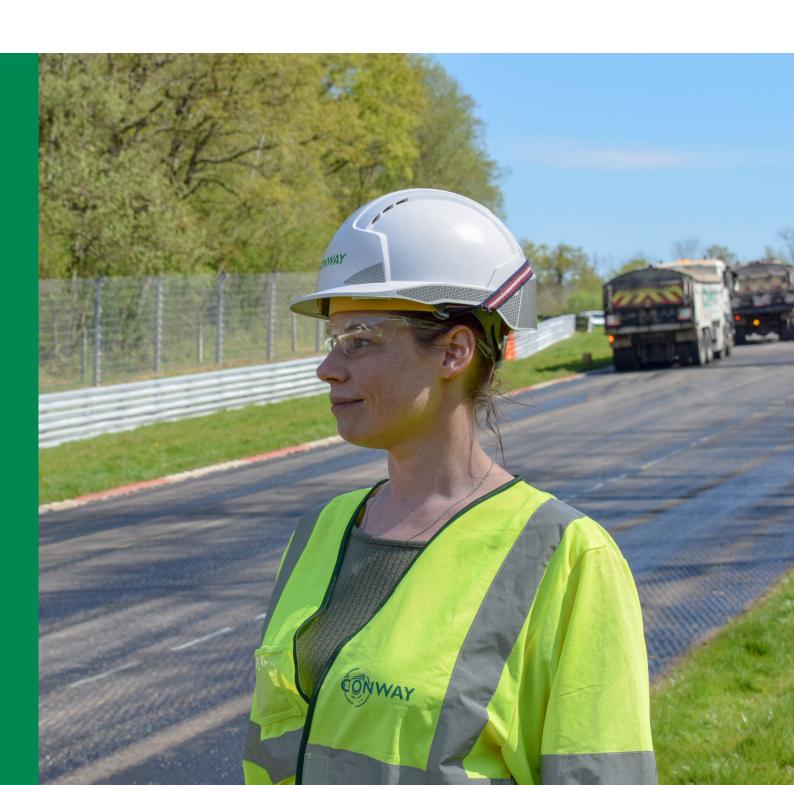


2021

GENDER PAY GAP REPORT





INTRODUCTION

At FM Conway, we are committed to creating a diverse and inclusive culture that allows everyone to do their best and be their best irrespective of their gender.

<u>All Great People</u>, is our approach to ensuring that Equality, Diversity and Inclusion (EDI) is at the very core of our business, and represents the mutual trust, respect and understanding we strive for in our organisation.

We continue to make positive steps towards levelling the gender pay gap, but recognise that this is an industry challenge where there are fewer females in the sector as a whole which requires further commitment and time.

We are committed to creating a more diverse business and believe that openness and transparency are key in achieving our ambitions. It is only by analysing our data and reviewing our working practices that we can identify challenges and implement programmes and plans to ensure we are a more diverse and inclusive place to work moving forward.

Women now account for 13.5% of our workforce, an increase of 1.37% from 2020's figures, primarily due to the rise of women in managerial positions - with 19.6% of these positions now occupied by women (compared to 14.7% in 2020).

Looking ahead, I am confident that we have the right plans in place to make a positive change in our pay gap and to continue supporting and nurturing our diverse and inclusive culture.

I, Joanne Conway, confirm that the gender pay gap data contained in this report for FM Conway is accurate and has been produced in accordance with the guidance on 'Managing Gender Pay Reporting' developed by the Advisory, Conciliation and Arbitration Service (ACAS).



OUR RESULTS

Our mean (average) gender pay gap is **16.9%** for 2021 compared with **17.2%** for 2020 (median pay gap is **25%** compared to **22.3%** for 2020) which means that on average (across all levels of the business and all roles) a woman's hourly rate is **15.9%** lower than a man's.

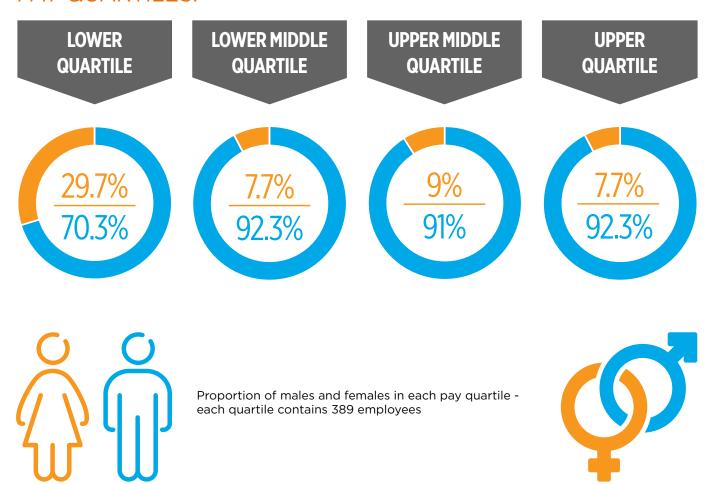
Our mean bonus pay gap is **-45.2%** for 2021 compared to **69.5%** for 2020 (median bonus pay gap is **37.1%** compared to **76.4%** for 2020) which means that on average (across all levels of the business and all roles) a woman's bonus is **61.6%** higher than a man's.

