



Gender Pay Report

VolkerHighways

March 2018

What is Gender Pay Reporting?

Gender pay reporting legislation was introduced in 2017. It requires employers with 250 or more employees to publish statutory calculations every year showing how large the pay gap is between their male and female employees.

The format of what and how it is reported is determined by legislation and it effectively takes into account all pay and benefits received by employees during the twelve-month period leading up to 5 April.

Under UK law, the results of the report must be published on the Government Website by April of the following year. Therefore, the reports that have been published in March 2018 show the results of the analysis conducted for the twelve months leading up to **5 April 2017**.

Difference between the Gender Pay Gap and Equal Pay

It is clear from discussions within the industry, reports in the media that there is some confusion as to what Gender Pay Reporting, legislation is actually reporting on.

In order to understand the report it is important that we firstly understand what Gender Pay Reporting is, so, to clarify this:

DOES:

Measure the **difference in the average pay between all men and women** irrespective of the job they do

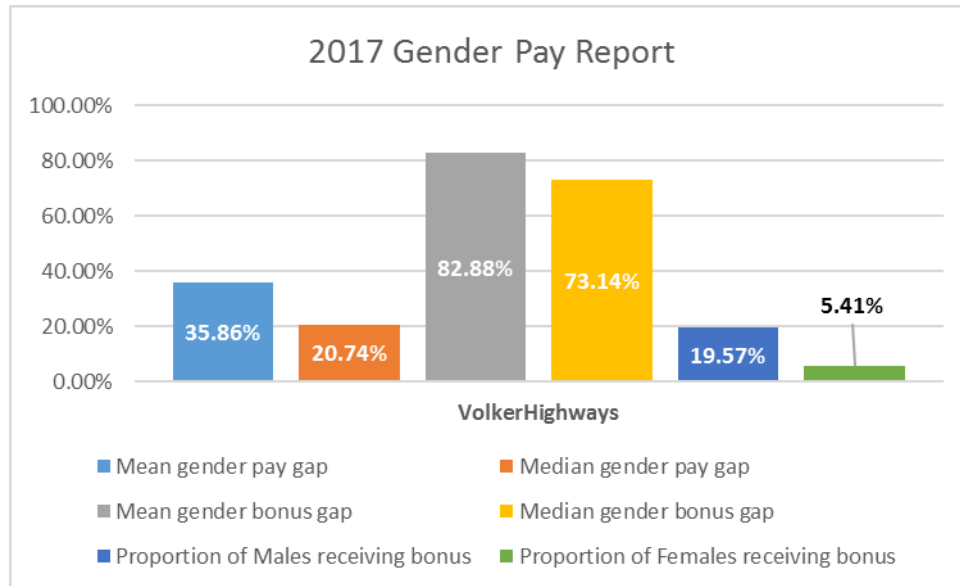
DOES NOT:

Measure the **differences between men and women who carry out the same jobs, similar jobs or work of equal value**

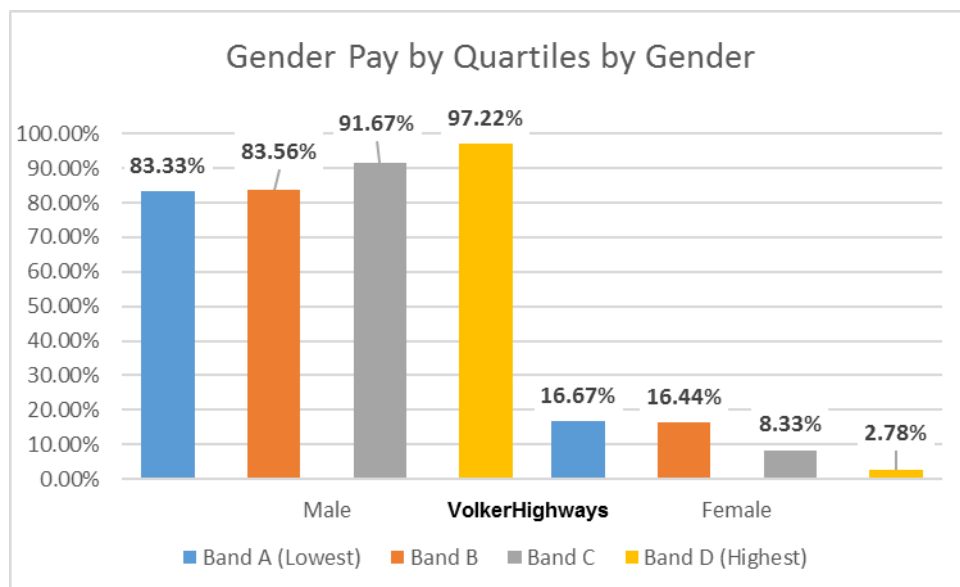
This is covered in Equal Pay Legislation

Gender Pay Report

The following is VolkerHighways Ltd gender pay report for the twelve month period ending 5 April 2017.



Pay by Quartiles by Gender - This shows our workforce divided into four equal-sized groups based on pay, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile).



The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Understanding the Gender Pay Gap

Overall VolkerHighway's Gender Pay Gap is 35.86%.

The construction industry has historically been male dominated particularly within the Operational and Project Management disciplines.

Currently within our business only 14% of our employees are female and our analysis shows that this proportion is even less in the senior positions. This historic under representation of females in higher paid jobs is the main reason for our gender pay gap

In order for there to be no gender pay gap within our business or any other business there would need to be an equal number of men and women who receive the same pay and benefits.

What are we doing to address our gender pay gap?

Whilst we understand that our gender pay gap is comparable with that of other businesses in our sector we are committed to reducing the gap. We also recognise that our ability to address this imbalance is reliant on being able to attract equal numbers of men and women to apply for the jobs in our business. Another factor is that we have limited influence over the subjects individuals choose to study as part of their education or the career choices they chose to make.

We have, however taken steps to promote gender diversity in all areas of our business by working with schools, colleges, universities and local communities, and reviewing our HR policies where appropriate. We are committed to developing on these initiatives during 2018. In addition, we will play an active part in a number of VWUK initiatives, which will contribute to reducing the Gender Pay Gap; these include:

- Introducing Equality, Diversity and Inclusion (EDI) initiatives across VolkerWessels UK with the appointment of a new Head of EDI.
- We are also committed to achieving Investors in Diversity Accreditation and are active members, supporters and / or ambassadors for the following industry wide initiatives:
 - Inclusive Culture 2018 Pledge – EW Group
 - Wise Member
 - 'the 5% club' investing in a generation
 - FIR (Fairness, Inclusion and Respect) 'Better for Everyone' commitment
 - Construction News "Inspire Me" campaign
- We have improved our pay arrangements for employees taking Maternity, Paternity and Shared Parental Leave

None of these initiatives will, in itself, remove our gender pay gap and unfortunately it may be several years before we see a significant improvement.

In the meantime, we remain committed to reporting on an annual basis on what we are doing to reduce the gender pay gap and the progress we are making.

Please look at our news feed on our websites for future initiatives.

Alistair Thompson
Managing Director