

TClarke plc

2018 Gender Pay Gap Report

Introduction

Our people are our biggest asset and we recognise the need to attract and retain excellent staff which give TClarke the great reputation we are renowned for. TClarke is committed to providing equal opportunities to all current and future employees and welcomes the UK Government's requirement for large companies to be more transparent on gender pay.

As required by the UK legislation we share our data for the two legal entities in the Group that employ 250 or more employees, namely TClarke Contracting Limited and TClarke Services Limited, at the end of the report. We also show the total picture for TClarke in the UK regardless of employing entity. The figures reported must be calculated using the 'snap shot' date of 5 April each year. Therefore, the data provided is as at 5 April 2018, as required by the legislation, with 2017 figures included for information.

What is the Gender Pay Gap?

The Gender Pay Gap is the difference in pay between men and women explained through various statistics. It is influenced by a range of factors, including the demographics of a company workforce. The Gender Pay Gap is different from 'Equal Pay', as 'Equal Pay' is about a man and a woman receiving equal pay for the same or similar job.

'Mean Pay Gap' is the difference in the average hourly pay for women compared to men, within a company.

'Median Pay Gap' represents the middle point of a population. If you separately lined up all the women in a company and all the men, the median pay gap is the difference between the hourly pay rate for the middle women compared to that of the middle man.

'Pay quartiles' represent the pay rates from the lowest to the highest for our employees split into four equal sized groups, with the percentage of men and women in each quartile.

Our workforce

To help explain the data, it is important to understand a little bit about TClarke. TClarke has been operating in the construction industry since 1889 and was founded by Tommy Clarke who was an entrepreneur in a new technology sector. Today, we are a nationwide building services contractor that designs, installs, integrates and maintains the full range of mechanical and electrical services and the digital infrastructure to create a 21st-century building.

In the construction sector, there is a long-standing lack of women in the industry. For those women who are employed in the industry they are usually in non-delivery or non-client facing roles and often in more junior positions. This means that across construction a significant pay and bonus gap exists between men and women.

The Data

The TClarke Group as a whole

The TClarke Group as a whole had 1,335 employees as at 5 April 2018 (2017: 1,277), of which 7.49% were women (2017: 8.06%).

Pay and bonus difference between women and men at 5 April 2018 and 5 April 2017:

| Hourly Pay | 2018 | 2017 |
|-------------------------------------|-------------|-------------|
| Mean pay differential (average) | 32% | 33% |
| Median pay differential (mid-point) | 27% | 27% |

| Bonus Pay | 2018 | 2017 |
|-------------------------------------|-------------|-------------|
| Mean pay differential (average) | 48% | 43% |
| Median pay differential (mid-point) | 91% | 63% |

The tables above show the percentage by which women's average hourly pay and bonus pay is lower compared to men.

Proportion of employees receiving a bonus in 12 months preceding 5 April 2018 and 5 April 2017:

| | 2018 | 2017 |
|-------|-------------|-------------|
| Men | 9% | 7% |
| Women | 36% | 29% |

Pay quartiles across the legal entity's employees at 5 April 2018 and 5 April 2017:

| Upper quartile | 2018 | 2017 |
|-----------------------|-------------|-------------|
| Men | 97% | 97% |
| Women | 3% | 3% |

| Upper middle quartile | 2018 | 2017 |
|------------------------------|-------------|-------------|
| Men | 98% | 98% |
| Women | 2% | 2% |

| Lower middle quartile | 2018 | 2017 |
|------------------------------|-------------|-------------|
| Men | 89% | 92% |
| Women | 11% | 8% |

| Lower quartile | 2018 | 2017 |
|-----------------------|-------------|-------------|
| Men | 85% | 81% |
| Women | 15% | 19% |

TClarke Contracting Limited

TClarke Contracting Limited is the main trading subsidiary for the Group following a Group reorganisation that took place between 2016 and 2017 and employs hourly paid employees that work on our construction sites.

TClarke Contracting Limited has 899 employees as at 5 April 2018 (2017: 461), of which 1.11% were women (2017: 1.52%).

