MULTIPLEX

UK Gender Pay Gap Report 2020

Published 2021



MULTIPLEX

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Foreword from our Managing Director

The gender pay gap is an ongoing issue within the construction industry and at Multiplex, we remain fully committed to eliminating it by taking actions to encourage women to join the industry and to ensure they are given the same opportunities and recognition as men.

At Multiplex, we believe in actions, not words, and this report outlines some of the major initiatives we have launched over the past year to address this.

These include:

Publishing our targets for female representation in our business

Launching our Women's Network

Trialling 'Multiplex Flex' flexible working on live construction sites

Industry-leading family leave policies

A new referral programme that incentivises recruitment of women

In the pipeline, we are also working on a programme for supporting women to come back into the workforce following maternity leave or other long-term absences. We have also started to report (internally) on a monthly basis on how we are progressing towards our women-centric KPIs and targets.

Cultural change doesn't happen overnight, or by implementing one single initiative. We need a concerted effort starting at the senior level to tackle bias, have the courage to try new things and engineer the solution, which is what we have been doing for the past two years. We are proud of the results we have created so far, but we understand that there is a lot of important work still to be done.

I am proud to say that this is in fact part of our ten-year Social Equity Action Plan that will take us up to 2030. In addition to setting the gender equity goals and by driving the necessary actions, we will also address other diversity and inclusion topics as we look to attract the best people from every possible background.



"Our goal is to be a business that people want to work with and for. We want to attract and retain talented people and we will achieve this by promoting a diverse and inclusive workforce where everyone is given a fair and equal opportunity."

Callum Tuckett
Managing Director | UK

Our actions towards addressing the Gender Pay Gap

1. Publishing targets for female representation in our business

To mark International Women's Day and to lead by example, in March of this year we published the specific targets we have set ourselves to address female representation and gender pay disparity in our UK business:

By 2022:

50% of all graduate intakes will be female

By 2023:

A minimum increase of 5% in the number of females holding management positions. As a project-led business, we will also endeavour to have at least 10% of our projects led by a female team member

By 2025:

Our UK business will have female representation of 25%

By 2025:

Improve our median gender pay gap by at least 10% and strive to be better than the industry average of the top 100 contractors in the UK

It is well documented that the construction industry is behind the curve in terms of creating opportunities for women and these targets are designed to address that imbalance. Taking this action will help us increase the number of women in our UK business and contribute to a wider reshaping of the construction industry.

2. Launching the Women's Network

Another new initiative we launched on International Women's Day this year is our Women's Network with three executive sponsors to ensure a commitment at senior level, alongside an elected Chair, Vice Chair and Treasurer.

We held a networking event to celebrate the launch with internal and guest speakers discussing subjects such as female role models in construction and how we can work together to shift internal biases. This was followed by a structured networking session to begin establishing connections and support networks.

The Women's Network provides a platform for building stronger peer-to-peer support for women and creates a safe space to discuss issues such as navigating work-life balance, flexible working, promotion opportunities and psychological safety. It will also act as a sounding board for our HR team as we implement new initiatives to support women, as well as giving members the opportunity to propose new initiatives of their own.



3. Trialling 'Multiplex Flex' flexible working on live construction sites

The construction industry's culture is not predisposed to flexible working; long hours are commonplace, and mental health and fatigue are well-documented issues. For these and other reasons, the recruitment of women has proved challenging. Currently only 15% of employees in the UK construction industry are female, which has led to a higher than average gender pay gap. Several studies indicate that the gap is largest for women in middle management and senior roles (in the third and fourth pay quartiles) and flexible working is essential to addressing this.

Acknowledging that flexible working policies are one of the highest-ranked initiatives for breaking down these structural barriers to attract and retain women, we undertook a comprehensive research project into the best team-based solutions for our business.

We established a diverse working group and appointed leading consultant Timewise to help us develop our strategy. We then used the COVID-19 period to trial and implement our new flexible working initiative 'Multiplex Flex' across three pilot sites to explore the benefits of flexible working and how it can support our aims of gender equality, health and wellbeing, business performance and productivity. The pilots explored flexitime, compressed hours, reduced hours, time off in lieu for weekend working and remote working, allowing people to change the length, location or duration of their working hours.

