

Gender & Ethnicity Pay Gap Summary for BAM UK & Ireland

BAM UK & Ireland is fully committed to achieving a gender balance that better reflects society and the communities in which we operate.

We welcome you to our first UK & Ireland Pay Gap summary, and our improvement journey, as we strive to transform both the diversity and the inclusivity of our business.

The data in this report represents findings from our qualifying employing entities: BAM Nuttall Ltd, BAM Construct UK Ltd (renamed January 2023 to BAM Construct & Ventures Ltd) and all employing entities in BAM Ireland. These findings are illustrated in accordance with our new organisational structure, providing honesty and transparency around the pay gaps in our segments: Civils, Construction, Ventures and Ireland, as well as our Enabling Services.

Diversity and Inclusion is a key strategic priority for our business and our industry. Our focus as an organisation is on ensuring we have an inclusive culture where all colleagues can thrive. With an inclusive culture diverse talent is attracted, retained, engaged, developed and progressed within our organisation without any barriers. Whilst we see continued progress, maintaining focus and providing essential leadership is key to closing our gap.

In 2021, we undertook an inclusion audit with an external partner to understand the depth of our journey to ensuring equity of experience for our people and partners. This process reviewed over 100 data points that are known to drive inclusion right across our business, with contributions from key stakeholders, such as our colleagues, customers and our supply chain.

The results showed us we have some inconsistencies of practice and are not benefiting from the progress

we are making in some areas, across the Division.
Subsequently, in April 2022, BAM UK & Ireland
appointed our first UK & Ireland Director for Diversity &
Inclusion, to bring together and further accelerate the
work we are doing across the whole business.

Transformation in this space is well underway for BAM and the introduction of a Diversity & Inclusion Centre of Expertise allows us to work collaboratively to share best practices for the wider benefit, but with the ability to localise action so they are relevant to the specific needs of each segment and their customers.

Achieving this change requires true leadership from all our senior people; as members of the UK & Ireland Divisional Leadership Team, we are working on continually developing our own personal understanding and exploration of Diversity & Inclusion, as well as working closely with all management teams to realise a more inclusive and representative working environment for all our people.

BAM UK & Ireland is fully supportive of pay gap reporting and is committed to delivering the everyday actions across our business that will reduce our pay gaps.



John Wilkinson, COO, BAM UK & Ireland



Andrea Singh, Executive Director People, BAM UK & Ireland

What is gender pay gap reporting?

From 2017 in the UK, the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, and in Ireland the Gender Pay Gap Information Act 2021, require any organisation employing 250 or more employees to publicly report its gender pay gap. The gender pay gap is the difference in the average earnings (measured using

the mean and median) between all men and women in an organisation regardless of the roles they undertake. Gender pay gap reporting is not about equal pay. Equal pay concerns differences in the actual earnings of men and women performing work of equal value.

UK

What pay is used to calculate this?

Pay is defined in the Regulations and includes:



Basic pay



Paid leave



Full maternity and paternity pay



Full company sick pay



Site allowance



Shift premiums



Oncall / standby allowance



First aider



Bonus pay



Car allowance (company cars are not included)

Ireland

What pay is used to calculate this?

Ordinary pay is defined in the Regulations and includes:



Salary



Allowances



Shift premiums



Overtime



Pay for sick leave



Salary top-ups for statutory leave



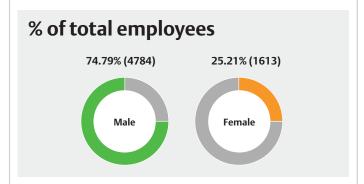
Garden leave pay



Bonus pay

Understanding the gap UK & Ireland combined 2022

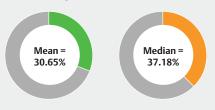


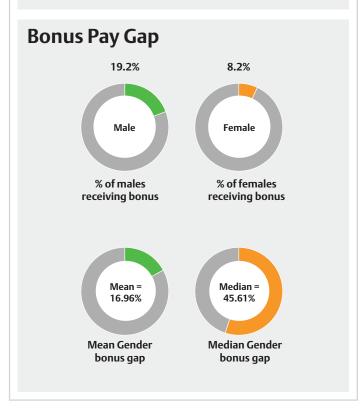


Gender Pay Gap

We operate in an industry that has a historical gender imbalance with significant under representation of women.

