1.0 FOREWORD

Hydrock wants to be a force for good. We want to make a positive contribution to the lives of the people who work for Hydrock, the communities we work in, to society generally and to the world.

This report is part of our commitment to Diversity, Equity and Inclusion.

For Hydrock, and for other employers in our industry, the gender pay gap is the product of having more men than women in senior roles. The outputs are not to be confused with equal pay and we enclose a glossary for clarity, for those less familiar with the report.

We aim to close our gender pay gap by attracting more women into the industry and Hydrock, and by supporting a greater proportion of women into senior roles.

2.0 GLOSSARY OF KEY TERMS

**Gender Pay Gap** is the percentage difference in average hourly pay between men and women, at the same company. E.g. a +25% gender pay gap means that the average hourly pay for men is 25% more than the average hourly pay for women.

There is not one reason behind the gender pay gap, but for many companies it is often largely the result of men holding the majority of the senior higher paid roles in a company. Therefore, a gender pay gap can exist despite a company paying its male and female employees equally for the same or similar roles.

**Equal Pay** is to pay men and women equally when they carry out the same or similar jobs, or work of equal value. This is a legal requirement under the Equal Pay Act 1970 and Equality Act 2010.

**Mean** Sum of values of a data set divided by the number of values.

**Median** The middle value of a group when they are ranked in order.

**Pay Quartile** All employees are ranked from highest to lowest by hourly pay. They are then divided into four equally sized groups.
The snapshot date for this Gender Pay Gap Report was 5 April 2021.

It's good to see a slight increase in the proportion female fee-earning staff.

We achieved our 50:50 male:female ratio for graduate, apprentice and trainee vacancies in 2019/2020. Unfortunately we did not maintain this through 2020/2021 and we can see the gender split within these roles reverting to previous levels in this snapshot.

We have made a greater commitment to Diversity, Equity and Inclusion going forwards, including employee resource groups, training and promoting awareness and we expect to see these efforts reflected in our demographics over the coming years.
4.0 GENDER PAY GAP

% DIFFERENCE IN AVERAGE HOURLY RATE

Our gender pay gap has increased from 2020.

We are working to increase the representation of women in more senior roles, through attraction, development and retention but men still hold most of the senior roles.

It's good to see the swell from 25% to 38% in the lower middle quartile and we must support these women to come through into the upper quartiles.

We are pleased to see the significant and slight increases in the proportion of women in the Lower Middle and Upper pay quartiles respectively compared with 2020. We must support the women in the Lower Middle quartile to come through into the upper quartiles.
5.0 GENDER SPLIT IN EMPLOYEES RECEIVING BONUSES

PROPORTION OF EMPLOYEES RECEIVING A BONUS

The likelihood of a member of staff receiving a bonus was unaffected by gender in previous years but proportionally more women received a bonus this year.

% DIFFERENCE IN AVERAGE BONUS PAYMENTS

Our mean bonus gender pay gap has reduced significantly from 2020 but still shows that on average men in Hydrock get paid 31.7% more in bonus pay than women.

This is the product of having more men than women in senior roles (that attract larger bonus payments) and a greater proportion of women working part-time (the statutory calculations do not convert bonuses paid to part-time employees to a full-time equivalent).
6.0 CLOSING THE GAP

We need to do more to support our female staff to the top and have committed to achieving greater diversity through our refreshed values, behavioural matrix and ESG report.

Our gender diversity employee resource group is one of three diversity groups to have launched so far and their perspectives and ideas will help us to provide a better environment for women to thrive going forwards. We expect to develop our approach to maternity far beyond enhanced maternity pay and to provide additional training modules to women progressing through our development programmes.

We are developing the way we attract and select for early careers roles and see this as an opportunity to address the industrywide challenge from the bottom up, closing the gap in the longer term.

We’ll continue to promote the industry through our STEM Ambassadors and using our influence to promote relevant events like International Women’s Day and International Women in Engineering Day and to support relevant campaigns, such as Business in the Community’s Who Cares? Campaign.