Multiplex Flex has been designed to give each individual the opportunity to work in line with their optimal work patterns in a productive manner, with emphasis on results instead of time spent at the desk. We are reviewing these flexible working pilots now and planning to offer a permanent solution to our people later this year. We have already received a lot of positive feedback about the pilots, which were especially beneficial during the COVID-19 lockdown, with many of our people flexing core hours and having the option to work remotely.

Offering flexible working options will help us attract and retain more female talent, support female promotion into senior roles, and tackle the 'long hours' culture that is prevalent in construction and penalises women who are more likely to take on caring roles.



4. Industry-leading family leave policies

In 2019, we significantly altered our family leave policies, extending maternity leave to 39 weeks at full pay and doubling paid paternity leave to four weeks. We also created more flexible options for those who wish to take shared parental leave and provided greater flexibility in when paternity leave can be taken, giving all new parents more choice in how they spend time with their new baby.

As part of this exercise, we also considered the challenge of transitioning back to work following parental leave breaks. This led to the creation of a 13-week flexible working period that allows returning parents to readjust to the workplace while balancing their new childcare responsibilities.

To date, 24 women have benefited from our new enhanced maternity leave policy (which includes adoption), 42 men have benefitted from the enhanced paternity leave, and a further three people have benefitted from the enhanced shared parental leave policy.

5. Incentivising the recruitment of women

We recognise the positive impact that women have on our industry and our business and the diversity of thought and innovation that happens as a result. However, less than 20% of our current workforce is made up of women. One of our goals, therefore, is to recruit more women at all levels of the business.

In March of this year we launched a new referral programme to reward our people for referring other talented individuals to Multiplex, and to promote the recruitment of more women to the business, we built in higher payments for successfully referring women.

Recommendations from our employees already formed a valuable source of candidates for vacancies, with over 15% of new employment offers initiated by referrals, and our new employee referral programme aims to increase this number in a way that also increases the number of women applying for Multiplex positions at all levels.

The new referral programme was launched on March 1 and we are already welcoming two women to the business in site-based senior roles, with many more referrals in the pipeline for future vacancies.





Gender Pay Gap figures

Why there are two sets of figures

The legal snapshot date for reporting annual gender pay gap figures is April 5. This means all calculations are based on the number of staff a company has employed on that date.

However, due to the global Covid-19 pandemic, on April 5, 2020, the majority of our staff were impacted by furlough or were working reduced hours, meaning that the data was not really representative of where we were as a company.

To counter this, we are reporting two sets of figures:

a. Mandatory Reporting Scenario:

Our legally required figures based on government guidance using the snapshot date of April 5 2020.

b. Mandatory Additional Scenario:

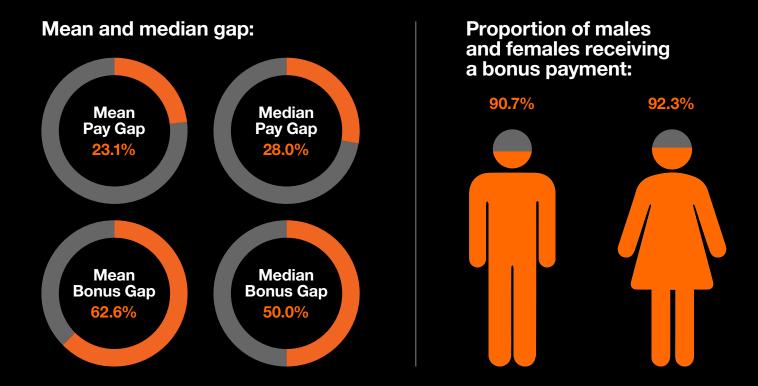
A scenario based on what our workforce numbers would have been without the Covid-19 pandemic, which we have worked with PricewaterhouseCoopers (PwC) to produce.

Our objective in creating this second set of figures with PwC is to create a more accurate snapshot of our gender pay gap, which will serve as a more useful benchmark for understanding our workforce and measuring our progress.