This under representation of women, particularly in our more senior roles is one of the contributors to our gender pay gap. We also have an under representation of women in our skilled population of operatives, which we are working hard to change.





Combining our data across our business, across all segments and Enabling Services teams, our BAM UK & Ireland Divisional median is 37.18% and mean is 30.65%. Any pay gap is disappointing to see in our business and it is key that we fully understand the reasons for this and maintain this as a continued area of key focus for us to close this gap.

Whilst our gap varies in extent across different areas of the business, when analysing the reasons behind our median and mean pay gaps, we see that the distribution of women through the quartiles is disproportionate, with a higher percentage of women in the lower quartiles and lower representation of women in the higher quartiles.

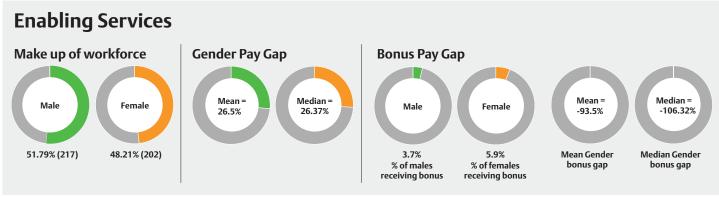
This highlights how important it is to not only retain and develop internal talent but also to attract women into our business in quartiles 3 and 4. In recognition of this, we have delivered training sessions for our managers on how unconscious bias can affect our Perform & Develop activities, including talent identification and planning.

We have also taken action to support women experiencing symptoms of the menopause by introducing Peppy. As we know supporting women through this stage of their life is key to retaining them in our business and to ensure we do not lose the excellent skills and capabilities they bring to our business. We clearly have much more work to do to achieve better balance and representation across all quartiles of our organisation and are committed to continually improving this.

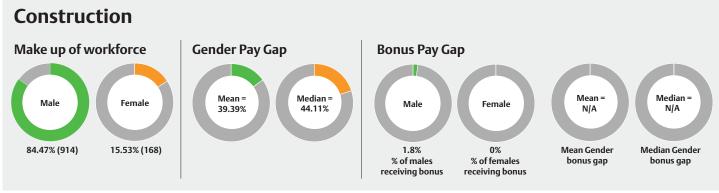
In addition, we are also committed to attracting more women into our business via our Early Careers routes, which in time will create a more diverse talent pipeline. However, in the short term this can increase the proportion of women in the lowest quartile, widening our pay gap in the interim.

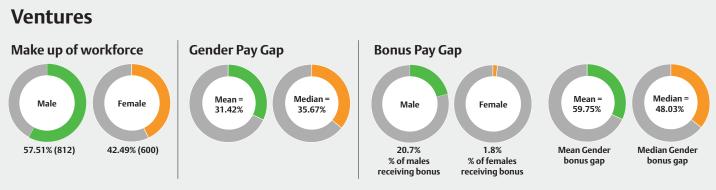
However, this is an important way to attract diverse talent into our business and we are fully committed to doing this to ensure we have a sustainable and diverse talent pipeline.

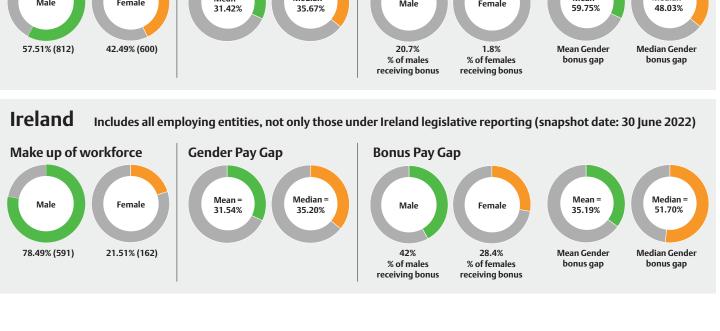
Analysis by Segment











Although it is difficult to compare progress from last year per segment, as this is our first year of reporting in this way, it is important to understand the challenges each segment faces. In BAM Nuttall we see a relatively low pay gap, which is positive, however we remain focussed on increasing the number of women at all levels of this segment, which overall currently stands at 17%.

Ireland have a higher pay gap than Nuttall but also have a higher percentage of women in the workforce at nearly 22%.

Our Ventures segment have the highest representation of women in quartile 1 of all the segments at 80%, however also have nearly the highest percentage of women [except from our Enabling Services] in the top 2 quartiles at nearly 44%.

