

GENDER PAY GAP REPORT 2022

NORTHSTONE



INTRODUCTION

At Northstone, our people remain our most important and valued asset and we believe that a successful business is one that harnesses the benefits of a truly inclusive and diverse culture.

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.

Traditionally our sector has been male dominated but we are making progress in trying to change perceptions and highlighting the range and quality of career opportunities available in our business and industry.

We are working hard to attract and recruit more women and Northstone'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 closing the gender pay gap, promoting diversity and attracting and developing the best people, regardless of gender.

This is our fifth Gender Pay Gap Report, produced in line with Government requirements for businesses with 250 or more employees to publish annual calculations showing any pay gap between male and female employees.

Our Report outlines the following statistics for Northstone (NI) Limited, which includes data relating to its trading divisions, namely Cubis, Farrans, and its Materials Division:

- » 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

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.

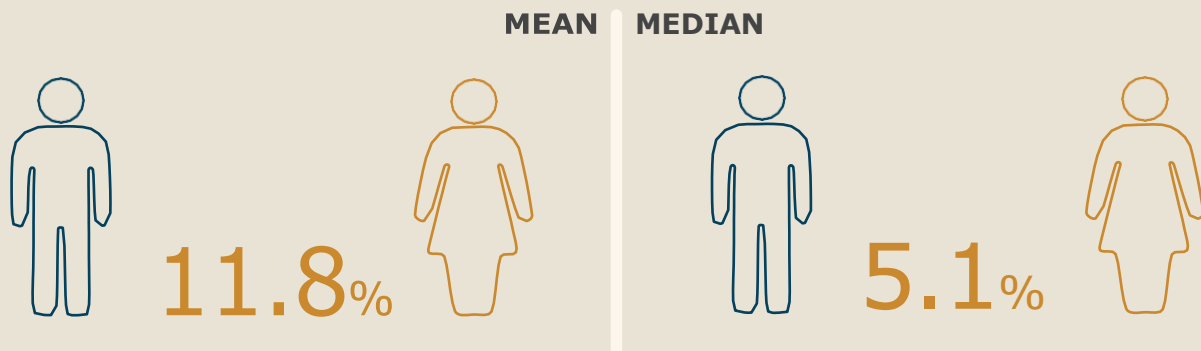
We remain committed to closing the gender pay gap, promoting diversity in our workforce, and to attracting and developing the best people, regardless of gender.

John Wilson

Chief Executive, Northstone

OUR GENDER PAY STATISTICS

HOURLY PAY



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

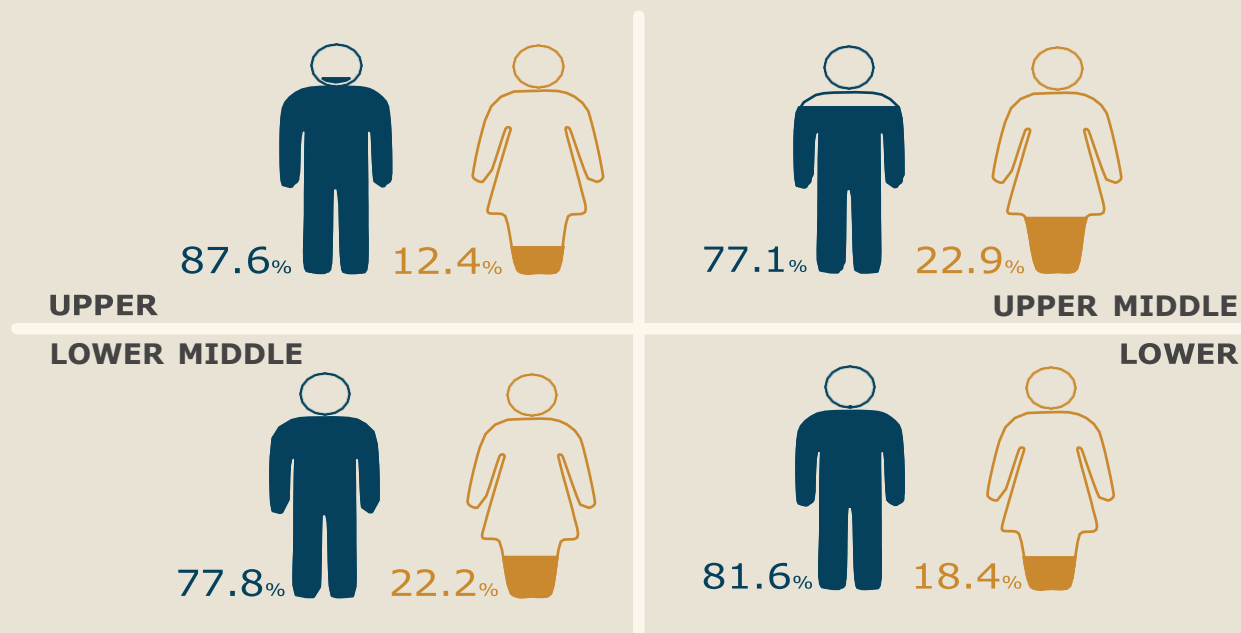
BONUS PAYMENTS



The proportion of men and women receiving a bonus

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

PAY QUARTILES



The distribution of pay is shown in quartiles. These are calculated by splitting the entire Northstone 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.

