

GENDER PAY GAP REPORT 2020

Ferrovial Agroman UK Limited



Since 2018 UK employers with over 250 staff – in the private, public or non-profit sectors – must comply with the UK Government’s Gender Pay Gap (GPG) reporting requirements on an annual basis.

This year, given the unprecedented circumstances associated with **COVID-19**, the Government Equalities office announced last 24th March the suspension of the enforcement of the Gender Pay Gap reporting deadlines for the 2019/20 reporting year. The implementation of this legislation reform due to happen on 6th April 2020 has been deferred for 12 months and will now be implemented on 6th April 2021.

However, at Ferrovial Agroman UK & Ireland, we have decided to publish ours as **we continue to strive for equality and fairness, to understand the root causes behind any obstacles to this, and to deliver transparent communication with employees and industry**. Being able to benchmark ourselves with previous years, with our competitors and with our industry helps us not only to see areas for improvement but also to identify the areas where we are strong.

Pay figures quoted in this document are for Ferrovial Agroman UK Limited as on 05 April 2019. Bonus figures used for the calculation are for the 12-month period ending 05 April 2019 i.e. for the 2018 performance year.

Since this is our third report, we are publishing all data for 2019 in a table with information from 2017 and 2018, as per previous publications. Clear reporting of this matter, as well as any conclusions regarding comparison with previous years’ data is important to us.

The following are some of the actions we are taking with the objective of improving GPG at Ferrovial Agroman UK & Ireland:

- **EDI hub at Heathrow Q6**
- **Salary audit and review of promotion process**
- **Review of recruitment process and action to increase number of female recruits**
- **Unconscious bias in recruitment training for hiring managers**
- **Unconscious bias online training for all employees**
- **Inclusive Culture Pledge with the EW Group**
- **People policies and procedures under review for improvement (including flexible working)**

The changes we started to implement in 2018 are now having an impact and the figures demonstrate **movement in the right direction**. Although there are no drastic changes to the average figures, this year’s median pay gap data is **better than previous years**. We know there is still a long way to go and so we are working hard to create key performance indicators for the above actions on which to base, measure and target improvements to equality, diversity and inclusion.

I confirm that the data in this report has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap information) and using CIPD 2020 guidance on gender pay.

John Pepper

JOHN PEPPER
Human Resources Director
On behalf of Ferrovial Agroman (UK) Limited

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What does the Gender Pay Gap actually mean?

The gender pay gap is a measure of labour market or workplace disadvantage. It is calculated in terms of a comparison between men's and women's average hourly rates of pay. So, while it is about pay, it's also about other factors, such as occupational segregation, or the fact that in the main it's women who look after children and other dependants.

Gender pay gap reporting doesn't specifically ask who earns what, but what women earn as compared with men.

Taking steps to reduce the gap at a workplace level will help to narrow the gap at a national level and the main reason the Government has made this mandatory.

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. It is a legal requirement to be an Equal Pay employer. Equal pay means two individuals should get paid the same salary under the same terms and conditions of a role. Carrying out an equal pay audit is an action towards narrowing the gender pay gap.

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 **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:

	WOMEN'S EARNINGS ARE % LOWER		
	2017	2018	2019
MEAN GPG	20.6%	23.3 %	22.1%
MEDIAN GPG	20.7%	25.5 %	19.8%

During this reporting period we carried out **a significant review of compensation and benefits** and as a result there were **several promotions which increased the percentage of females in the upper middle quartile of pay** by 7% in comparison to the previous year.

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What is the Gender Bonus Gap?

The gender bonus gap is the difference between the average bonus received by men and women across Ferrovial Agroman UK Limited. One of the areas where we feel we are strong as a business is in the proportion of employees which receive a bonus within the company.

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

	2017	2018	2019
Men	78.2 %	80.1 %	84.5%
Women	70.9 %	67.7 %	77.34%

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

	2017	2018	2019
Mean Bonus Gap	47.1 %	61.5 %	59.4%
Median Bonus Gap	50.6 %	54.5 %	62.9%

One of the areas where we feel we are strong as a business is in the proportion of employees who receive a bonus within the company. Our Bonus Pay Gap is considerable, and it is a consequence of the higher bonuses received by the higher quartile paid within the business which is majority occupied by male senior roles.

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. **Annual pay quartile breakdown since 2017 is as follows:**

	2017		2018		2019	
	Men	Women	Men	Women	Men	Women
Quartile 1 (lower)	46.4%	53.6%	59%	41%	51%	49%
Quartile 2 (lower middle)	76.5%	23.5%	57%	43%	64%	36%
Quartile 3 (upper middle)	77.6%	22.5%	75%	25%	67%	33%
Quartile 4 (upper)	81.8%	18.2%	86%	14%	86%	14%

OUR WORKFORCE: Gender diversity data for our team

General	2017	2018	2019
Men	69 %	69 %	67%
Women	31 %	31 %	33%

Graduate Intake	2017	2018	2019
Men	76 %	72 %	65%
Women	24 %	28 %	35%