The Construction segment has our highest pay gap by segment which is driven primarily by the small percentage of women in the top two quartiles. However, within this business we see stronger representation of women in quartile 1, demonstrating the segment's commitment and progress in bringing women into the business through the Early Career routes – which will continue to support our long term strategy and will help us close our gap over time.

Our Enabling Services teams show the highest proportion of women overall at 48% which is positive, the pay gap here is driven by the difference in the representation in quartile 1 [71%] and quartile 4 [37%]. It is also important to note Enabling Services have the highest proportion of women in the 2 highest quartiles in the business.

Closing the gap

Broadening Minds

Education is key for us to ensure we all understand the fundamentals of Diversity and Inclusion and the role every individual can play in supporting an inclusive culture and closing our pay gap. Our Leadership team have received one to one coaching to explore what inclusion means to them personally and how they can apply this awareness in how they manage their teams and business. Our Enabling Services teams are also maturing how Diversity & Inclusion can underpin all activities and therefore remove embedded bias and any visible or invisible barriers and truly embed inclusivity in all we do.

This year we have placed focused on our People Team (including Recruitment, Talent, Business Partnering and Learning) and our Communications Team with focussed expert training and are expanding this into our operationally focused Enabling Service teams in 2023 such as Supply Chain Management, IT and Procurement. Inclusion must go through everything we do to make progress in this area.

Next year will see the introduction of our BAM Inclusion Programme, in development with our external partner, which will provide mandatory training and access to a whole catalogue of learning and knowledge sharing opportunities to help all of our people, regardless of role, build their knowledge and capability enabling them to demonstrate inclusive behaviours in everything they do.

We have also launched our UK & Ireland Values: Inclusive, Sustainable, Reliable, Ownership and Collaborative, which are the foundations of everything we do and every decision we make. Further education, awareness and embedding of these values continues across the Division. Inclusivity is key to this, both as a value it its own right, but also in terms of how we bring the other values to life for all our people.



Inclusion Everyday

In 2021, we invited Equal Approach into our business and provided them with access to our people, systems, data, customer and supply chain. They undertook a 'return on inclusion' assessment, reviewing 100 different drivers for inclusion and identifying key areas for focus which have been built into our UK and Ireland D&I strategy. We will be reassessed in 2023 to recognise our progress to date and identify further areas for improvement embedded into action plans, to which we can hold ourselves accountable.



Removing Barriers

We have recently relaunched our UK & Ireland Inclusion Networks, giving our employees access to employee run networks based on diverse characteristics. The newly restructured Gender Action Network will be supporting the business in initiatives to address the gender pay gap and is sponsored by the Executive Director for BAM Ireland.



In the words of our people

Flexibility & Support – Laurie Churchill, Team Organiser, Trans Pennine Route Upgrade

I have been employed through BAM since November 2019. I have personally

experienced a chain of traumatic events over the past couple of years which resulted in having to move back to my hometown to be closer to my support network after the birth of my son.

BAM has been incredibly supportive for not only myself but for my son also. This support has come from not only the company but from some of my amazing colleagues who have been patient, taken time for me, and helped me to feel like personally I am valued as a person, and an employee. My HR

team supported me with any personal/payroll or HR related issues when I had to take my maternity a lot earlier than expected, they guided me and kept me reassured, always being the other end of the phone. My current line manager is incredibly understanding, supportive and patient and has provided me with opportunities and guidance in areas I would never have explored, regaining my confidence.

The adaptation to my situation the company has shown gives me the freedom to work remotely and or in the offices, and flexibility within my working hours, so I can ensure that my little boy remains my main priority, given his medical background/conditions. I have also had continued therapy through the company BUPA healthcare scheme, which has given me a new freedom in life.

I am now beginning a new approach to therapy which I wouldn't have been able to do if I wasn't employed through BAM. I do believe that all aspect of the company benefits are super, and working in such a diverse environment can be tough sometimes, but I think it helps that most of the employees are all on the same page. I feel confident and comfortable continuing my journey with BAM and in hope to explore other areas of the business and hopefully my career path eventually.

Women in Rail Mentoring Scheme

The WIR mentoring scheme, is a cross-company mentoring programme that spans a 9-month period. This is a structured development mentoring programme that brings together likeminded and forward-thinking colleagues, empowering them to create meaningful change. It pairs mentees and mentors across the participating organisations which provides new insights to different ways of working.

