

Octavius Infrastructure Limited

Gender pay gap report –April 2023

Statement

Octavius have a clear goal to create a more inclusive culture for all women and improve the representation of women in our workforce. We continue to measure and assess our gender representation and reducing our gender pay gap is integral to attracting and retaining diverse talent in our business.

We are pleased to report that overall our gender pay gap has reduced by 3.7% since 2022. We are in the process of launching our inclusion strategy which sets out our approach to maximise opportunities for not just women but all other under-represented groups. We have also seen representation of women increase at all levels in our business as we strive to become ‘an employer or choice’.

I confirm that the data within this gender pay report is accurate and has been produced in line with the legislative requirements.

John Dowsett
Chief Executive Officer

What is a gender pay gap?

The gender pay gap is a measure of difference in the gross hourly pay of men and women in a business, regardless of the nature of their work in an organisation. It does not consider people’s roles or seniority and it is important to note that it is different from an equal pay comparison, which is direct comparison of two people or groups of people carrying out the same, similar or equivalent work. Equal pay is a legal requirement covered by the Equality Act 2010.

One of the main reasons there is a gender pay gap in our society is that men are more likely to be in senior roles. This is a particular issue in the construction and engineering industries which have traditionally been a male dominated environment.

What is Gender pay gap reporting?

From 2017, the Equality Act 2010 (Gender Pay Gap Information) Regulations require any UK business employing 250 or more employees to publicly report its gender pay gap. The gender pay gap is the difference in the average earnings between men and women in a business, regardless of roles. Gender Pay gap reporting is **not** about equal pay. Equal pay concerns differences in the actual earnings of men and women doing equal things.

What is included in hourly pay calculations?

Calculations are based on data from 5th April 2023, which includes normal pay and bonuses. Normal pay can include pay for leave and shift premiums. It excludes overtime, redundancy/termination of employment, pay in lieu of leave or the value of non-monetary benefits. Bonus pay includes profit productivity or performance related pay. We use all pay data for our employees and apply the calculation set out in the Gender Pay Gap reporting regulations.



The data we use relates to:

- 1) Basic pay
- 2) Paid leave
- 3) Maternity and paternity pay
- 4) Company sick pay
- 5) Bonus pay
- 6) Car allowance pay

How do we calculate the gender pay gap?

We use pay data from all our employees and apply the calculations set out in the Gender Pay Gap reporting regulations. The pay data covers all roles and a wide variety of pay rates.

To calculate the median Gender Pay Gap, first we separate male and female employees and look at the hourly earnings for each person in numerical order. The median value is the middle number and we calculate this for both women and men's hourly pay and report on the % difference.

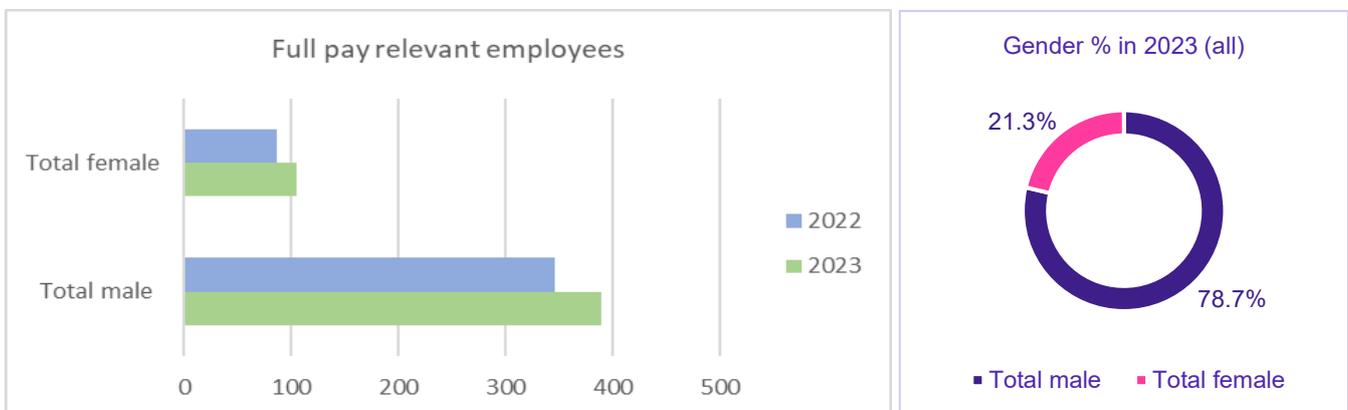
For example, if there were 999 male employees the median male salary would be the salary of the 500th highest paid male employee. The median female salary would be calculated in a similar way. So, if there were 499 female employees the median would be the salary of the 250th highest paid female.

The mean gender Pay Gap involves adding up all the numbers and dividing the result by the number of values in the list. We calculate the mean averages as % difference in average hourly pay between men and women.

Gender balance in April 2023

Our total number of employees on 4th April 2023 is 494 which has increased from 431 in 2022. We have seen an increase from 86 women in our organization in 2022 to 105 women in our organization in 2023. This equates to 30% of all new employees in the year were female.

