

Naylor Industries plc – Gender Pay Gap Report 2018

Naylor Industries plc are an award-winning, long-established, leading British manufacturer of building and construction products including clay and plastic pipes and concrete products. We employ over 300 employees across 5 sites in the UK. 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 into which the 5 April 2018 falls.

Our workforce employs more males than females (85% male, 15% female). We believe this is due to the nature of the work we undertake, unsociable shift patterns and elements of heavy manual labour and the gender of applicants that such work attracts, particularly in relation to roles involving Craft, Engineering and Machine Operatives, which form the vast majority of our workforce. However we are particularly proud of our board level gender representation with 50% of the Main Board of Directors being female. In addition, we have had success in recruiting and promoting females into roles such as Divisional Managing Director, Management Trainee, External Sales, Central Services and other Senior positions. This is reflected in our gender pay gap figures below:

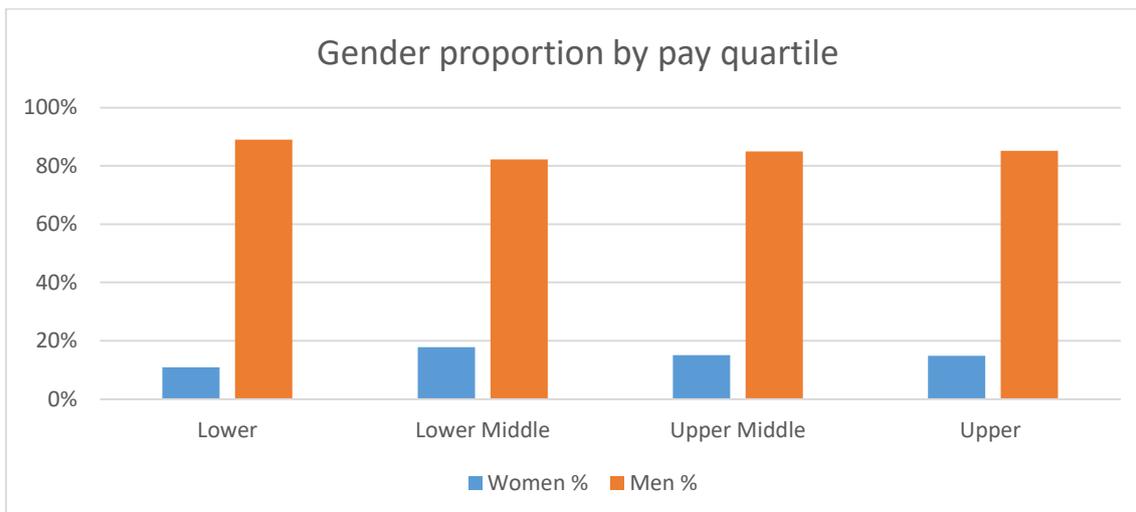
The compulsory metrics: Hourly Pay and Bonus Gap are:-

- The difference in mean pay, of full pay men and women, expressed as a percentage
“Mean Gender Pay Gap”: **-5%**
- The difference in median pay, of full pay men and women, expressed as a percentage
“Median Gender Pay Gap”: **- 1%**
- The difference in mean bonus pay of men and women, expressed as a percentage
“Mean Gender Bonus Gap”: **37%**
- The difference in median bonus pay of men and women expressed as a percentage
“Median Gender Bonus Gap”: **- 133%**
- The proportion of men and women who received bonus pay: **Female 13% to Male 21%**

Turning to our Bonus Gap, the mean gender bonus gap figure is a reflection of the fact our organisation employs more males than females. The median gender bonus gap, which is favourable to females, is a reflection that we employ more females in senior roles which attract a higher bonus, for example in Sales.

Quartile Bands

The proportion of male and female employee in each quartile band is as follows:



The percentage of males to females in the above quartiles is again representative of the make-up of the organisation as a whole, where we generally employ more males than females.

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.

As reported in 2017, the organisation 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, we know we have work to do to recruit more females into our manufacturing and engineering roles. We hope we can report on further improvements in our gender pay and bonus gaps in coming years. In the meantime we will continue to take steps to ensure males and females are paid equally for equal work.

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, Edward Naylor, Chief Executive Officer confirm that the information in this statement is accurate.

Signed:

March 2019