Our senior Civils leaders, Alan Cox, Managing Director, Regions, and Huw Jones, Executive Director, Civils, were both keen to participate in this scheme because it is a sustainable, scalable and transferable cross-company initiative designed to provide a support platform for talent in the rail industry to grow. The scheme is committed to advancing diversity, equity and inclusion within the Rail Sector, so it was important for us to participate, not only to benefit our own employees, but those across the industry too. It is beneficial to retain, accelerate and increase visibility of diverse talent with BAM, and it engages and develops our leaders as inclusive allies and role models.

- The programme develops skills, knowledge and confidence through transferable skills and human relationships with built-in accountability.
- The programme supports mentees in taking control of their careers and gives them inspiration, support and challenges them to move forward.
- The programme exposes mentees to a global community of like-minded individuals, expanding their network and developing networking skills



"I gained a lot from the WIR Mentoring Scheme, I was paired with a like minded individual who was further on in her career and personal life than me, this gave me the evidence and confidence

I needed to push on in my own career at a vital time as I was just returning from maternity leave and was struggling to find my feet.

Having open and honest conversations with my mentor helped me realise how capable I am and that having children doesn't impact potential and progression." Ashley Rostron – Quantity Surveyor, BAM Civils

Gender Action Network

"For several years, BAM has had numerous networks supporting gender equality amongst its businesses. Most notably WISE@BAM in the Civils business, and the Gender ERG in the Construction business. The networks have recently come together to form the Gender Action Network supporting and guiding our entire UK and Ireland business.

As the Gender Action Network addresses the ongoing issues that our industry faces regarding gender equality, equity and parity, we recognise that gender is not binary and will endeavour to encompass and support all genders including women, men, transgendered and non-binary individuals throughout their careers here at BAM.

Whilst our network supports the education of our people around gender equality, it will also be built into the broader BAM Inclusion education programme and where we address gender in all of its intersections. The gender action network proactively supports the enhancement of policies and procedures pertaining to gendered issues or where specific genders are affected and provides authentic support to the business and colleagues where needed.

Our executive sponsor, Alasdair Henderson (Executive Director, Ireland) provides guidance and removes any blockers the network may need support with. This level of senior engagement and sponsorship upholds the objectives of the team, and clearly aligns their own objectives with the strategic aims of the business. Currently our objectives include creating a safe space environment for our members, utilising data to look at our baseline and a longitudinal study of the experience

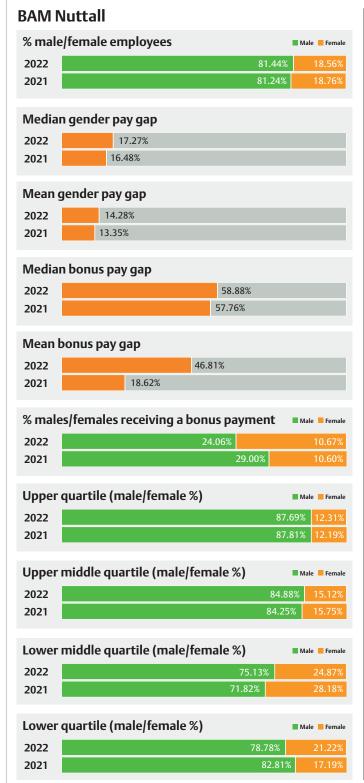


of our female apprentices and more broadly supporting ongoing people initiatives around retention and policy enhancement."

Megan Wilkinson, Chair of UK&I Gender Action Network

Statutory Disclosures – Gender Pay Gap

The following represents our statutory disclosures which are reported in the format of our employing entities as at the time of the data collection.



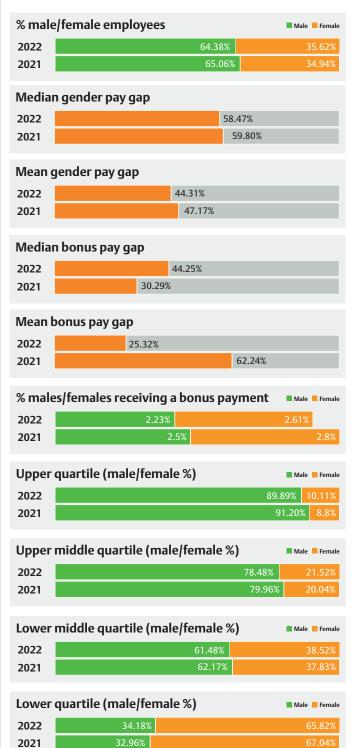


BAM is committed to recruiting, developing and providing opportunities to ensure that all women within our business can achieve their full potential.

