



GENDER PAY GAP REPORT 2017

Introduction

We want to be an employer of choice and believe that attracting, retaining and developing the best, most talented individuals, regardless of gender, is key to the future success of our business.

Heras's leadership team is committed to fostering a culture that promotes inclusivity and equality of opportunity for all, within a respectful, supportive workplace that values the contribution that both women and men make.

We encourage career progression and endeavour to reward people fairly based on experience, behaviour and performance.

These principles form the basis of our approach to pay equality and this report outlines the ongoing actions we are taking to address any differences.

UK gender pay reporting legislation requires businesses with 250 or more employees to publish annual calculations showing any pay gap between male and female employees against the following parameters:

- Gender pay gap (mean and median)
- Gender bonus gap (mean and median)
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure

This report presents data for Heras.

Gender pay gap data is different to equal pay. Equal pay relates to pay differences between men and women who carry out the same jobs, similar jobs, or work of equal value. Gender pay gap is the difference in the average pay and bonuses between men and women across a business.

Overall, Heras's gender pay gap of 22% is slightly higher than the reported UK average of 18.1%*, but we recognise the need to continue to tackle this imbalance. Our gender pay gap reflects wider issues within industry - particularly with the construction sector - regarding the representation and attraction of women, particularly into technical, operational, and STEM (Science, Technology, Engineering and Maths) roles. We will continue to work within our industry, with government and with other bodies to recruit and develop women within our sector and narrow our gender pay gap.

In this report, we outline the reasons behind the gender pay gap in Heras and the proactive steps we are taking to close this gap and create a more diverse workplace.

* Source: Office of National Statistics 2016



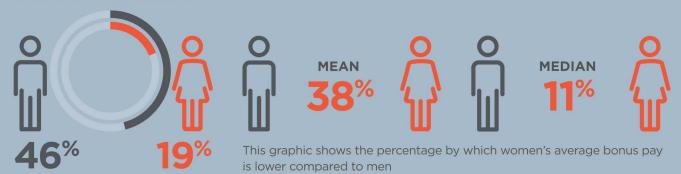
OUR GENDER PAY STATISTICS

HOURLY PAY



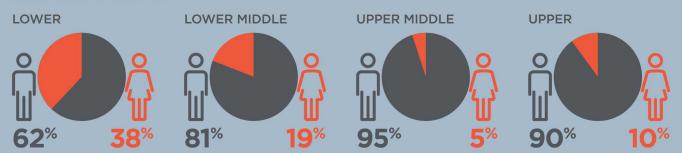
This graphic shows the percentage by which women's average hourly pay is lower compared to men

BONUS PAYMENTS



The proportion of men and women receiving a bonus

PAY QUARTILES



These quartiles are calculated by splitting the entire Heras workforce into four equal bands based on hourly pay from the highest (upper) to the lowest (lower). Here we show the percentage of men and women who sit in each band.

Why is there a gender pay gap?

At the time of this report, women represented 19% of our total employee population.

We are actively working to increase the proportion of women at all levels in our organisation. In addition, we are engaging with industry and public bodies to improve perceptions of the construction industry and encourage potential employees - both male and female - to view our sector as an aspirational career choice across a wide range of disciplines.

Our gender pay statistics demonstrate that Heras's overall gender pay gap is 22%, compared to the reported UK average of 18.1%*. The proportion of men and women receiving bonuses was 19% of women vs 46% of men and the mean bonus pay gap was 38% and median. 11%.

The main differential in gender pay can be explained by the fact that Heras currently has fewer female than male employees. This trend becomes more apparent in more senior positions within the business.

Our actions

Through a two-year period of rationalisation and integration our challenge for 2018/2019 is to become an employer of choice. We believe that we can achieve our aims through the attraction, retention and development of the best, most talented individuals regardless of gender, a key requirement to the future success of our business.

Heras leadership team is committed to fostering a culture that promotes inclusivity and equality of opportunity for all, within a respectful, supportive workplace that values the contribution that both women and men make. The introduction to our business of a group Training and Development Framework so that whatever your role is you will have the opportunity to build an outstanding career. We endeavour to reward people fairly based on experience, behaviour and performance.

These principals form the basis of our approach to pay equality and this report outlines the ongoing actions we are taking to address any differences.

Our gender pay gap reflects wider issues within the industry – particularly with the construction section – regarding the representation and attraction of women, particularly into our Installations, Technical, Manufacturing and Engineering roles. We will continue to work within our industry, with government and with other bodies to recruit and develop women within our sector and narrow our gender pay gap.

We take a gender-neutral approach to our recruitment at all levels, and focus on the suitability of the candidate for the job through competence.

We actively recruit more females at all levels within or organisation to improve the gender balance and ensure that we have more women developing through the business.

We seek to engage educational bodies to reflect the opportunities and successes of females within our business and help more young women to consider careers within the construction industry.

We seek to provide better analysis of the data we capture to use this as an improvement approach to understanding the trends and putting measures in place to recruit more people from diverse backgrounds. In 2018/2018 we will have accurate real-time data for new recruits and leavers to measure the impact of our actions.

*Source: Office of National Statistics 2016 - the UK's gender pay gap is 18.1%