GENDER PAY & BONUS PAY:

Difference Between Males and Females	Mean (average)	Median (middle)
Gender Pay Gap ^{01*}	16.9%	25%
Gender Bonus Pay Gap ^{02*}	-45.2%	37.1%

01* As of 5th April 2021 | 02* in 12 months proceeding 5th April 2021

PAY QUARTILES:01*



PROPORTION OF EMPLOYEES RECEIVING BONUS:02*



UNDERSTANDING THE GAP

The terms gender pay gap and equal pay mean different things and we are confident that men and women in our business receive the same pay for doing work of equal value. The gender pay gap refers to the difference between a male and female's average hourly pay when looking across the entire workforce, with our gender pay gap existing due to an uneven distribution of women and men across our business.

Our gender pay gap is strongly influenced by the gender and salaries of our operational community which make up over **70%** of our total workforce. Despite a small reduction this year, **97%** (down by **0.5%** from 2020) of our operational workers are male and by the nature of these jobs, receive shift pay which results in a widening gender pay gap.

However, we have a greater proportion of women in our overall workforce (an increase of **1.4%**) and a larger number of women in our two upper pay quartiles this year; which has resulted in a reduction in our mean gender pay gap. Proportionally more women were promoted or moved roles internally than men in the 12 months preceding the analysis.

Following investment into the recruitment and development of younger people (**51.9%** of new starters included in the 2021 gender pay gap calculations that joined our support teams, were aged between 20-24 years), the growth in the 20-24 age pool has meant that our median gender pay gap has increased. It was also impacted by the successful implementation of the Kickstart Scheme where two thirds of our Kickstart employees were females joining the business on national minimum wage and therefore affecting the gap.

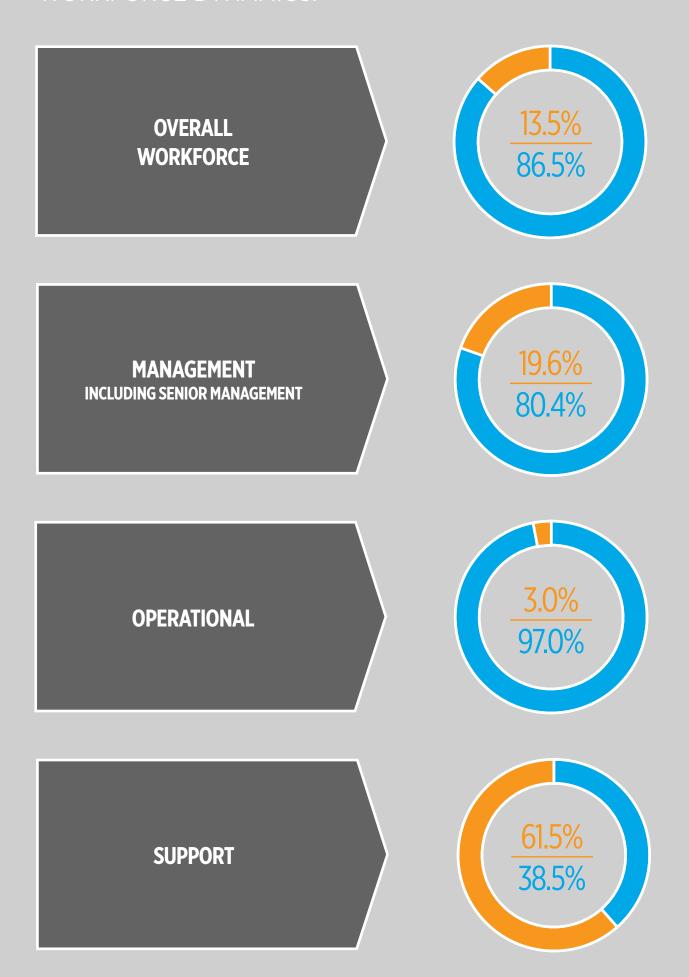
The largest shift has been seen within Managerial (including Senior Management) positions resulting in a **4.9%** rise in the proportion of females in managerial roles, with **19.6%** of these positions now occupied by women (compared to **14.7%** in 2020).

We also introduced a new bonus scheme which resulted in **25.2%** of our females receiving a bonus in 2021 compared to **7.1%** in 2020. With our bonuses primarily only paid to senior members of staff and operational staff, it does mean that the mean gender bonus pay gap has been significantly skewed because the sum of the bonuses paid out are spread across a very small population of women. Male bonuses are spread more evenly throughout the workforce so the proportion of men receiving a bonus is still higher than females. The data also includes referral bonus payments (where an employee can refer a family member or friend) which tend to be primarily paid to men as a direct result of our business being primarily male.

