



Gender pay gap report

2022



Introoduction

At Tarmac, we celebrate and encourage diversity – of thought, of background, of skillset – with the shared purpose of reinventing the way our world is built. We want everyone who works with us to experience this sense of belonging, while always feeling able to be themselves.

We're committed to nurturing a culture which embraces difference. We do, however, acknowledge that construction remains primarily dominated by men. For the future of our industry, there is a need and desire to accelerate change that is more reflective of society.

Encouragingly, our 2022 early careers intake – made up of apprentices, higher apprentices and graduates – attracted a new generation of women to Tarmac. Over time, we look forward to seeing these colleagues grow with us and enjoy fulfilling careers as part of our future.

People are our priority and we are committed to ensuring we offer fair reward and recognition for all.

A legal requirement of all UK businesses with 250+ employees, this report conforms to the sixth year of national reporting on gender pay differences.

The gender pay gap is a way of reporting diversity statistics, with two key measures calculating the difference between the average hourly earnings of men and women. It is expressed in numerical form as a mean (the average) and a median (the middle number) gap taken on a specific snapshot date.

In reference to the reportable snapshot date of April 2022, we're pleased that our mean gender pay gap saw a 5.3% improvement and had narrowed to 10.8% compared to the previous year. The median saw a marginal increase of 0.2% from 13.7% in April 2021 to 13.9%, owing to more women joining us at an entry level.

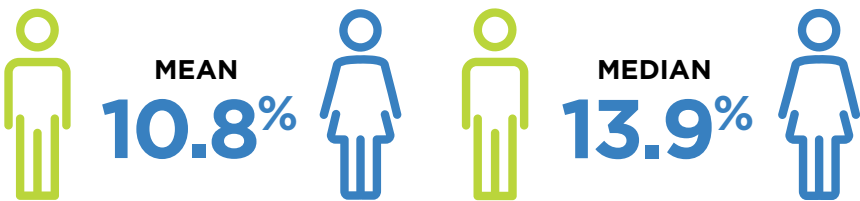
Our figures are also comparable with the UK national average of 14.9%* (mean), positively reflecting our continuing efforts to address gender pay differences.

In addition to discussing our gender pay differences in more detail, in this report we also highlight what actions we're taking to further close the pay gap and to ensure Tarmac is an inclusive place where people love to work.

Our statistics

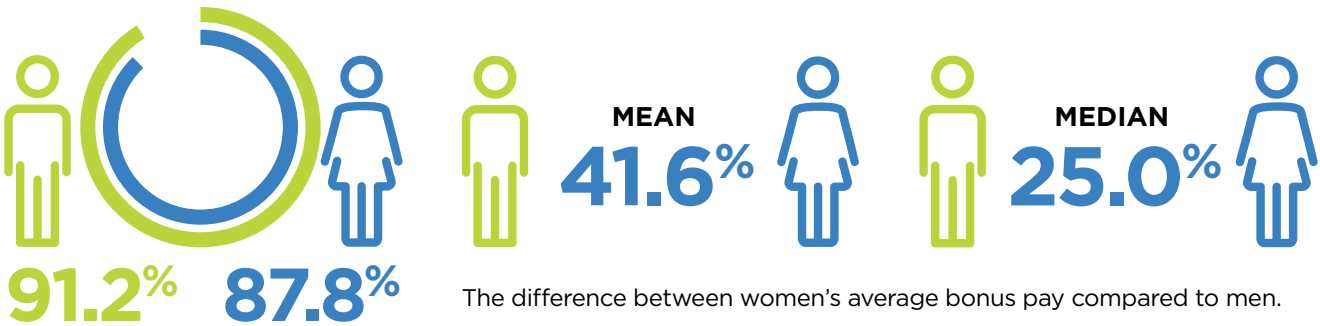
All entities combined*

HOURLY PAY



The difference between women's average hourly pay compared to men.