The UK & Ireland Divisional Leadership team and senior management team are committed to this and in achieving

improvement in our pay gap and acknowledge that this is something that will take combined and concerted effort over a sustained period of time, which we are fully committed to.

BAM Construct



I confirm that data and information contained in this report is accurate as at the snapshot date of 5 April 2022 and has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

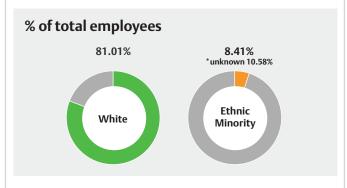


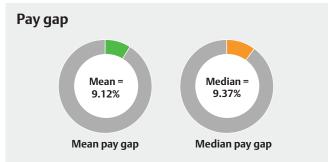
Andrea Singh, Executive Director People, BAM UK & Ireland

Ethnicity Pay Gap – UK Only

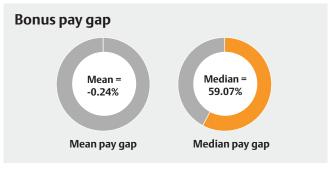
As a business, we are committed to improving diversity and inclusion in all forms. To support this commitment and in the interests of being transparent, we have chosen to publish our UK Ethnicity Pay Gap figures taken from our 5 April 2022 snapshot data ahead of any obligation to do so.

UK Combined 2022









 $^{^{\}ast}$ % relevant employees declaring ethnicity – 89.41%

In our first year of reporting our UK ethnicity data, we are encouraged that we are moving positively and are reducing our pay gap. We acknowledge however that we do have a small population of employees belonging to an ethnic minority (8.41% of the relevant employees declaring ethnicity). As part of our D&I strategy, we are committed to improving the unknown gaps in our data, including ethnicity for our Ireland segment, and are mindful of the potential impact this may have on our pay gap.

Across our segments, there is a consistency in the representation of our ethnic minority groups. Our Enabling Services team shows our most encouraging results and this is driven by a broader variety of roles and disciplines. Therefore our focus will be improving the attraction of ethnic minorities into our business, including our technical, construction and engineering disciplines.

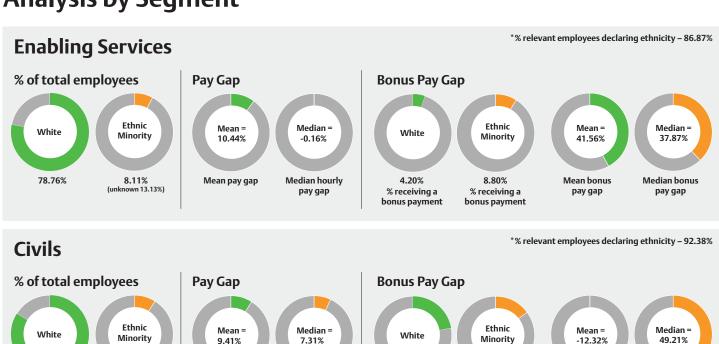
Our largest pay gap is seen in our Ventures segment, which is driven in part by the higher representation in the lowest quartile compared to our other segments. Therefore, the focus here will be around the progression of talent into the higher quartiles. We have an active ethnicity network, ME@BAM, who will be integral in analysing the detail behind our pay gap and in developing data driven actions that support our D&I strategy for everyone.

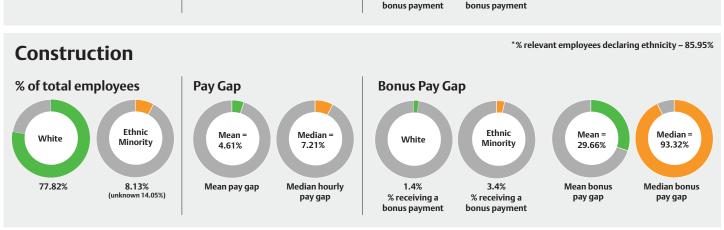
Analysis by Segment

8.99% (unknown 7.62%)

Mean pay gap

83.40%





21.20%

% receiving a

14.90%

% receiving a

Mean bonus

pay gap

Median bonus

pay gap

Median hourly

pay gap