Pay and bonus difference between women and men at 5 April 2018 and 5 April 2017:

| Hourly Pay | 2018 | 2017 |
|-------------------------------------|-------------|-------------|
| Mean pay differential (average) | 21% | 18% |
| Median pay differential (mid-point) | 23% | 25% |

| Bonus Pay | 2018 | 2017 |
|-------------------------------------|-------------|-------------|
| Mean pay differential (average) | -730% | -704% |
| Median pay differential (mid-point) | 73% | 0% |

The tables above show the percentage by which women's average hourly pay and bonus pay is lower compared to men. The negative number indicates that on average women earn more than men, however, this figure is distorted because two female employees out of ten female employees received a bonus, compared to 10 male employees receiving a bonus out of 942 male employees eligible during the year, as indicated in the percentage figures in the table below.

Proportion of employees receiving a bonus in 12 months preceding 5 April 2018 and 5 April 2017:

| | 2018 | 2017 |
|-------|-------------|-------------|
| Men | 1% | 1% |
| Women | 20% | 13% |

Pay quartiles across the legal entity's employees at 5 April 2018 and 5 April 2017:

| Upper quartile | 2018 | 2017 |
|-----------------------|-------------|-------------|
| Men | 99% | 99% |
| Women | 1% | 1% |

| Upper middle quartile | 2018 | 2017 |
|------------------------------|-------------|-------------|
| Men | 100% | 100% |
| Women | 0% | 0% |

| Lower middle quartile | 2018 | 2017 |
|------------------------------|-------------|-------------|
| Men | 98% | 98% |
| Women | 2% | 2% |

| Lower quartile | 2018 | 2017 |
|-----------------------|-------------|-------------|
| Men | 98% | 97% |
| Women | 2% | 3% |

TClarke Services Limited

TClarke Services Limited provides internal support services to support the operations of TClarke Contracting Limited and employs all salaried staff.

TClarke Services Limited has 436 employees as at 5 April 2018 (2017: 270), of which 21.56% were women (2017: 25.18%).

Pay and bonus difference between women and men at 5 April 2018 and 5 April 2017:

| Hourly Pay | 2018 | 2017 |
|-------------------------------------|-------------|-------------|
| Mean pay differential (average) | 57% | 60% |
| Median pay differential (mid-point) | 52% | 56% |

| Bonus Pay | 2018 | 2017 |
|-------------------------------------|-------------|-------------|
| Mean pay differential (average) | 85% | 95% |
| Median pay differential (mid-point) | 91% | 81% |

The tables above shows the percentage by which women's average hourly pay and bonus pay is lower compared to men.

Proportion of employees receiving a bonus in 12 months preceding 5 April 2018 and 5 April 2017:

| | 2018 | 2017 |
|-------|-------------|-------------|
| Men | 33% | 25% |
| Women | 37% | 23% |

Pay quartiles across the legal entity's employees at 5 April 2018 and 5 April 2017:

| Upper quartile | 2018 | 2017 |
|-----------------------|-------------|-------------|
| Men | 99% | 98% |
| Women | 1% | 2% |

| Upper middle quartile | 2018 | 2017 |
|------------------------------|-------------|-------------|
| Men | 96% | 97% |
| Women | 4% | 3% |

| Lower middle quartile | 2018 | 2017 |
|------------------------------|-------------|-------------|
| Men | 86% | 78% |
| Women | 14% | 22% |

| Lower quartile | 2018 | 2017 |
|-----------------------|-------------|-------------|
| Men | 31% | 28% |
| Women | 69% | 72% |

Chief Executive's overview

We are committed to creating a diverse and inclusive place to work where our people can be themselves and be at their best. The Group maintains an equality and diversity policy, selecting and promoting employees based on their aptitudes and abilities.

Within TClarke, 7.5% of our employees are women, but the majority of those roles are more junior in nature, which has resulted in a 2018 mean gender pay gap of 32% and a mean bonus gap of 48%. Despite historical issues in our industry, we accept this is not good enough and are taking steps to improve the situation through our five-year leadership programme, our Training Academy and our long established Apprenticeship programme.

The data in this document is accurate and in line with Government reporting regulations.



Mark Lawrence

Chief Executive Officer

TClarke plc