

GENDER PAY GAP REPORT 2018

Ferrovial Agroman UK Limited

The Gender Pay Gap (GPG) reporting regulations came into full effect for the first time in the UK in 2018. All employers with over 250 staff – in the private, public or non-profit sectors – must comply with the UK Government’s GPG reporting requirements on an annual basis.

As well as being a legal requirement, the GPG analysis and report serves as a vital tool for organisations to be able to identify the financial impact of a lack of women in senior roles, and helps us track the progression of men and women in the organisation by analysing pay quartile figures.

Pay figures quoted in this document are for Ferrovial Agroman UK Limited as on 05 April 2018.

Figures used for the Gender Bonus Gap (GBG) calculation are for the 12 month period ending 05 April 2018 i.e. for the 2017 performance year.

Since this is our second report, we are publishing all data for 2018 in a table with information from 2017, as published last year. Transparent reporting of this matter, as well as any explanation regarding comparisons with last year’s data, is important to us. Since last year we have implemented a number of good changes to the business to address matters related to the GPG. These are:

- Appointing an Equality Diversity Inclusion Manager
- Unconscious bias in recruitment training (40 hiring managers)
- Inclusive Culture Pledge with EW Group
- Pilot mentoring programme
- Review of promotion processes
- People focused initiatives from Back To Basics workstreams

We did not expect the results of these improvements to be notable within 12 months, and recognise that this is a longer term journey. Nevertheless, you will note that the 2018 pay gap is in fact higher than last year. **Following our analysis of this, we share with you the reasons behind the increase in this report.**

I confirm that the data in this report has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap information) Regulations 2017 using ACAS guidance on gender pay.

John Pepper
JOHN PEPPER

Human Resources Director

On behalf of Ferrovial Agroman (UK) Limited

OUR WORKFORCE

General	2017	2018
Men	69 %	69 %
Women	31 %	31 %

Graduate Intake	2017	2018
Men	76 %	72 %
Women	24 %	28 %



What does the Gender Pay Gap actually mean?

The gender pay gap is a calculation designed to show the difference between the average gross hourly earnings for all men in an organisation, and the average gross hourly earnings for all women in an organisation.

Does the Gender Pay Gap show that men and women are not paid equally for the same role?

No. The Gender Pay Gap is not the same as Equal Pay. We are an Equal Pay employer. Equal pay refers to two people being paid the same salary for carrying out the same role. This is a legal requirement.

How is the Gender Pay Gap calculated?

The GPG is calculated in two ways to find the MEAN and the MEDIAN.

For the MEAN, we add up the basic pay, car, location and other allowances, pay for leave and shift premium pay and divide this by the number of men in the organisation. I.e. the average for men.

We add up the basic pay, car, location and other allowances, pay for leave and shift premium pay and divide this figure by the number of women in the organisation. I.e. the average for women.

The percentage difference between these two average figures is the Gender Pay Gap.

For the MEDIAN, we list all the numbers in numerical order. The MEDIAN is the middle number. We calculate the MEDIAN for both men's and women's hourly pay separately and report the percentage difference between these two figures.

Difference in hourly pay between men and women at Ferrovial Agroman (UK) Limited is:

	2017 Women's earnings are:	2018 Women's earnings are:
Mean gender pay gap	20.6% lower	23.3 % lower
Median gender pay gap	20.7% lower	25.5 % lower

What are we attributing this increase to?

We will not attempt to explain away the GPG or GBG to minimise the importance of the data. As an industry and as a business we must address the changes needed to ensure more women are present in boards and senior roles in the organisation - specifically senior engineering roles. Nevertheless, on analysis of the data, we have also seen that a surge in the number of specialist tunnelling roles as required by projects over this period has meant that the pay gap has increased substantially. These roles are people who have considerable experience from working underground in the mining industry.

Even though WISE* figures report an increase in women in engineering roles since 2017 (by 1% to 12%) this increase does not yet reach the tunnelling trades, many of which are highly paid specialist contracts. This factor affects all of the figures being reported, decreasing the percentage presence of women in the highest quartile of the organisation.

* Women in STEM workforce, WISE Campaign 2018



What is the Gender Bonus Gap?

The gender bonus gap is the difference between the average bonus received by men and women across Ferrovia Agroman UK Limited.

First let us look at the proportion of men and women that received a bonus.

	2017	2018
Men	78.2 %	80.1 %
Women	70.9 %	67.7 %

Of these bonuses the difference between men and women is as follows:

	2017	2018
Mean Bonus Gap	47.1 %	61.5 %
Median Bonus Gap	50.6 %	54.5 %

PAY QUANTILES

How do we find the pay quartile?

First of all we order the data from the least to the greatest, find the median of the data set and divide the data set into halves. We then find the median of each set, and divide these into halves, creating a breakdown of four equal sets. The numbers for these quartiles change year on year, as they are specific to the data for that particular date.

Pay quartile breakdown for 2017 and 2018 is as follows:

	2017		2018	
	Men	Women	Men	Women
Quartile 1	46.4%	53.6%	59%	41%
Quartile 2	76.5%	23.5%	57%	43%
Quartile 3	77.6%	22.5%	75%	25%
Quartile 4	81.8%	18.2%	86%	14%

This section of the report demonstrates the positively substantial increase in numbers of women in Quartile 2 and 3 compared to the same data from 2017. This is due to career development and women from lower quartiles earning promotions throughout the year. Percentages in Quartile 4 are affected by the tunnelling specialist roles as explained above.