This means that 21.3% of our overall workforce are now female increasing from 20.0% in 2022 and 16% in 2021.



Our Gender % by quartile

The table below shows the percentage of men and women in each pay quartile. Quartiles are calculated by listing the hourly rates of pay for each employee from lowest to highest. The lists are split into four equal (or as close to equal) sized groups and the percentage of males and females in each group is reported as shown below in Table 1 and in Figure 1.

	Overall	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
2023 data					
All no.	494	123	123	123	125
Male no	389	99	103	92	95
Female no.	105	24	20	31	30
% Male	78.7%	80.5%	83.7%	74.8%	76.0%
% Female	21.3%	19.5%	16.3%	25.2%	24.0%
2022 data					
All no.	431	108	108	108	107
Male no	345	75	84	91	95
Female no.	86	33	24	17	12
% Male	80.0%	69.4%	77.8%	84.3%	88.8%
% Female	20.0%	30.6%	22.2%	15.7%	11.2%

Table 1 Percentage splits in quartiles in 2023 and 2022

The business has seen an increase in the total number of women from 86 to 105 and a percentage increase of 1.3%.

Calculation of the median and mean hourly pay differentials

Quartiles for males and females are sorted by hourly pay for each employee from lowest to highest. The median is the middle value of each quartile and the mean is average value in each quartile. Based on this we have identified the overall hourly difference in pay between men and women overall and in each quartile, as outlined below;

	All quartiles	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
Median pay gap data					
2023	16.9%	7.6%	18.7%	21.9%	16.0%
2022	20.6%	8.2%	20.2%	22.7%	17.2%
Change in year	-3.7%	-0.6%	-0.6%	-0.8%	-1.3%
Average pay gap data					
2023	15.4	6.6	18.4	20.6	14.6
2022	15.4	8.3	19.1	20.8	16.5
Change in year	-0.0%	-1.7%	-0.7%	-0.3%	-1.8%

While there is an improvement in all quartiles since last year, clearly the median and mean values of salary in the business remain higher for men than for women across the whole business regardless of which quartile an individual is in.

Reducing the gap

According to official figures, while just under half of the UK workforce are now female, only 14 percent of workers in construction are women, and they are mostly in secretarial, administrative, design and project management roles. So, although there are encouraging signs of improvement, the gender pay gap we are seeing is the result of there still being too few women in our industry and we need to make significant improvements in attracting and retaining talent from all under-represented groups not just women.

Anecdotal evidence also suggests that the male-dominated construction industry remains a difficult place for women to work. Inflexible working conditions, macho attitudes, gender stereotyping and poor working conditions that do not take sufficient account of women's health, safety and welfare and the need for work-life balance, all combine to create a working environment that is often simply not female-friendly.

We are fully aware of these challenges and are taking active steps to address this, make our business attractive to women and support our workforce to be advocates for change. We willingly and

enthusiastically embrace and celebrate our differences – in experiences, backgrounds, ways of thinking and working. Being inclusive is not only the right thing to do; it also means that our colleagues are more engaged, motivated and productive.

Initiatives we have introduced

Since 2022, we have been successful in recruiting females across the business in both junior, middle and senior roles and our EDI strategy focusses on attracting diverse talent. We have recently completed our Employee Engagement Survey and we

By creating a more inclusive environment for all women at Octavius, we can encourage women to join the business and improve our recruitment, development and retention creating a place where women can learn, grow and thrive. These are the actions we are actively taking to help close the gap.

1. Offering flexible working

As good for the employer as the employee, flexible working removes invisible barriers to jobs and opens the field to those who might not otherwise be able to apply for roles (parents, carers, those with a disability).

This not only permits a more diverse workforce, but also leads to improved financial returns for a business. By making all roles 'flexible' by default, advertised as such, and available from day one, it both expands the pool of job applicants and fosters an enhanced sense of motivation and company loyalty.

2. Investigating targeted benefits

We are investigating ways that our benefits can be more supportive towards women, parents and caregivers. For example enabling our people to buy leave, have compassionate leave or take unpaid leave in the event that they need to look after a dependent.

3. Encouraging shared parental leave

We are encouraging shared parental leave and created fairer paternity and maternity policies to support supporting parents in returning to the workplace after childbirth.

4. Reviewing salary

We recognize our moral obligation to promote fairness and a just and equal society, the gender pay gap not only has a significant impact on women and families, but also on businesses and the economy at large. We are committed to undertaking a review of pay and providing levelling up of some of our gaps in pay.

5. Creating a supportive network

We have introduced an Equality, Diversity and inclusion plan and have initiated a series of a women's support network to offer guidance and assistance to the women in our organisation. This includes undertaking surveys, training and initiating mentoring for our women employees.



6. Recruitment and Selection

Ensuring we have inclusive recruitment, selection criteria and training for hiring managers to reduce bias in the recruitment process is vital if we are to improve our business statistics and those of the industry as a whole.