

Naylor Industries plc – Gender Pay Gap Report 2017

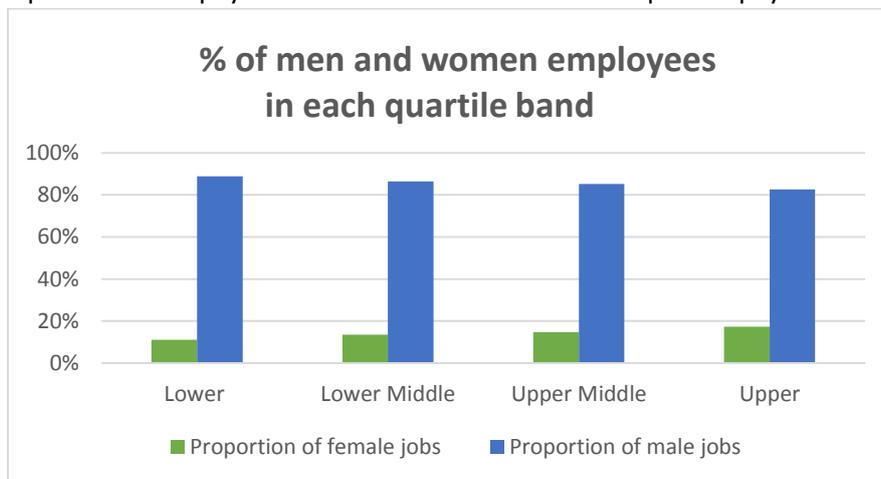
Naylor Industries plc are an award winning, long established, leading British manufacturer of building and construction products, specialised clay pipes, plastic drainage systems and plastic ducting, concrete and environmental products. As a company with 250+ employees, the Equality Act 2010 (Gender Pay Gap information) regulations 2017 requires us to publish specific Gender Pay Gap information. This should not be confused with equal pay.

For the purpose of this report, the figures are taken from the pay period for which the 5th April 2017 falls into.

The figures set out below have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

The regulations requires us to report:-

- The difference in mean pay, of full pay men and women, expressed as a percentage
“Mean Gender Pay Gap”: **-15%**
- The difference in median pay, of full pay men and women, expressed as a percentage
“Median Gender Pay Gap”: **- 5%**
- The difference in mean bonus pay of men and women, expressed as a percentage
“Mean Gender Bonus Gap”: **- 32%**
- The difference in median bonus pay of men and women expressed as a percentage
“Median Gender Bonus Gap”: **- 219%**
- The proportion of men and women who received bonus pay: **Female 52% to Male 30%**
- The proportion of full pay men and women in each of four quartile pay bands:



These results are consistent with our workforce distribution: Male 86% to Female 14%.

Narrative

Whilst the average Gender Pay Gap across the UK is 9.1%, Naylor's negative gender pay gap means that on average women's gross hourly earnings are higher than those of men.

It is worth noting that both the Mean and Median Gender Bonus Gaps are a result of exceptional situations in the year due to acquisitions, which will not be repeated in coming years. Should the position exclude bonuses that were paid out as part of acquisition agreements, the figures would be:

"Mean Gender Bonus Gap": **27%**

"Median Gender Bonus Gap": **- 147%**

Naylor regularly audits and reviews its pay grade structure and we are confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

The industry in which we operate is traditionally a male dominated one, particularly in relation to roles involving Craft, Engineering and Machine Operatives, which form the vast majority of our workforce. This is due to the nature of work, unsociable shift patterns and elements of heavy manual labour. However, Naylor is particularly proud of its Board level gender representation with 50% of the Main Board of Directors being female; in addition we have successfully been able to recruit females in areas such as Management Trainees, Sales, Central Service roles and other Senior positions which is reflected in our gender pay gap figures.

In 2016 Naylor Industries formed a Gender Parity group to promote gender diversity in all areas of our business and to identify any barriers to gender equality. Whilst we have been successful in recruiting females into more senior roles, only 14.5% of our female workers operate in lower paid manufacturing roles. We know we have work to do to recruit more females into this area and as a result we are offering more flexible and part-time working options but we recognise that this will take time.

Naylor Industries plc is committed to reporting on an annual basis on its actions to reduce the gender pay gap and the progress that it is making.

I, Bridie Warner-Adsetts, Chief Operating Officer, confirm that the information in this statement is accurate.

Signed:



3rd January 2018