

Gender Pay Gap

REPORT 2019

Esh Construction Limited

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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 2018. At this date, we employed 680 people with 612 (90%) being male and 68 being female (10%). The number of women has increased by 1%.

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.

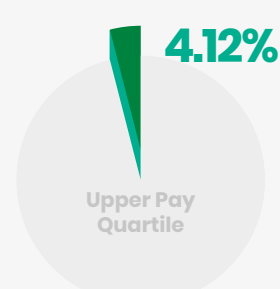
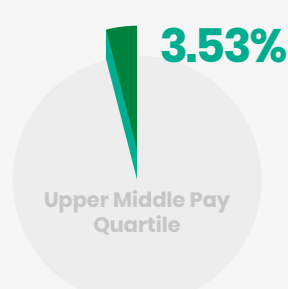
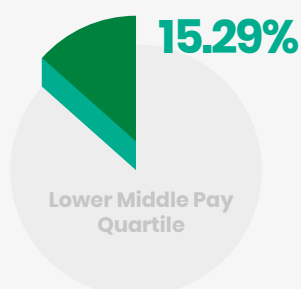
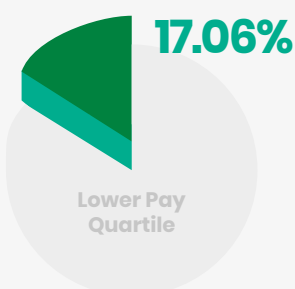
In ECL, we review pay to ensure that there is consistency between roles and employees within roles; in this regard, we believe we are an equal and fair employer. Our Gender Pay Gap is not because women earn less than men in similar roles, but that regrettably, in common with the broader construction sector, we have a higher number of men in senior positions in the business.

Our mean gender pay gap* is **23.41%**

Our median gender pay gap* is **24.53%**

We have seen a reduction of women in senior roles.

Pay Quartiles:



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 number of women in lower quartiles increased during 2018.

The second and third quartile include technical and professional construction roles such as engineering, site management, project management and commercial. The number of women attracted to commercial roles

has grown but not in engineering or site management. During 2018 a number of women progressed in commercial roles, however they secured promotion with other construction companies, thereby decreasing the number of women in the upper middle quartile.

The fourth quartile includes construction and commercial directors along with departmental directors, the majority of roles are operational heads, we are not seeing an increase in women in these positions.

Proportion of employees awarded bonus:



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 to drive business performance.

Women's bonus pay is 87% lower [mean] and 100% lower [median]

* 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

Our Challenge

The construction sector traditionally attracts significantly fewer women than men, and this is more notable in the subsectors in which Esh Construction Limited (ECL) operates, where 90% of our employees are male.

Broadly, not enough women choose to study science, technology, engineering and maths (STEM) subjects which pave the way for a wide range of careers in the construction industry. In addition, some old perceptions

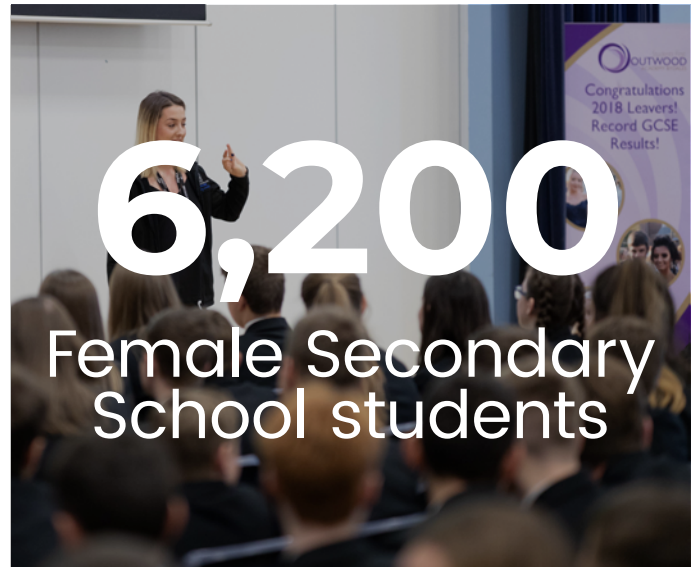
remain hard to shift. A recent report* by the Construction Industry Training Board (CITB) found young people still see the industry as being “low qualified, mundane and unglamorous, and focused on outdoor work, suitable only for those who are physically strong.”

There is still a huge amount of work to be done by the sector to counterbalance some of the outdated misconceptions of our industry.

*CITB Snapshot Report, Changing Perceptions, Growing the appeal of a career in construction. 2017.

Engaging Women in Construction through Education

We are committed to attracting more women into built environment, engineering, operational and general construction roles through school engagement. So great is our commitment, during 2018, we engaged 100 times more women than we employed.



Get Into STEM Programme

We are passionate about developing the workforce of the future and recognise the importance of inspiring the next generation by introducing them to STEM (Science, Technology, Engineering and Mathematics) careers early in the education process. With an impending skill gap, we looked at ways to bring the construction site into the classroom setting.

Get into STEM (GIS) is a Primary School project which engages Early Years and Key Stage 1 students in construction, through an interactive workshop and a construction-themed resource kit.

Building My Skills Programme

ECL setup and manage Building My Skills, partnering with schools for an academic year, engaging an entire year group who receive 5 x 1-hour employability guidance sessions.

Each session is delivered by a colleague who provides an insight to their sector and career path, local labour market information, share transferable employability skills and provide support with the completion of the student's employability portfolio.

Building My Skills (2015) and Get into STEM (2017) both won Business in the Community's National Education Partnership Award and Get into STEM won the National STEM Inspiration Awards in 2018.

ECL was 1 of 2 UK based construction companies to have been awarded the Queen's Award for Enterprise for Social Mobility & Promoting Opportunity (2018) and remains committed to playing its part in creating a more balanced and diverse talent pool for the construction industry.

Apprenticeships

To grow the female talent pool and provide progression opportunities, ECL have a dedicated recruitment and training team to ensure women have access to appropriate roles and qualifications such as Leadership and Management and Technical and Professional disciplines e.g. Quantity Surveying and Civil Engineering.



Our continued commitment to closing the gap

In 2019 and beyond, Esh Construction Limited will take the following actions to improve its gender pay gap:

1. Continue to promote STEM careers and raise awareness of careers in the construction sector;
2. Launch a third education programme specifically to change the perception of the construction industry;
3. Target a 50/50 gender split on graduate recruitment;
4. Encourage recruitment partners to have gender balanced shortlists for internal and external roles;
5. Deliver unconscious bias training for hiring managers and senior managers;
6. Continue to promote family-friendly policies;
7. Ensure talented people have every opportunity to succeed and progress their careers, this includes supporting women to progress to more senior positions;
8. Continue to review pay and reward structures, including bonus structure;
9. Continue ECL staff representation at board level of Women in Social Housing (North East) and National Association of Women in Construction, Civil Engineering Contractors Association Training Group.