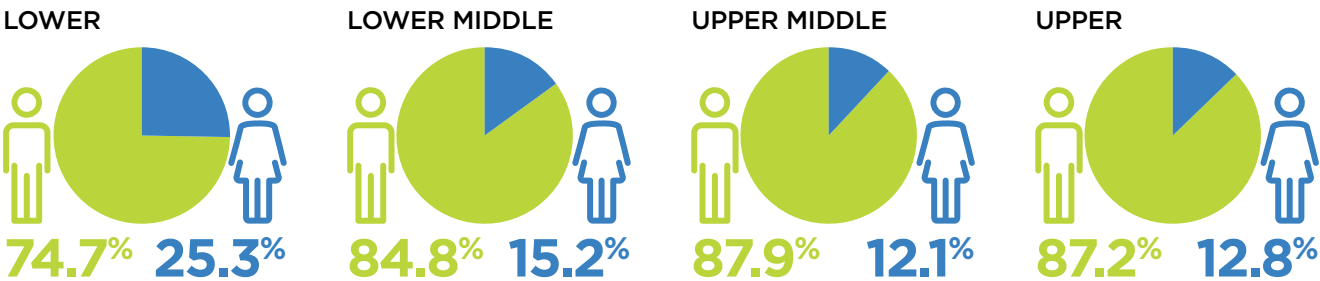
BONUS PAYMENTS



The difference between women's average bonus pay compared to men.

Men and women getting a bonus.

PAY QUARTILES



Quartiles are calculated by splitting an entire workforce into four equal bands based on hourly pay, from the highest (upper) to the lowest (lower). We show the percentage of men and women who sit in each band.

*In line with the Equality Act 2010 Regulations 2017, organisations with multiple legal entities must also report each relevant entity (with 250+ employees) separately. See page 9 for a breakdown of data for our legal entities.



Why is there a gap?

There are fewer women at Tarmac

- Our workforce is made up of 83.5% men and 16.5% women, which is reflective of our wider industry landscape.
- Now, more than ever, is a great time to join construction – with a variety of both operational and functional roles available. Traditional construction roles are also changing and we're prioritising innovation, technology and automation as we look to the Tarmac of the future.
- As an industry leader, we recognise our responsibility in encouraging women to view construction as a rewarding career path.

More women are employed at entry and junior levels

- There are more women working at the lower two quartiles, making up 62% of all women employed at Tarmac.

- We're proud to have recruited new apprentices and graduates in 2022 who are women, though we continue in our efforts to attract more women at all levels – including senior roles.
- While 12.8% of employees in the highest pay band were women, compared to 87.2% men, it's encouraging to see a slight increase of 1.3% on 2021.

Bonuses are awarded as a % of pay

- Flexible working, including adopting part time hours, is actively encouraged to enable colleagues to balance a positive home and work life.
- All eligible employees receive a bonus annually, which for our part time colleagues, largely women, is paid pro rata – offering an explanation behind our bonus pay differences.
- Reflecting our flexible working policy, we've updated our approach to hybrid working and support employees to split their time between home and company locations, wherever possible.



Our progress

Gender pay calculations are a helpful measurement tool, but there is so much more to our inclusion and diversity journey.

We're fully committed to progress over perfection – acknowledging that we don't necessarily have all the answers. Our employees, including those from all under-represented groups, play a crucial role in shaping the way forward and continue to guide and challenge our actions.

Some of the positive steps we've taken during 2022 are featured below.

A new generation of women

In September, we welcomed our largest ever intake of early careers recruits, with over 120 graduates, higher apprentices and apprentices UK wide starting their careers at Tarmac. This included individuals joining us straight from school, as well as others undertaking a career change later in life.

Following a successful recruitment campaign, we were pleased to attract a new generation of future leaders to the business – with 33% of our graduate

roles secured by women. Bringing fresh ideas and skills to Tarmac, we're excited to support these colleagues in developing fulfilling careers with us.

Female Voice

Our women's network, Female Voice, was established in 2021 and is led by women and allies company wide. Having grown to 250+ members, the group continues to influence how we attract and retain more women to our business.

Throughout the year, Female Voice members have instigated a number of initiatives and activities designed to share knowledge and empower women and allies across Tarmac. This included hosting a successful webinar series on women's health and supporting the business' approach to celebrating International Women's Day.

Female Voice members also raised a remarkable £1,600 for the Eve Appeal charity by walking 50 miles during August, taking on a sponsored tour of Tarmac sites. Importantly, the Eve Appeal raises awareness of the five gynaecological cancers and funds research into methods of risk prediction, screening and early diagnosis.



Our communities

We have a further nine employee networks, which have over 1,500 members between them. Forums to share experiences and knowledge with fellow workmates, our communities are sponsored by a senior leader and led by employee chairs with a vested interest. They include:

- Ability
- Early careers
- Ex-armed forces and emergency services
- Inclusion and diversity champions
- LGBTQ+
- Menopause
- Mental health and wellbeing
- Parents and carers
- Religious, ethnic and cultural heritage (REACH)
- Sustainability

Increasing menopause support

We're committed to having open conversations with employees about changes in health relating to the menopause, recognising that each individual's experience is different.

Our dedicated menopause support group was established in 2021 and is a safe space for colleagues to discuss symptoms, issues and experiences with others going through the same life stage.

