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Addressing the Ethnicity Pay Gap

Inclusion is at the heart of Amey and we want to lead the way in this area. We need to tackle inequality in the workplace because it is the right thing to do for our people. It also makes good business sense to reach out, support and nurture talent from as wide a pool as possible.

Businesses are still waiting for the output of the Government's consultation on the ethnicity pay gap reporting requirements and whilst there is no doubt it will become a future legal requirement alongside gender pay gap reporting, we are pleased to voluntarily share our first ethnicity pay gap report.

We are publishing this data so we can better understand the reasons behind any gaps, and take targeted action to address them, for which we will be publicly accountable.

Employees are not required to disclose their ethnicity, so the data we share today is based on those that have chosen to report their ethnicity. Our disclosure rate is 81%, which is above average for an organisation of our size, and we will continue to encourage employees to disclose their ethnicity, so our data is more representative of our whole organisation. By publishing this report, this information can be used to drive further positive action. We are aware as more people share their ethnicity, our figures may fluctuate over the next few years as we gain a more accurate view across our organisation.

Our ethnicity median pay gap is 1.56%, which is lower than the national average of 2.3% reported by the Office for National Statistics in 2019. Our ethnicity pay gap bonus does highlight that there is a lack of ethnic representation amongst our 100 most senior leaders in the organisation, where the highest proportion of bonuses are paid. This is an area we will need to continue to address.

Greater representation from ethnically diverse employees at senior levels is one step in the journey to equality, however we must continue to foster a safe and supportive culture, by listening, educating and encouraging people to speak up when they see or hear something that is not right. Our Multicultural Affinity Network have done a fantastic job this year raising awareness about lived experiences in and out of the workplace and our 100 most senior business leaders have all taken part in privilege awareness sessions.

We are proud to re-affirm our signatory of Business in the Community's (BiTC) refreshed Race at Work Charter, a campaign which drives action and supports race equality in the workplace. We are also proud that our inclusion strategy has resulted in two industry recognised awards, the HR Excellence award for Best Inclusion and Diversity Strategy and the Employers Network for Equality and Inclusions' (ENEI) Inclusive Culture Award.

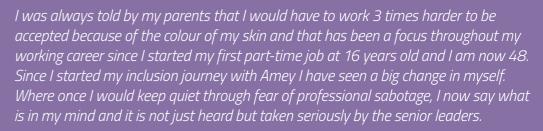
We want our workplace to be an environment where everyone is comfortable to be themselves, where they feel valued and empowered to add value. We have made good progress in our journey to race equality and are determined to keep it at the heart of our agenda for years to come.

Amanda Fisher









For the first time in any of the jobs, I have had I feel that I can be who I am and be me. It's still taking some getting used to, however, when I see the work that Amey is doing to ensure that Inclusion is a massive focus it gives me the encouragement to try and inspire those of a Multicultural heritage within Amey to be their true self.

This report shows 2 things. That Amey is not where they want to be. And that there is a plan in place to make changes and I am confident that more change is coming.

Kelvin Campbell

Multicultural Affinity Network

Ethnicity Pay Transparency

There are currently no statutory regulations regarding the publication of Ethnicity Pay data in the UK.

We have followed the statutory gender pay gap reporting methodology when calculating our ethnicity pay gap data.

For ethnicity pay gap purposes, the data was as of 5 April 2021 and, unless specified, we are reporting data for employees who have made a declaration on their ethnicity and are categorised as either white or ethnically diverse individuals.

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The Amey Ethnicity Pay Gap

The Ethnicity Pay Gap should not be confused with equal pay. Equal pay is the practice of paying individuals from any ethnic group equally for performing the same or similar work of equal value.

The ethnicity pay gap is the percentage difference in the average hourly rate of pay of white and ethnically diverse employees. At Amey we look at mean and median measures when calculating our pay gap.

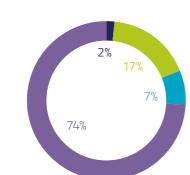
quartile

ETHNICITY REPRESENTATION ACROSS AMEY

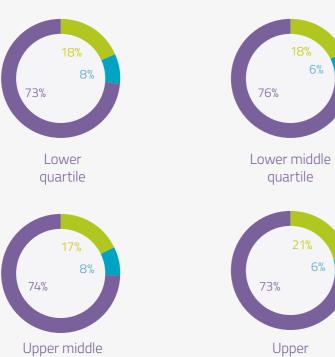
■ White: 10,649

quartile

- Ethnically diverse: 997
- Not specified: 2,472
- Prefer not to say: 202



ETHNICITY REPRESENTATION IN EACH PAY QUARTILE



- White
- Ethnically diverse
- Not disclosed
- In the UK employers cannot compel employees to disclose their ethnicity.
 The disclosure rate in Amey is 81%.
- It is important that our calculations are reflective of our whole organisation so we can better track yearon-year trends. A higher disclosure rate in future years will ensure more accuary in our ethnicity pay gap reporting.

