

ESH CONSTRUCTION LIMITED GENDER PAY GAP 2017

Esh Construction Limited (ECL) operates within the construction sector, predominantly within civil engineering, building solutions, property services and facilities management.

This Gender Pay Gap Report is based on data as at 5th April 2017. At this date, we employed 696 people with 631 [91%] being male and 65 being female [9%].

Gender Pay Gap legislation requires employers with 250 or more employees to publish statutory calculations every year showing the difference between the average earnings of men and women within our business.

Gender pay gap is different to equal pay. The gender pay gap shows the difference in average pay between men and women. Equal pay

requires that men and women who carry out the same or similar jobs; or work of equal value, are paid the same.

In Esh, we review pay to ensure that there is consistency between roles and employees within roles; in this regard, we believe we are an equal and fair employer.

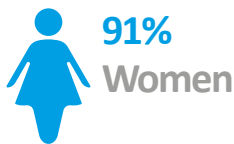
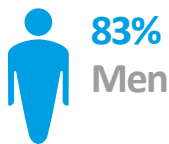
Our Gender Pay Gap is not because women earn less than men in similar roles, but that regrettably, in common with the broader construction sector, we have a higher number of men in senior positions in the business.

Our mean gender pay gap* is 22.3%

Our median gender pay gap* is 17.0%

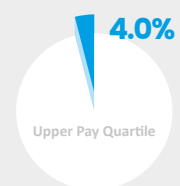
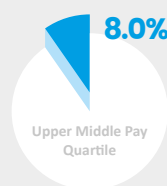
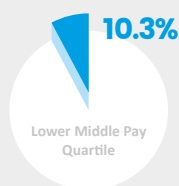
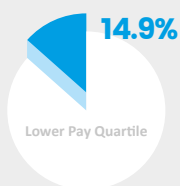
Proportion of employees awarded bonus:

Women's bonus pay is 69% lower [mean] and 71% lower [median]



The blend of base salary and bonus varies depending upon the nature of the role. Site based operatives and management levels tend to have a higher weighting towards bonus in order to drive business performance. We are currently reviewing our bonus structure.

Proportion of women in each pay quartile



The lower quartile includes office based, administrative roles, where over 40% of employees are women, it also includes site based operative roles that are predominantly male.

The second and third quartile include technical and professional construction roles such as engineering, site management, project management and commercial. We are seeing some growth in the number of women attracted to commercial roles but not in engineering or site management.

The fourth quartile includes construction and commercial directors along with departmental directors, the majority of roles are operational heads, we are not seeing women in these positions. With a low number of women in quartiles 2 and 3, the talent pool is low.

We need to attract more women into engineering and operational roles, continue to attract women to commercial roles building a more balanced and diverse talent pool.

Our Challenge

The construction sector traditionally attracts significantly fewer women than men, and this is more notable in the subsectors of the construction industry in which we operate, where 90% of our employees are male. Broadly, not enough men and women are studying science, technology, engineering and maths (STEM) which pave the way for a wide range of careers in the construction industry. This has led to a shortfall in available talent which is exacerbated by the low number of women choosing to study STEM subjects.

Information from The Royal Academy of Engineering for 16-year olds* shows that:

- 90% stop progressing in science and mathematics,
- 38% consider an engineering career to be desirable but attracting

students towards STEM subjects is the challenge. Of the students studying engineering and technology only 15.8% are female.

Within Esh, we are seeking to do our bit through our school engagement programmes and will be focusing on growing the STEM element. The salary and career opportunities in construction are significant and if a young person were to select a career based upon the supply and demand of human resource, they would see a career in construction to be an attractive option. As a company, we are engaging with schools and are working hard to encourage students to continue with STEM, and we are seeking to attract more women into our industry and in turn to our business.

Through our Business In The Community national award-winning school's programmes, Building My Skills and STEM, Esh continue to engage with schools encouraging females to continue their

STEM subjects, highlighting career prospects and construction opportunities at every stage.



79
SCHOOLS



9,891
STUDENTS - 49% FEMALE



1649
MOCK INTERVIEWS



52,000+
LEARNER HOURS

The challenges of making STEM attractive to students and adults and increasing the number of females is not something that anyone can claim will be fixed overnight. Our ambition and actions with schools are to improve this, but we have to recognise that addressing the gender pay gap is not a quick fix, it will require concerted effort by us and our colleagues across the industry, such that over time more women are

being attracted to the construction sector and in turn to Esh. As this starts to happen we can and will recruit and retain the talent we need in our business.

We have established our own training academy at an investment of over £1.2m, which includes a range of partnerships with local educational providers to drive the STEM agenda.

Closing the Gap

We aim to attract, retain and progress more women into senior roles and are committed to closing this gap. To achieve this we will ensure the following actions are undertaken during 2018:

- Encourage our recruitment partners to shortlist a balanced and diverse set of candidates for every vacancy
- Advertise jobs as flexible, part-time or job share unless there is a strong business case not to
- Deliver unconscious bias training for hiring managers and senior managers
- Continue to review pay and reward structures
- Review working environment and conditions of employment to help grow the talent pool
- Ensure talented people have every opportunity to succeed and progress their careers
- Promote our existing family-friendly policies such as flexible working, job share more loudly
- Support women to progress to more senior positions
- Focus on retaining our maternity and paternity returners
- Collaborate and actively promote Women in Construction



FRANCESCA MADDEN (LEFT)

Co-Chair - Women In Construction North East & Yorkshire

SARAH DODDS (RIGHT)

Vice-Chair - Women In Construction North East & Yorkshire

* Mean Gender Pay Gap - Aggregate of all pay divided by number of employees

* Median Gender Pay Gap - Pay of middle employee where all employees are ranked in pay order

* Women in Engineering - www.wes.org.uk - Jan 2016 V3