In 2022, our support for those experiencing menopausal and perimenopausal symptoms was strengthened by the launch of a menopause policy – as well as the addition of employee and line manager guides. We've recognised that to attract and, importantly, retain women a fresh approach to

menopause support is needed, with our policy and guides enabling this change for our workforce.

Kate Jones, our head of communications and corporate affairs and sponsor of the menopause community, said:

"We know that some women experience such difficult symptoms that they consider leaving their workplace, so our new guides are designed to support productive conversations and help people identify actions and potential reasonable adjustments."

"I'm really encouraged to see Tarmac being pro-active in supporting colleagues through menopause. Our community members appreciate that Tarmac acknowledges the additional support that might be required as we navigate this stage in our lives and career, and in turn we support each other with tips and coping strategies."

Using data to drive decisions

To better understand our workforce demographic, we carried out a full refresh of employee data. The findings from this exercise are helping to ensure our policies and procedures remain relevant and are supportive of our diverse workforce.

For every colleague who updated their information, we donated £1 to the company-backed Weir Archer Academy – a unique training centre for disabled athletes. In total, 3,921 colleagues updated their personal information, raising a total of £3,921 for the cause.



Case studies

Kiran Desai, **marketing manager**

As a marketing manager, I'm responsible for various marketing channels and activities, such as our trade advertising and corporate merchandise. This also covers a range of product areas, including blocks, our sands and soils ranges and the National Road Planing division, and involves working on events, literature and online presence.

I joined Tarmac back in August 2017 as a marketing officer. Coming from a smaller company, I knew Tarmac was a long-standing business with a good reputation and felt as though there was a lot to learn from a company of this size. I was then promoted to a manager role in January 2020.

After the birth of my baby girl, Sophia, I came back to work following maternity leave in April 2022

as part time – allowing me to have time for my daughter and time for me. My manager, Simone, has been incredibly supportive during my pregnancy and was very patient as I adjusted to the new normal way of working following Covid and my new part-time role after maternity leave.

What I enjoy about Tarmac is that I'm empowered to get involved in different areas of marketing and work with different people all around the business. And I love being part of a great team. It's also about the work / life balance – allowing me to work and be a mum!

In addition, it feels good to work in construction right now when more awareness is being driven about the representation of women, especially in such a male dominated industry.

Samantha Brooman, development manager

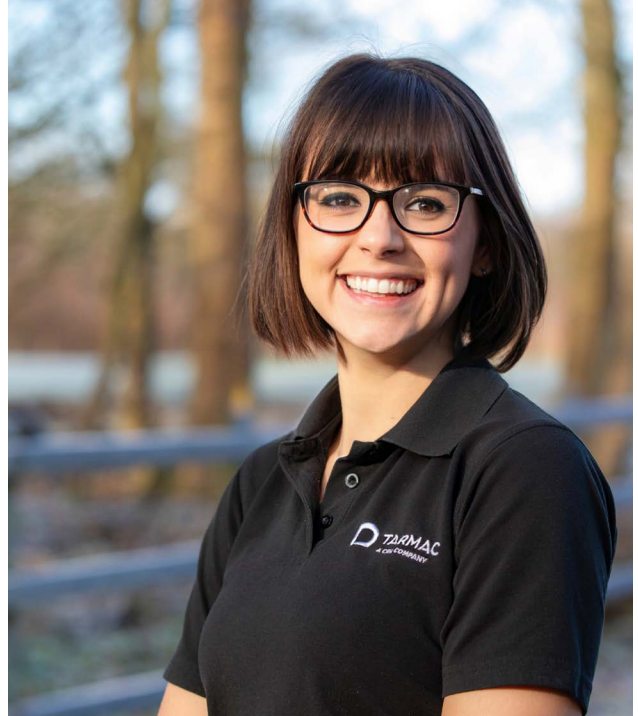
As development manager for our land and development division, I'm responsible for reviewing the portfolio of land we own and manage – exploring opportunities for alternative uses which can bring benefit to the local area.

My background has always been in planning and development, having worked for almost 10 years as a local authority planner, responsible for preparing new local plans and major projects. Before joining Tarmac, I worked for a housing association as a planning manager supporting a build programme of 1,000 new homes annually.

I joined Tarmac in June 2021. Tarmac's UK land portfolio and commitment to responsible land management really struck a chord with me.

For me, the best thing so far has been the land and development team! I work with awesome people. We work hard, we commit, but best of all we do it together.