Our median gender bonus pay gap has decreased from **76.4%** in 2020 to **37.1%** in 2021. This has occurred because we have proportionally seen more moves into new roles and grade alignments amongst women than men, as noted above, resulting in more women now being eligible for bonuses. Additionally, 2020-2021 was the first full year of the new bonus structure.



WORKFORCE DYNAMICS



EXPLAINING THE GAP

Whist we can demonstrate our commitment to equal pay for work of equal value, we do however have a gender pay gap. This gap is reflective of our industry where there are fewer females in the sector as a whole and fewer women in senior positions.

Despite our aspirations and commitment to obtaining a diverse business with more women across all our operations, we believe in being open and transparent even if it reveals challenges within our workforce and highlights that we are not where we would like to be. Only by analysing our data and reviewing our working practices can we identify our challenges and implement programmes and plans to ensure we are a more diverse and inclusive place to work moving forward. However, we do recognise that our challenges are industry-wide and not FM Conway specific, so making significant improvements will take time and a concerted effort from our partners and competitors.

The 12 months preceding April 2021 proved to be a difficult and unsettling period and, in line with other responsible employers, our priorities changed. We had a duty of care to protect the immediate and long-term future of our business, our people and their families. In order to safeguard our employees longterm, we made the difficult decision to reduce our subcontractor workforce by almost half and institute an immediate recruitment freeze. This had a significant impact on some of our recruitment initiatives and talent development strategies that we had planned for the year. Ongoing periods of lockdown also prevented many of the school visits, careers days and female work experience and placement events that we have historically organised in order to encourage young women into our industry.

However, we are hoping that over the long term, the changes in our practices due to COVID-19 will help drive further improvement in our ability to attract and retain a wider diversity of talented people to our business. Our shift to flexible working in many of our divisions will allow more individuals with caring responsibilities to join our business and we have learnt a great deal about inclusion from the new work patterns and styles we have embraced during the lockdowns.





CLOSING THE GAP

Despite the many restrictions that the COVID-19 pandemic caused and the impact or some of our planned initiatives, we swiftly adapted to mobilise new programmes and projects such as:

Kickstart Initiative

When the Kickstart Scheme was announced, FM Conway was keen to support long-term unemployed people into the workforce and in January 2021 recruited the first Kickstart placements. As of March 2022, we have placed 30 in total, **57%** of them female. Almost half of these women were so successful in their placements that they were taken on permanently, with many on long-term Apprentice programmes.

Enhanced Family-Friendly Policies

As a business, we are keen to retain the women we have and support them during life events such as the birth or adoption of a baby and then encourage them back to work where possible. In March 2021 we implemented an enhanced maternity package which sees females earning 28 weeks full pay split between maternity pay and a back to work bonus, making us an industry leader in this area. Since implementing the new scheme, all women that have been on maternity leave have returned to the business (many in a flexible capacity, please see overleaf).

Female Forums

Following the launch of our EDI strategy 'All Great People' in 2020, FM Conway has established employee forums for LGBTQI+, BAME, people with disabilities and women. The female forum meets once per quarter with an aim to discuss the recruitment, retention and promotion of females. There are currently over 40 employees in the female forum comprising of both women and men across all levels of seniority and a number of ideas and initiatives have been borne out of these sessions with an overwhelming number of female participants offering to go and take part in careers fairs and school visits.

Welfare Facility Audit

As part of our female forums, one session aimed to focus on 'The Barriers of women joining the construction industry'. It was widely recognised that for our employees out on site, welfare facilities are often lacking in both presence and hygiene levels. Our Property team subsequently completed a full audit of our welfare facilities throughout the business to ensure they were at a suitable standard for both our male and female colleagues.

Flexible Working

COVID-19 enabled our historically very traditional business to modernise overnight. Our IT division mobilised quickly and our entire office-based workforce were working from home within the week. Our new flexible working arrangements are due to continue and are allowing us to advertise many of our vacancies as part-time, job shares and flexible, making them more appealing to a wider audience and allowing us a wider geographical reach into areas with a low social mobility.

Diversity Reporting

As part of our commitment to monitor and improve our diversity across the business, we embarked on a company-wide programme to collect information on personal characteristics – including gender, disability, sexual orientation and race – by giving us greater accuracy in our diversity reporting it allows us to spot trends in terms of promotions, internal moves and resignations. Collection of the data was supported by an EDI training programme highlighting the importance of diversity within the workforce and the difference between equality and equity. The manager's version also included how to recognise bias in oneself and others, how to recognise inappropriate advocacy or unreasoned judgement; with an aim to eradicate potential bias from our recruitment and promotion processes.

