

Gender Pay Gap report

5 April 2019





Introduction

At Drax, we're proud of the role we play in supporting the UK government's aim to tackle climate change and achieve a net zero economy by 2050. Last year, we announced our ambition to be the world's first carbon negative company by 2030.

At Opus Energy, we support businesses that are striving to meet their sustainable business goals by supplying 100% renewable electricity, and natural gas. We're also helping put businesses in control of their energy, by supporting the move to smart meters and tailoring services to individual business needs.

To deliver these value-added services for our customers, we need people from diverse backgrounds working in a supportive and inclusive environment.

We're making some progress towards a more inclusive workplace. However, the fundamental issue of having more men than women in our senior and higher paid roles means our gender pay gap is far too high.

I'm heartened that colleagues are recognising the steps we're taking as 'heading in the right direction.'¹ There's much more to do and we'll be working with Opus Energy colleagues to further develop our action plans.

Will Gardiner
Chief Executive Officer
Drax Group

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

¹ Reference the 2019 My Voice colleague survey where inclusion has increased by 2 percentage points year on year and up 7 percentage points against the Transitional Norm



We know that diverse businesses are more successful and, at Opus Energy, we have a good record of welcoming and supporting diversity. My focus is to make our workplaces more inclusive, supporting a pipeline of diverse talent, right through to our most senior roles.

We have a long way to go. However, I'm pleased that our 2018 plan of action – including unconscious bias training and the critical review of recruitment and potential – has made a positive difference.

Senior leaders across the Drax Customers business, which includes Opus Energy, are committed to improving our diversity and inclusion. We'll be working with our colleague representatives, in our 'My Voice Forum', to put this year's plans into action.

A handwritten signature in black ink that reads "PSL" followed by a stylized flourish.

Paul Sheffield
Managing Director, Customers

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



Our figures at a glance

On the following pages, we 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 2019. We also have a comparison to our 2018 data.

In addition, we show the median and mean bonus pay data for bonuses paid up to 5 April. We also present additional information to explain our pay data and how we're addressing the gender pay gap.

Opus Energy is a B2B energy company supplying renewable electricity and natural gas to over 358,000 premises across the UK, mostly small businesses. Our experienced UK-based customer service teams are based in offices and contact centres in Cardiff, Northampton and Oxford.

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 Drax Power.

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

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

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

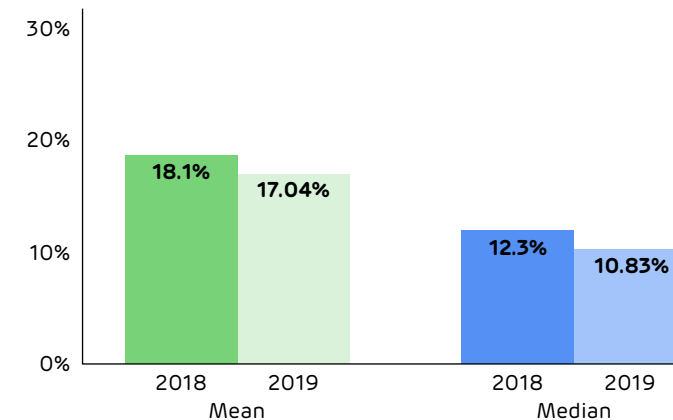


Pay Gap

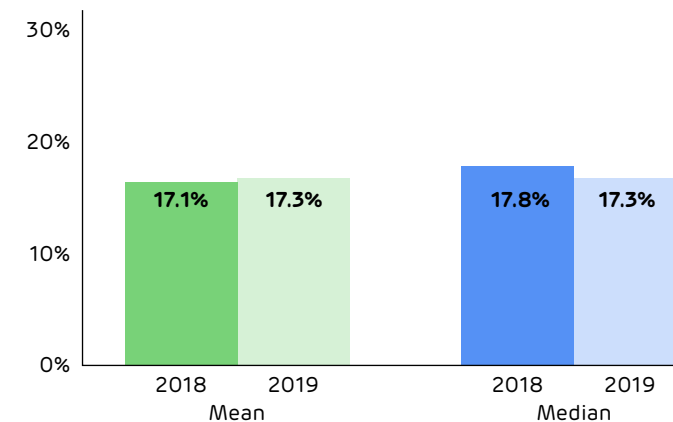
The mean and median pay gap has decreased versus 2018. Around 40% of people working for Opus Energy work in our customer sales and services departments. What's more, we know that contact centres can be a springboard for those at an early stage of their careers. We're proud that we retain more colleagues in our business (22.8%) than is average for contact centres (industry average 26%). This is essential to creating a pipeline of diverse talent at all levels of our business.

While the reduction in mean and median average hourly pay compared to 2018 is a move in the right direction, we have a long way to go. We'll maintain our focus on the actions that are starting to build a more inclusive workplace, where colleagues of all backgrounds feel supported to progress their careers.

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



How does this compare with the national picture?