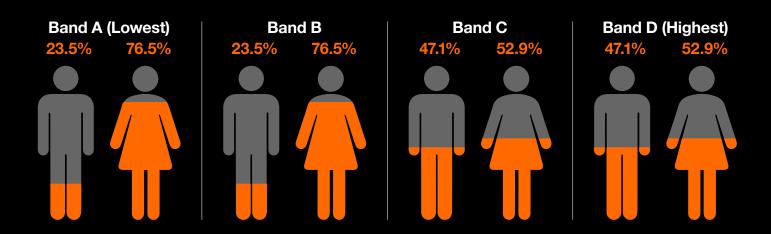


a. Mandatory Reporting Scenario

An overall summary of the mandatory gender pay gap calculations for Multiplex Construction Europe Limited only:



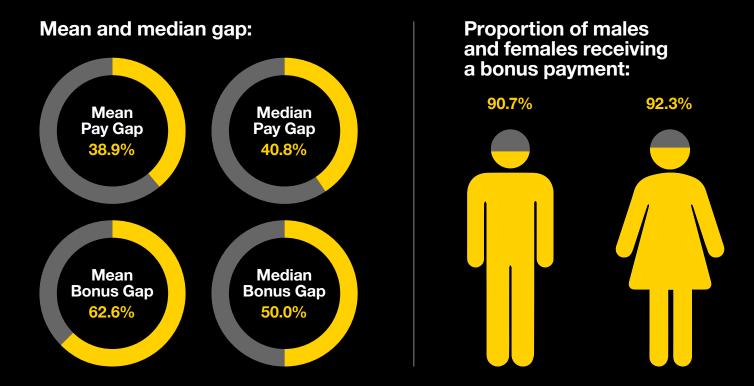
The figures below show the proportion of male and female employees in each pay quartile:



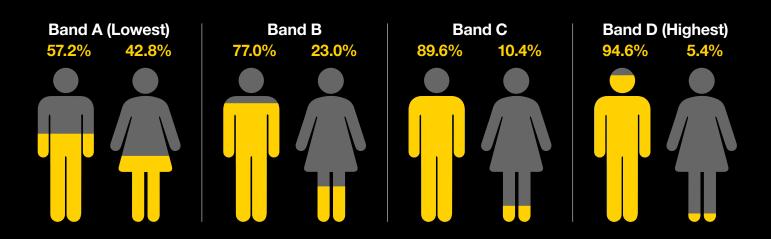
Note: Figures are rounded to 1 decimal place

b. Mandatory Additional Scenario

An overall summary of the additional scenario gender pay gap calculations on Multiplex Construction Europe Limited only:



The figures below show the proportion of male and female employees in each pay quartile:



Afterword from our HR Director

The construction industry must change.

It is well-documented that construction is behind the curve in terms of creating opportunities for women and showing them that they can build a career here. Our gender pay gap as an industry is still much too large and visibly, there is a lack of female representation in senior and leadership positions.

Like the rest of our industry, women are vastly underrepresented in the Multiplex workforce and this needs to change now.

Why do we need to diversify?

We take on the most complex jobs in the world, let alone in the UK and we need diversity of thought to tackle the problems. If we do not embrace change then we will fail as a company. This is not a trend that we are trying to appease, we want to seriously make a movement and statement on this. It is also not just about gender, it is about tackling diversity in our industry as a whole.

We are genuine with our intentions, we will take accountability and we are adamant on driving change, both in our business and industry. Change is the new norm and those who do not adjust or embrace this will themselves no longer feel that they have a place here.

We need to engineer the solutions as we go, which means trying new things, looking at what works and what doesn't, and make adjustments. We still have a long way to go, but Multiplex is committed to driving positive change and empowering women to succeed in our business.

Our Commitments

All of these successful actions are built upon the foundations of fairness, clarity and transparency which will be at the heart of all our people strategies and policies. We are taking this holistic approach to address the systemic and cultural barriers that exist to challenge our mission - to reduce the gap within our organisation.

Returners Programme

Increasing the representation of women at the mid and senior levels of our business are critical to reducing the Pay Gap. We are going to be launching a Returners Programme to welcome and support key female talent back into the industry.

Talent Pipelines

We are committed to ensuring that all of our leadership opportunities are accessible to all. When there are no clear successors identified internally to fill senior positions, our external shortlists will be diverse and all recruitment at senior level will be overseen by our Managing Director. We will work harder to show that our commitment to inclusivity is reflected in our attraction strategies, collateral and communication – both internally and externally.

Talent Development

When we conduct our annual talent reviews and resource planning, we will closely monitor all development and training opportunities available to our people with a focus on fair and equitable access for promotion and growth. We have extra measures in place to challenge how we evaluate women and men equally, overcoming any systemic barriers to fairness in our processes.

Fairness Framework

Across the business we are working to create clarity for our people around our pay structures. In addition to our usual pay review cycle we will now closely review our female talent throughout the year, to guarantee parity from day one. If there are ever any discrepancies identified we commit to fixing them immediately.



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