

Gender Pay Report for snapshot date 05 April 2020 (Reported April 2021)

Our Vision and Mission

Carey's purpose is "to be the most trusted and socially responsible construction company, that people are proud to work with".

The strategy is underpinned by three strategic goals which are designed to ensure that achievement of short-term financial performance is appropriately balanced with maintaining the Group's culture and longer-term sustainability. These strategic goals are captured under three headings: "Great Place to Work"; "Operational Excellence" and "Partner of Choice".

For our 2021 reporting period, we also have a renewed focus across the business on Diversity & Inclusion and Engagement, for which we have developed independent strategies.

We continue to be considerate of gender pay equality as part of this vision.

What is the Gender Pay Gap?

The gender pay gap shows the percentage difference between average hourly earnings for men and women, regardless of their job role.

As an employer of more than 250 employees, PJ Carey (Contractors) Ltd is required by UK legislation, to disclose information on our gender pay gap. Although the Carey Group employed approx. 1500 employees in April 2020, there are no other divisions of the Group with 250 or more employees and therefore, we only report gender pay gap calculations for PJ Carey (Contractors) Ltd. The figures are calculated using a specific reference date (the "snapshot date"); this is the 5 April each year.

On 5 April 2020, PJ Carey (Contractors) Ltd had a total employee headcount of 1064. Of these, only 198 were considered as 'full pay relevant employees' and have been included in our calculations (155 males and 43 females).

Reviewing the data

Our calculations for 2020 have been severely impacted by measures taken by the business to protect against the financial impact of COVID-19. Our business was in hiatus with the majority of our employees on furlough on the snapshot date, and they have therefore been excluded, and many of those remaining at work were asked to take a voluntary temporary reduction to their pay.

The result has been an imprecise representation of our pay gap, which therefore led to us taking the decision to produce our own calculations, based on a projection of employee pay had the COVID-19 measures (furlough, pay reductions) not been in place.

In addition to this, we have taken this opportunity to publish our 2019 gender pay gap, to allow us to undertake a meaningful comparison of the data.

	2019 (not reported)	2020 (reportable)	2020 (projected)
Mean Pay Gap	23.1%	32.0%	19.0%
Median Pay Gap	20.9%	33.0%	20.0%
Mean Bonus Gap	68.0%	56.0%	-
Median Bonus Gap	49.0%	17.0%	-
% of Males Receiving a Bonus	57.0%	93.0%	-
% of Females Receiving a Bonus	75.0%	91.0%	-
Lower Quartile - Men	67.3%	49.0%	70.7%
Lower Quartile - Women	32.7%	51.0%	29.3%
Lower Middle Quartile - Men	80.6%	80.0%	76.4%
Lower Middle Quartile - Women	19.4%	20.0%	23.6%
Upper Middle Quartile - Men	82.1%	89.8%	84.8%
Upper Middle Quartile - Women	17.9%	10.2%	15.2%
Upper Quartile - Men	89.5%	94.0%	87.8%
Upper Quartile - Women	10.5%	6.0%	12.2%

*Our projected calculations include all PAYE employees, and produce an hourly rate based on annual salary and any guaranteed allowances on the snapshot date

Supporting Narrative

Pay Gap

We are pleased to report that our female headcount has risen by 2.36% to 20%, 6% higher than the female representation across the construction industry.

Furthermore, whilst our reportable data suggested an increased pay gap for 2020, our projected calculations show that in real terms for our employees, both our mean and median pay gaps have reduced from 23.1% to 19.0% and from 20.9% to 20.0% respectively.

	2017	2018	2019 (not reported)	2020 (reportable)	2020 (projected)
Mean Pay Gap	27.9%	28.7%	23.1%	32.0%	19.0%
Median Pay Gap	22.1%	24.1%	20.9%	33.0%	20.0%

Pay Quartiles

It is encouraging to see that we now have the highest percentage of women in the upper quartile since we began reporting. Encouragingly, 5.6% of our female workforce were promoted in 2019-20, just behind the 7.2% for our male workforce.

However, the majority of women at Careys continue to tend to be in non-client facing roles (in support functions) and unlikely to lead project delivery, which are the type of roles that predominantly make up the top two pay quartiles.

	2017	2018	2019 (not reported)	2020 (reportable)	2020 (projected)
Lower Quartile - Men	66.0%	61.0%	67.3%	49.0%	70.7%
Lower Quartile - Women	34.0%	39.0%	32.7%	51.0%	29.3%
Lower Middle Quartile - Men	84.6%	78.1%	80.6%	80.0%	76.4%
Lower Middle Quartile - Women	15.4%	21.9%	19.4%	20.0%	23.6%
Upper Middle Quartile - Men	85.5%	86.2%	82.1%	89.8%	84.8%
Upper Middle Quartile - Women	15.4%	13.8%	17.9%	10.2%	15.2%
Upper Quartile - Men	92.9%	91.5%	89.5%	94.0%	87.8%
Upper Quartile - Women	7.1%	8.5%	10.5%	6.0%	12.2%

Our previous achievements in succession planning and encouraging internal promotion to the most senior roles has been a contributing factor to a male dominated senior management team. This is something that has been under review since 2019. There will continue however to be a lower representation of women in our upper two pay quartiles as it may take 5-10 years for women to rebalance the upper two pay quartiles. Some of our initiatives detailed in 'Addressing the Gap' should help to achieve this.