GENDER PAY STATISTICS

In 2022 our workforce moved in a positive direction in terms of male/female split (19% female, a 1% increase on last year).

Northstone's overall mean gender pay gap as at the 5th April 2022 snapshot date is 11.8%, compared to the reported UK average of 14.9%*.

The difference in the median (or middle) figure for hourly pay was 5.1%. The median hourly rate for women is driven by more site-based roles in construction and manufacturing being filled predominantly by men, with office based roles, which are typically higher paid, being filled by women.

In 2022, the proportion of men and women receiving bonuses was 90% of women vs 91% of men and the mean bonus pay gap was 0.8% and median, 11.2%.

**Source: Office for National Statistics 2022*

The mean (average) gap in bonus pay between men and women moved in a positive direction in comparison with the 2021 figures (0.8% this year vs 21.2% last year).

We acknowledge there is no quick fix to increasing the number of women in our business, however we are continuing to build the foundations for long-term, sustainable growth and foster a more inclusive and diverse company.

We seek to increase the proportion of women at all levels in our organisation by showcasing the many career opportunities within our sector. By actively engaging with the education sector and public bodies, we aim to encourage and inspire females to pursue a professional career within the construction and engineering industry, thereby promoting and improving gender balance within the workplace.

OUR ACTIONS

We continue to attract and increase the proportion of women within Northstone by highlighting the variety of opportunities on offer for women to have professional careers within this sector. We believe that a more diverse workforce will make us a better business.

ATTRACTING MORE WOMEN

We remain committed to developing a more diverse workforce and seek to cultivate a flexible working environment, attractive to both men and women, and we have, for example, reinvigorated our Flexible Working Policy thereby allowing a more hybrid approach to working.

We are encouraging the recruitment of more women within our organisation to improve gender balance, the capability of our workforce and to ensure that we have more women developing through the business. We host site-based recruitment days to promote, engage and attract women into the industry, and through our apprenticeship recruitment programme, we are focusing on attracting more women with an emphasis on promoting non-traditional female roles.

We continue to build our engagement with educational bodies to promote the opportunities and successes of women within our business, and help more young women to consider careers within construction, engineering, manufacturing and quarrying. We are also continuing to reflect women more widely in the imagery and case studies on our social media platforms as more females join.

30% MENTORING SCHEME

Northstone continues to participate in the world's largest cross-company mentoring scheme, the 30% Club Mentoring Scheme. The programme, with Women Ahead manage for the 30% Club, aims to develop the diversity and inclusion of organisations, and the pipeline and parity of women at all levels of the career pyramid.

WOMEN IN BUSINESS GROUP (NI & UK)

We are members of the Women In Business group, the largest and fastest growing business network for women. The Group members form a diverse network of women, all united with a common drive to build relationships, develop professional skills and achieve success.

SUMMARY

Addressing the gender balance of our workforce is a long-term commitment for both Northstone and the wider construction industry. We are firmly focused on attracting and nurturing more female talent and are committed to inspiring women to have a career within this industry.

CASE STUDY

Ellie McErlean **Apprentice Engineer**

Ellie is currently in her first year of a civil engineering apprenticeship with Farrans, working on site four days per week and attending University one day per week.

"Doing an apprenticeship has enabled me to put the theory work from university into working practice almost immediately. This opportunity has allowed me to expand my knowledge and skills in the engineering field by working alongside and learning from leading professionals both on site and through lectures.

Since beginning my apprenticeship, I have greatly improved my leadership, management and interpersonal skills as I am given endless opportunities to liaise with people in various trades, skills and professions every day.

Working alongside people from various construction backgrounds I get the opportunity to ask questions, express my ideas and assist in the management of works on a busy site. I have already gained valuable experience managing various types of work and it is a part of my job that I find extremely interesting as every day creates a different, exciting challenge.

I would highly recommend an apprenticeship, particularly if you enjoy putting what is being covered at University into practical use, communicating with different people and problem-solving as part of a team.

I would especially recommend an apprenticeship with Farrans. Help that is available when needed is second to none. My co-workers always make me feel like a valuable team member and I always feel heard within the company. From my experience so far, Farrans aims to help apprentices reach their full potential.

After completing my apprenticeship, I aim to achieve high career growth within Farrans through a continuous process of education and promotion. I am confident that through hard work and continued guidance, I will gain knowledge and reach my full potential to become a chartered civil engineer."



I can confirm that the data contained within this document is accurate and in accordance with government gender pay gap reporting requirements.

A handwritten signature in black ink that reads "John Wilson".

John Wilson
Chief Executive