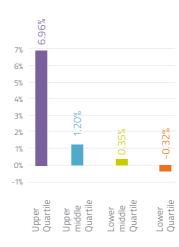
MEAN PAY GAP

This is calculated by adding the white employees hourly pay and dividing by the number of white employees in the organisation. Then adding all ethnically diverse employees hourly pay and dividing by the number of ethnically diverse employees in the organisation. The mean Ethnicity Pay Gap is the difference between these two numbers as a percentage. The Amey mean Ethnicity Pay Gap for 2021 is 2.05%.

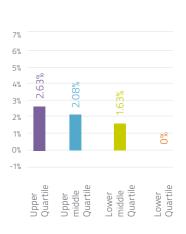
MEDIAN PAY GAP

This is calculated by sorting all the white employees hourly pay by size and selecting the middle salary. Then sorting all the ethnically diverse employees hourly pay by size and selecting the middle salary. The median Ethnicity Pay Gap is the difference between these two numbers as a percentage. The Amey median Ethnicity Pay Gap for 2021 is 1.56%.

ETHNICITY MEAN PAY GAP PER QUARTILE*



ETHNICITY MEDIAN PAY GAP PER QUARTILE*



MEAN BONUS GAP: 35.62%

MEDIAN BONUS GAP: 34.72%

Our 100 most senior leaders have a larger percentage of their pay as variable bonus and more of these are white. This is what drives our ethnicity bonus pay gap.

^{*}Perfer not to say / not specified numbers have been excluded from the charts above.



Closing the pay ethnicity pay gap

LEADERSHIP

- The Amey Chief People Officer is the Executive Sponsor for race and there is active engagement from the General Counsel and the rest of the executive team to promote a more diverse workplace
- The ethnicity representation in the Amey Executive Committee is 11%
- The most senior 100 leaders across
 Amey have all been coached in
 multicultural lived experience training
 via 'What is privilege anyway sessions'
 run by our Affinity group leads
- The Employers Network for Equality and Inclusion (enei) benchmarking standards ranks us as at 'Embed' level and leading in our sector. We are following clear actions to move to 'Sustain' level over the next year
- Amey have partnered with the Royal Academy's Graduate Engineering Engagement Programme (GEEP) since 2016. GEEP aims to increase the transition of engineering graduates from diverse backgrounds into engineering employment.

TRANSPARENCY

- Our commitment to improve greater ethnicity at all levels of the business has resulted in an 0.75% increase from 2020 to 2021
- There has been accelerated improvement in ethnicity in leadership roles with a +2% year on year increase
- We launched our first Inclusion survey in 2021 and 93% of our employees described a feeling of belonging in Amey. This survey has resulted in more actions, particularly focussed on underrepresented groups where there is a slightly lower level of satisfaction.

TALKING ABOUT RACE

- The Multicultural Affinity Network was established in 2020 and aims to provide a safe space for employees to talk about race and learn about the different backgrounds and cultures of Amey employees. They provide support to those suffering any type of racism or non-inclusive behaviour
- We held our first ever Race Equality Week in February with a high number of employees participating in events across the week
- During Black History Month, our Multicultural Affinity Network hosted the first Amey Q&A panel session to celebrate and discuss Black experiences
- Safe Space we held two safe space sessions with volunteers from our Multicultural Affinity Network with executive and Senior leadership team members to understand what it really feels like to be in a minority in Amey. This led to five changes in our strategy around communication, training and recruiting
- Safe Space will continue into 2022 and will be externally facilitated.

LOOKING AHEAD

- We plan to launch a number of initiatives to support our recruitment programmes, including:
 - Targetting ethnically diverse talent across Band D+ hires, Graduates & Apprentice hires
 - Recruiting to Amey guiding principles and ensure there is an ethnically diverse selection panels and shortlists for all management roles
 - Developing the recruiting team to be consciously inclusive hirers
 - A new applicant tracking system will enable better tracking of conversion of applicant to hire in underrepresented groups
 - Reviewing our attraction strategies to ensure these are inclusive to all groups
- Following the success of our Women@
 Amey Development programme, we are now creating a bespoke development programme for underrepresented groups
- We will be marking Race Equality Week in February 2022, led by the priorities notably set out by our Multicultural affinity group
- Reverse mentoring will be introduced in the first half of 2022.



Personal pride in our public service

Amey is a leading infrastructure services and engineering company.

We are at the heart of modern Britain, helping the economy to grow by designing, maintaining and transforming the nation's strategic assets.

Our 13,000 people are behind the critical services the country relies on every day and we each take personal pride in our public service.

Our unique engineering and operations experience, together with data driven insight from our consulting business, delivers better results for our clients.

We are trusted partners of $\stackrel{\cdot}{\text{Government}}-\stackrel{\cdot}{\text{both national and}}$ local – managing assets and complex projects that are vital to the sustainable growth of the country.



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