

Murphy's people

Murphy passionately believes in equality of opportunity. We understand that attracting the best people from all backgrounds is vital to the business. We are absolutely committed to playing our part to make sure we have the best people for the job, who are rewarded and recognised in the right way, and have access to roles that enable them to reach their full potential.

Our values are central to how we work, and provide the foundation for everything we do.

Murphy is an equal pay employer, but along with the rest of our sector, we have work to do to address the gender pay gap. Not only is there a lack of females entering and staying in the sector, they are also under-represented at senior levels. That is why we welcome requirements such as the gender pay gap reporting, that give us a clear benchmark about a key retention tool for our employees.

Group People Director, Jonathan Wright, said *“We started work a few years ago taking a holistic approach to addressing diversity at Murphy. As well as executive support, we now have the resource and budget to make real changes, and take positive steps to attract, develop and retain the best people - irrespective of who they are or their background. And through our unique Cultural Development Programme, everyone at Murphy can explore how they live our values every day. By adopting this proactive approach, I really believe we can succeed and deliver our ambitious growth strategy while investing in our people.”*

The new reporting regulations require employers with 250 or more employees to share data about their gender pay and bonus gaps. As an equal opportunities employer with an active program to attract the best from all walks of life, we are committed to complying with these requirements.

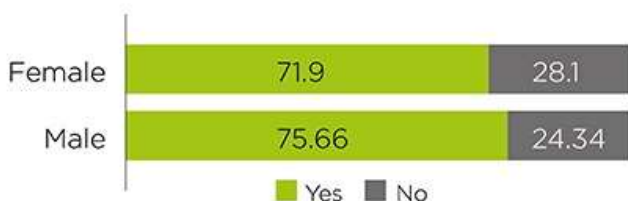
Gender pay gap

Gender pay looks at averages based on the whole employee population, and doesn't take into account different roles, levels or locations. Equal pay covers employees carrying out the same role. Murphy has a pay and grading structure, to which all roles in the business are aligned. This ensures that jobs are evaluated based on a consistent set of criteria, and employees receive the appropriate pay and benefits for their role. The mean (average) gender pay gap across all employees at Murphy is 26%.

Gender Difference	Mean	Median
Gender pay gap	26.11%	23.80%
Gender bonus gap	41.02%	25.6%

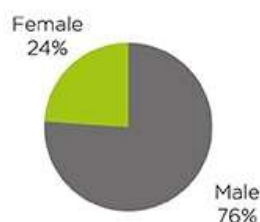
Gender pay gap is calculated as the difference between the average pay of all men and the average pay of all women working at Murphy and expressing that difference as a percentage. At Murphy, across all employees, that percentage difference is 26%.

Proportion of employees receiving a bonus

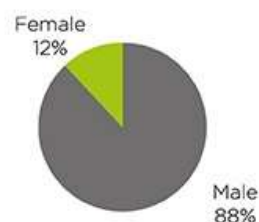


**Bonus payments are made based on performance and productivity for individuals in eligible roles*

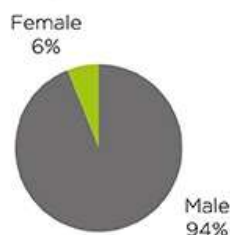
Lower quartile



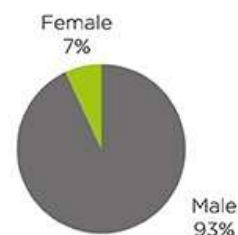
Lower middle quartile



Upper middle quartile



Upper quartile



Diversity

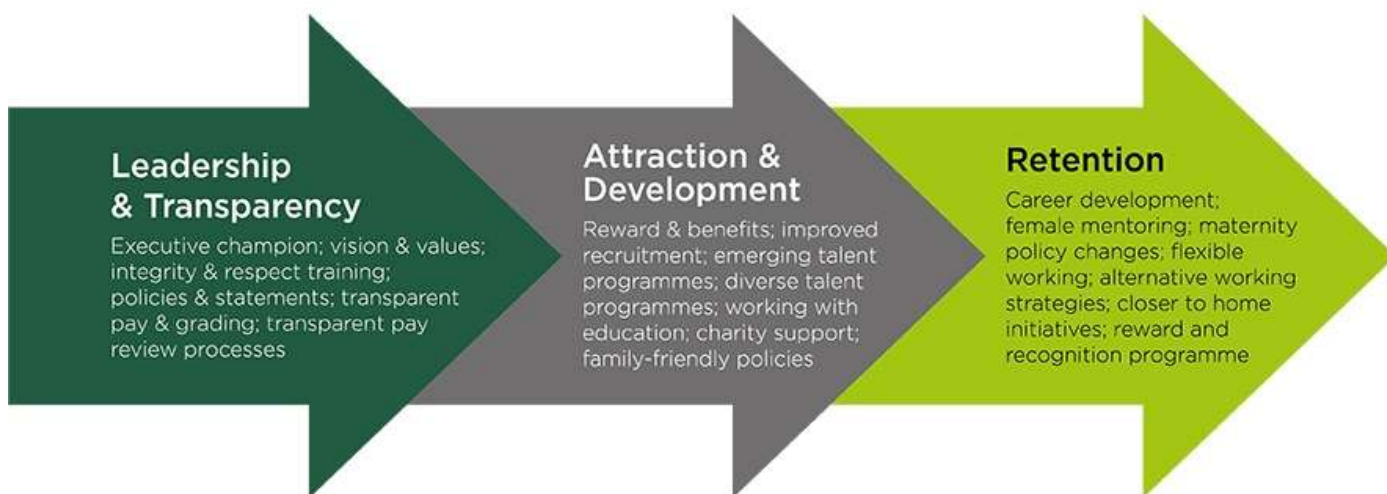
Murphy values diversity and is committed to hiring the right candidate for the right job, and to recognise and reward the best to drive high performance, irrespective of personal characteristics. The construction industry remains highly male dominated and this is reflected in Murphy so that, on the 5th April 2017, just 12.3% of the relevant employees were female. We are working hard to proactively improve and promote our employee value proposition, and making Murphy an even more attractive place to work and develop careers. This includes everything from improved terms, conditions and working environments; constantly developing our approach to fairness, inclusion & respect (FIR) through our FIR Group and its ambassadors; offering a range of support to encourage employee well-being, such as joining the charity 'Mates in Mind' to raise awareness and address the stigma of poor mental health and improve positive mental wellbeing for UK construction; and actively supporting new employee networks, such as our recently launched Murphy Pride and Murphy Women groups.

Way forward

We recognise that we have work to do to reduce the gender pay gap, but we are actively making positive progress to make Murphy an even greater place to work, and implement a strategic, sustainable and long-term approach to the attraction, retention and promotion of women in our workforce.

We have analysed the contributing factors, such as initial attraction to the industry and gender stereotyping, skills shortages, returning to work following career breaks and work-life balance.

We are now addressing the challenge through three key areas, aligned to the overall development of our People agenda – Leadership & Transparency; Attraction & Development; and Retention.



Declaration

I confirm that the data provided is accurate in line with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Jonathan Wright
Group People Director