Great Leaders Programme

We have been busy designing our new Great Leaders talent development programme which is due to commence in July 2021 and will focus on three levels of leadership: Step into Leadership, Middle Managers, and Directors & Aspiring Directors. This programme aims to support our leaders of the future and give them the tools and support they need to progress them through the business. We will ensure this inclusive programme offers equal opportunities to both women and men within our business.

I have been able to develop my understanding of the construction industry and I was fortunate to play a small role in two asphalt plant openings including Aldershot and Newhaven.







MARIA GORE

Maria joined our Water and Drainage Management division as an Administrative Assistant in January 2021 as part of our first Kickstart cohort. During her onboarding she attended a two-week induction in which she was a very active participant and delivered a captivating presentation.

With the right support around her, Maria's confidence grew and her development and growth was fast. She quickly took on a number of new tasks including delivering instructions and training talks to her team. Maria was always keen to tackle a problem herself, however her mature approach ensured that she asked for help when needed.

Maria took an immediate interest in the construction industry and has handled the new environment well, taking on all aspects of the business, learning about the fleet, the equipment, how plant works and the products that we make. She is eager to learn and always participates in discussion, particularly in the internally-run Kickstarter workshops where she is always forthcoming about sharing her own experiences in order to help others.

Maria attended an all girls school where career advice about the construction sector was lacking and certainly not encouraged. Following this she is keen to become an advocate for girls choosing construction as a first-choice career and has joined the female forum in order to support the recruitment, promotion and retention of women. In particular it may be deemed as quite daunting to join an all-male team as a young female coming into the construction industry, however this has not phased her in making her mark and she wants to build on this further by being an example for combatting this stigma.

Her Kickstart programme has been so successful that following the six-month placement she will be offered a full-time apprenticeship studying for a chartered business management degree at London South Bank University.

Maria says "I never considered working in construction before, having come from an all-girls school where they did not showcase such industries. However, since falling into my job here at FM Conway I have learnt so much and have enjoyed every task that I have been faced with. I hope to help make a change and educate other young women on working within the construction industry and the opportunities available to them. FM Conway has been nothing like how I expected, in the best way possible.

I have been overwhelmed with how supportive the network that I have around me is. My manager has been the best role model and mentor. He is always willing to go out of his way to help me and teach me new things. Most importantly he has treated me the same as he would anyone and he has given me equal learning opportunities as everybody else. Furthermore, I have a big network of supportive people around me, anybody whom I go to within the business is always happy to help me and I never feel scared to query anything because of this. Overall, I cannot fault the support, guidance and learning that I have received so far at FM Conway."



WATER & DRAINAGE MANAGEMENT FEMALE TEAMS

March 2021 saw Jaime and Aliyah, our first all-female (mother and daughter) Water and Drainage Management team hit the streets of Kent cleansing gullies, jetting lines, cleaning pits, unblocking gullies and generally keeping the county flood free. Our flexible shift patterns have allowed the ladies to work nights which supports their passion for horse riding and taking care of their horses during the day.

They enjoy their work so much that the team then referred their close friends (also a mother and daughter team) to join FM Conway working a day shift. Not only are the ladies encouraging women into a typically male-orientated division, but they also benefited from our referral bonus scheme.

Despite some reservations about putting a mother and daughter together, Jaime and Aliyah and Bunny and Morgan have proved that they are a natural fit and work well together. Their close relationship has allowed Jamie and Aliyah to move from driving one of the smaller gully trucks to driving the super combis. They know each other's strengths and how to get the best from each other.

The passion for recruiting and encouraging woman into the cleansing sector is driven by Abbie, one of our female Contract Managers and supported by Anita, our Senior Contracts Manager and Jade and Emma, their Coordinators. All are strong advocates for women in their industry and all attend the female forums to feedback on reasons why their model has been such a success and how they have supported their women in roles that have traditionally been done by men.

The teams have been on a number of training courses since joining including confined spaces, water jetting, working at height, first aid at work, signing, lighting and guarding which has allowed them to widen the scope of work that they can embark on. While Jaime and Bunny are both qualified HGV drivers, Aliyah and Morgan are keen to follow in their mums' footsteps and the business will be investing in putting them through their Class 2 driver qualifications.

The success of these female teams is a direct result of the business recruiting and investing in our female talent.

Morgan said "We would have never considered a career in construction, but I now love it. I previously worked in a warehouse where I would stand in the same place, and it was boring. This job is now something I love doing, each day is different; you are constantly on the move at different locations."







2021

GENDER PAY GAP REPORT



CARE

As a family business we act with care and compassion



EXCELLENCE

Great people delivering great work, always



INTEGRITY

A business committed to doing the right thing



INNOVATION

Our passion is to always find a better way