Bonus Gap

Both our mean and median bonus gap has reduced from 2019, suggesting greater equality in the bonuses being paid to all employees. We're proud that the percentage of males and females receiving a bonus is also at its highest level since reporting began, and nearly equal across both genders.

This suggests that some of the work we have been doing to introduce some structure to our bonus scheme is having a positive impact.

	2017	2018	2019 (not reported)	2020 (reportable)	2020 (projected)
Mean Bonus Gap	59.9%	41.9%	68.0%	56.0%	-
Median Bonus Gap	12.9%	30.4%	49.0%	17.0%	-
% of Males Receiving a Bonus	68.7%	77.0%	57.0%	93.0%	-
% of Females Receiving a Bonus	69.6%	71.0%	75.0%	91.0%	-

Our male workforce in the upper two pay quartiles tend to benefit from a higher performance-related bonus, amplifying our mean bonus gap. Whilst reduced, we are still seeing the impact of this, however we now have greater focus on bonus calibration following the introduction of our Remuneration Committee in 2019.

Addressing the Gap

Recruitment

Narrowing the gender pay gap will take time in our sector so we continue to develop our early years recruitment policies and practices to be open and attractive to female candidates especially at apprentice and graduate entry levels. To support this strategy, we have invested the capabilities of a Talent & Apprenticeship Partner to broaden the diversity of our

workforce across all under-represented groups. This will include forging strong partnerships with schools and colleges to help educate and encourage more female representation into the industry. By widening the scope of our apprenticeships, we have increased our number of female apprentices to 29% vs. 20% female across our entire workforce.

Our Resourcing function ensures all external and internal job adverts are gender neutral, ensuring they appeal to both male and female applications, and we are proud to continue utilising a digital recruitment platform which applies behavioural science to remove unconscious bias from the selection process. It enables us to collate and analyse equal opportunities recruitment data, including gender. We are the only construction company, to date, to utilise this method in our recruitment strategy.

Retention

Clearly, female under-representation at senior levels contributes to our gender pay gap. Retention of our workforce can go a long way to promoting our female population through the ranks.

In 2021, we have renewed our focus on retention and the employee experience, including the launch of our first ever Employee Engagement and Diversity & Inclusion strategies to ensure all groups feel represented and heard. We want to ensure every person that works for us loves what they do, feels they can bring their authentic selves to work every day and be able to show their passion, enthusiasm and how much they care.

Through our Employee Engagement strategy, we seek to understand how we can focus on providing the right conditions for people to give their best. By utilising employee surveys and forums, we hope to better understand and address challenges faced within particular groups to improve the overall employee experience.

In order to be a truly great company we recognise that we must be one that is inclusive and diverse; it's about creating a culture and environment where everyone can participate and thrive, and give employees an opportunity to have their voice heard. As part of our Diversity & Inclusion agenda we will help to ensure that everyone is paid fairly, recognising and closing any potential pay gaps as a result of gender or other characteristic.

We also hope the introduction of a Reward Partner will help to better align job/ remuneration structures and evaluate equality & diversity across all roles. The Reward Partner will collaborate with our Remuneration Committee to review methods of reducing our gender pay gap, analyse bonus calibration and assess performance related bonus.

Development

We continue to support current and future female colleagues in their personal and professional development as we strive to ensure women are represented at every level of Careys.

Our leadership development and coaching programmes continue to extend their reach with several female members of staff now working as accredited facilitators in both fields. In addition, our learning at Careys guide is being developed which details the competencies and learning opportunities for our trade and technical roles. This is one of the tools used which allows open access to development and ensure a diverse and inclusive succession towards senior roles in our business.

A move towards virtual delivery as result of the pandemic has allowed us to accelerate our behavioural learning programme, Leading Edge. We have created learning pathways which seek to develop and refine leadership skills for all our employees. By investing in the development of our leaders, this will have a positive impact on communication, social change, people retention and attracting a diverse workforce.

Since October 2020, we have been designing and delivering 'Identifying Unconscious Bias' training across all levels of the business, with the intent to make our people aware of potentially harmful unconscious biases, and to reduce the impact of bias on their interaction with others. We aim to have trained all our leaders and managers in Identifying Unconscious Bias by September 2021. We hope this will help to open up opportunities to everyone at Careys, particularly those that are currently underrepresented in our most senior roles.

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I confirm that the information published on the current gender pay gap figures for PJ Carey (Contractors) Ltd is accurate and has been produced under the mandatory requirements.

Jason Carey
Chief Executive Officer
PJ Carey (Contractors) Ltd