR EVERYONE TO MAXIMISE THEIR POTENTIAL**

- We commit to increasing the representation of women in more senior roles by ensuring the short-listed candidates comprise both men and women; at the same time, we will encourage recruitment of more men within our Core level.
- We will continue to develop our family-friendly policies, supporting both men and women equally, and allowing them to build a successful career without compromising on family or personal life.
- Salaries that are paid above the pay scales will continue to be managed in accordance with our pay policy and framework.
- Throughout 2017, we will complete our Talent and Succession Planning workshops, identifying colleagues with high potential, and putting in place development opportunities equally accessible to all.
- We are identifying mentoring and networking opportunities for high-potential female workers.
- We continue to enforce robust application of pay policies and practices to ensure no inequitable outcomes for either gender.
- We will further develop our gender analysis reporting to support the robust moderation process ensuring fairness and equity.