*ONS Guide to the Annual Survey of Hours and Earnings (ASHE), gender pay gap tables, published October 2019

Industry Average – East Midlands Contact Centre
(Source: Contact Babel 2018/2019)



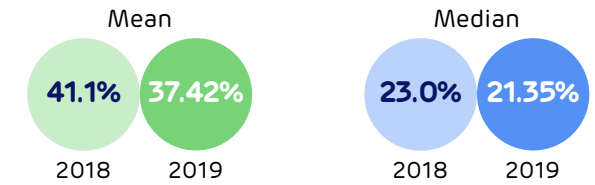
Bonus Gap

There's been a substantial increase in the number of women who received a bonus under the Drax-wide bonus scheme introduced in 2018 and paid in 2019.

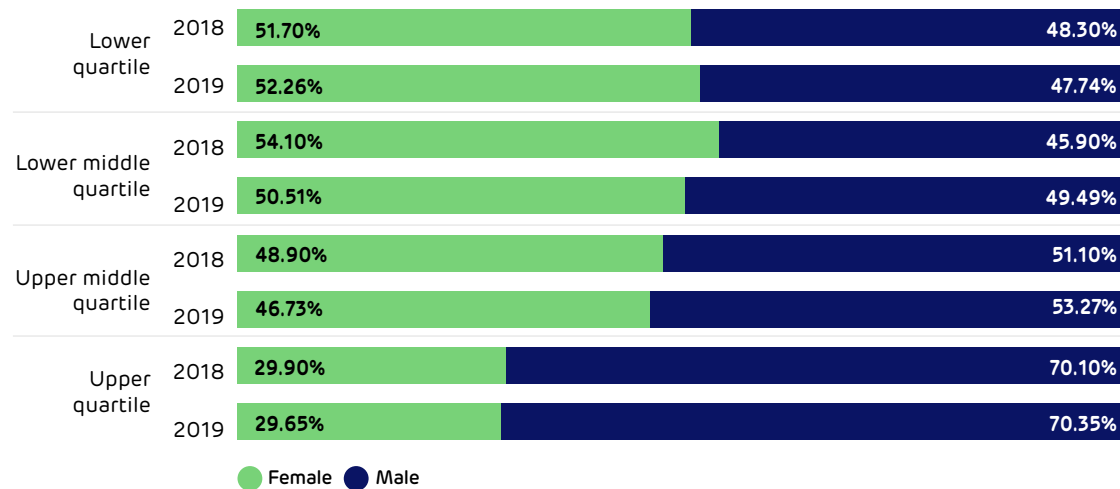
The high mean and media gender bonus pay gap is a result of more men than women in senior and higher paid roles, with correspondingly higher bonus potential. And, while there's been a decrease in the gap versus 2018, it's still far too high.

We'll maintain our focus on the actions that are starting to build a more inclusive workplace. In such an environment, colleagues of all backgrounds feel supported to progress their careers and we have greater diversity at all levels.

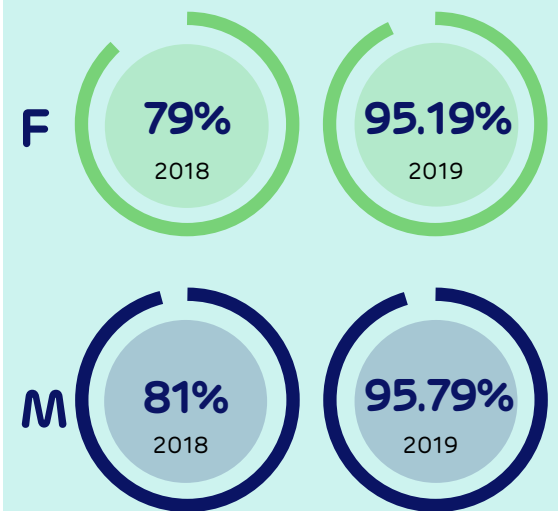
Gender bonus pay gap at Opus Energy



The proportion of women and men in each pay quartile



What proportion of colleagues received bonus pay?





Our progress towards a more diverse future

STEM (science, technology, engineering, mathematics)

As part of our Drax Group education outreach, we are partnered with WISE (women in science and engineering), Engineering UK, Teach First and the British Science Association. Our partnership with Teach First enabled the recruitment, placement and training of eight STEM teachers in 2019, improving the STEM education of 1,000 students.

We support local schools to deliver careers and STEM activities. In 2019, we participated in careers events at four of our local secondary schools. We invested in a Greenpower electric car kit for a local secondary school. Students can design, build and race an electric-powered car kit, encouraging them to study STEM subjects. Opus colleagues volunteered to run application and assessment centres in order to select the schools' Greenpower team

members. In 2020, the teams will design and build their electric car.

In 2019, a team of Opus apprentices won a challenge to build a solar powered shower. The challenge was run by a local college and designed to attract females into STEM subjects and careers.

Profiling women at Drax

We have women at all levels and in a wide variety of roles at Opus Energy. These include positions in our management, sales and services and technical teams, as well as in our core services such as finance, accounting, regulation and compliance.

In 2019, our professional women co-hosted an all-female event at Drax Power Station called 'Women of the Future'. The event promoted the different roles in our company and industry that are available to, and currently filled by, women.



Our progress towards a more diverse future

Promoting diversity internally and externally

We've introduced gender neutral language to our external and internal recruitment processes and are profiling diverse role models through our internal channels.

During 2020, we'll be providing gender ratio guidance for interview lists as we seek to improve the gender and diversity balance for all recruitment.

We'll also set diversity objectives for all managers and include diversity training in our leadership and management development programmes.

Potential and talent pipeline

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