I've always worked in a male dominated industry and am proud to do so. I have two degrees and I'm a chartered town planner, all of which I've achieved regardless of my gender. I put in the effort and to



this day, every day, I'm proud to bring the same effort and energy to my role for Tarmac.

To others looking to join the industry, I'd say do it! Become a planner (our industry needs more planners). I'll happily talk to anyone interested in a career in planning. I fell into planning because of my love for people and wishing to build a better future for all – if I can help anyone to step into a career in planning or development I will do.



Cristiana Morariu, quality manager

As quality manager within our cement and lime division, I'm responsible for all aspects of the quality of our products (from quarry to dispatch). This includes the certification of products, operational testing, monitoring and reporting, as well as actions needed to maintain quality compliance.

I started my career as a chemical engineer in 2008 and went through a training programme to become a laboratory manager. As preparation, I spent one year at a technical centre in Austria – where I went through all the management procedures, from testing to defining.

In 2010, I was appointed laboratory manager at which time I managed three laboratories with a team of 20 people. I was part of the team that accredited the laboratories for regulations on the testing of kiln feed, clinker and fuels – we were the first cement plant in Romania going through that process!

In 2015, I applied for the role of quality manager in Tarmac and joined the team at the Dunbar Cement Plant, in Scotland. It was time for a change for me and the Dunbar plant was a site where I felt I could use my experience and learn also.

What I love the most in my job is the continuous change, finding the solution to the problem and the fact that I can see the result of my work in the final product.

The cement industry is hard but interesting. The opportunities that exist are numerous and if you work hard that work is seen and appreciated.

Our divisions

In line with to the Equality Act 2010 Regulations 2017, organisations with multiple legal entities must report each relevant entity (with 250+ employees) and its gender pay differences separately. Our five separate entities are detailed below.

Tarmac Aggregates Ltd

Pay	Mean	Median	Quartile data	Female	Male	Bonus	Mean	Median	Proportion of each gender paid a bonus	
Women's hourly rate difference (lower)	0.6%	6.6%	Lower	9.1%	90.9%	Women's bonus pay (lower)	24.3%	12.4%	Female	100.0%
			Lower middle	14.7%	85.3%					
			Upper middle	2.9%	97.1%				Male	100.0%
			Upper	11.8%	88.2%					

Tarmac Building Products Ltd

Pay	Mean	Median	Quartile data	Female	Male	Bonus	Mean	Median	Proportion of each gender paid a bonus	
Women's hourly rate difference (lower)	16.9%	21.0%	Lower	24.5%	75.5%	Women's bonus pay (lower)	51.9%	24.5%	Female	76.3%
			Lower middle	29.0%	71.0%					
			Upper middle	9.8%	90.2%				Male	81.1%
			Upper	10.4%	89.6%					

Tarmac Cement & Lime Ltd

Pay	Mean	Median	Quartile data	Female	Male	Bonus	Mean	Median	Proportion of each gender paid a bonus	
Women's hourly rate difference (lower)	12.6%	17.6%	Lower	18.6%	81.4%	Women's bonus pay (lower)	18.3%	76.3%	Female	94.3%
			Lower middle	8.2%	91.8%					
			Upper middle	3.2%	96.8%				Male	91.8%
			Upper	6.4%	93.6%					

Tarmac Services Ltd

Pay	Mean	Median	Quartile data	Female	Male	Bonus	Mean	Median	Proportion of each gender paid a bonus	
Women's hourly rate difference (lower)	14.5%	13.1%	Lower	31.8%	68.2%	Women's bonus pay (lower)	60.7%	49.7%	Female	99.8%
			Lower middle	25.7%	74.3%					
			Upper middle	22.8%	77.2%				Male	99.8%
			Upper	18.2%	81.8%					

Tarmac Trading Ltd

Pay	Mean	Median	Quartile data	Female	Male	Bonus	Mean	Median	Proportion of each gender paid a bonus	
Women's hourly rate difference (lower)	12.4%	14.0%	Lower	23.0%	77.0%	Women's bonus pay (lower)	55.1%	24.0%	Female	72.9%
			Lower middle	12.1%	87.9%					
			Upper middle	6.3%	93.7%				Male	88.1%
			Upper	8.5%	91.5%					

Just as in a family, everyone should feel involved and that they belong here. I am proud to lead a company where we're committed to doing just that - we look out for each other.

For each policy we improve, every process we review and each step forward we take year on year, we're creating a better business where all our people can thrive. I'd like to thank every single team member for being behind us as we continue to make progress on our inclusion and diversity journey.

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 blue ink, appearing to read 'P. Buckley'.

PETER BUCKLEY

President