

FINNING UK GENDER PAY GAP REPORT 2021.



FINNING

Message from Tim Ferwerda

Managing Director, Finning UK & Ireland



We have a clear goal to have a workforce that is representative of society, and we have a strategy that sets out the actions we need to take to achieve our goal. Reducing our gender pay gap is integral to achieving our goal.

Although the data contained in our report last year was accurate, due to actions in response to COVID -19 which included employees being furloughed under the Coronavirus Job Retention Scheme (CJRS) and therefore excluded from reporting requirements, the calculations may not have offered the most meaningful comparison from previous years and to this end we are using 2019 as our last benchmark to compare against in this report.

As you will see through this report, we have continued to close our gender pay gap and ensure we have a truly diverse team that can meet the changing needs of our customers. We have continued to execute our Inclusion & Diversity Strategy with a vision, roadmap, strategic objectives for 2026 and more short-term targets for this coming year. I believe this will make Finning a great, safe, and inclusive place to work, where everyone can be at their best. This focuses on our culture, behaviours, and values, and includes targets to improve the representation of women at all levels of the business.

Thank you for your interest

Tim Ferwerda

Managing Director

Finning (UK) Ltd

What is the Gender Pay Gap?

The gender pay gap measures the difference in the average pay of men and women across an entire organisation, expressed as a percentage compared to men's earnings.

This is different than equal pay, which measures the pay differences between men and women who conduct the same or similar jobs, or work of equal value, which is unlawful to do.

All UK organisations with 250+ employees are required to report on the:

- Mean and median gender pay gap (ordinary pay)
- Mean and median bonus gap (bonus pay)
- Percentage of males and females receiving a bonus
- Percentage of males and females in each pay quartile



Ordinary pay includes basic pay, allowances, pay for piecework, pay for leave and shift premium pay. It only includes money payments. Ordinary pay does not include pay related to overtime, redundancy, or termination of employment, pay in lieu of annual leave, or pay which is not money.

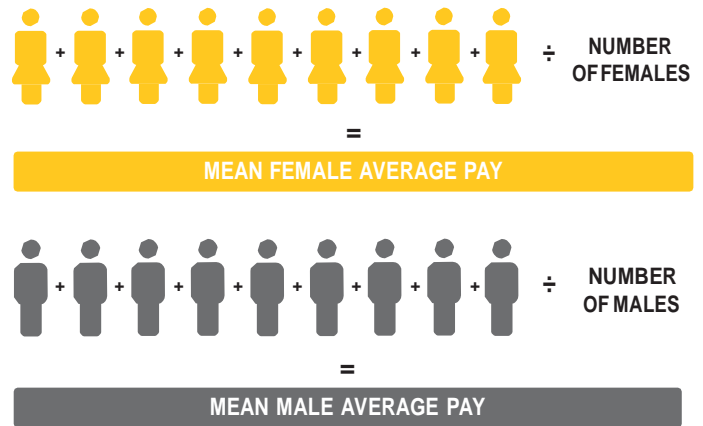
Bonus pay includes anything that relates to profit sharing, productivity, performance, incentives, and commission. This must be received in the form of cash, vouchers, or securities. Long service awards with a monetary value (cash, vouchers, or securities) are also included.

Pay quartiles are calculated by dividing the relevant workforce into four equal pay bands and then calculating the percentage of males and females included in each quartile. This is not to be confused with the pay ranges that Finning uses.

Gender Pay Gap measures calculated using two types of averages

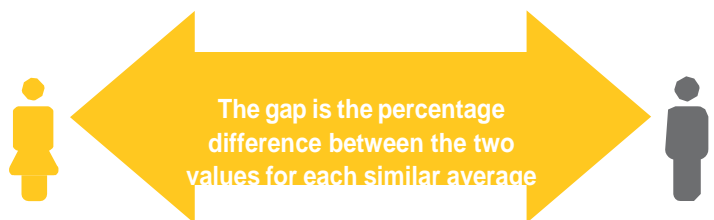
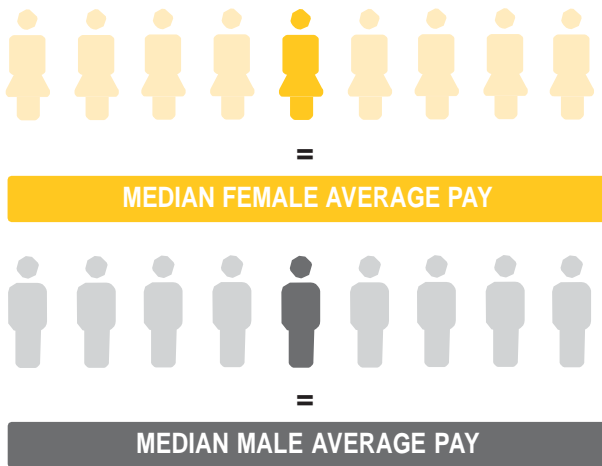
Mean average

The mean average is calculated by adding up the total number of male and female employees and dividing the result by how many numbers are in the list. This is useful because it places the same value on every number used, giving a good overall indication of the gender pay gap. It can be skewed by large or small values.



Median average

The median average is calculated by listing all the male and female employees in numerical order and finding the middle value. This is useful because it indicates what the “typical” situation is and is not skewed by the large or small values. It can, however, hide a gender pay gap issue.



Finning's 2021 Results

(Data effective April 5, 2021)

Relevant Full Pay Employees in the UK – 1,266



80.6% 19.4%

Gender Pay Gap - Ordinary Pay

Mean	10.1%	Median	6.9%
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Gender Pay Gap - Bonus

Mean	20.8%	Median	-33.3%
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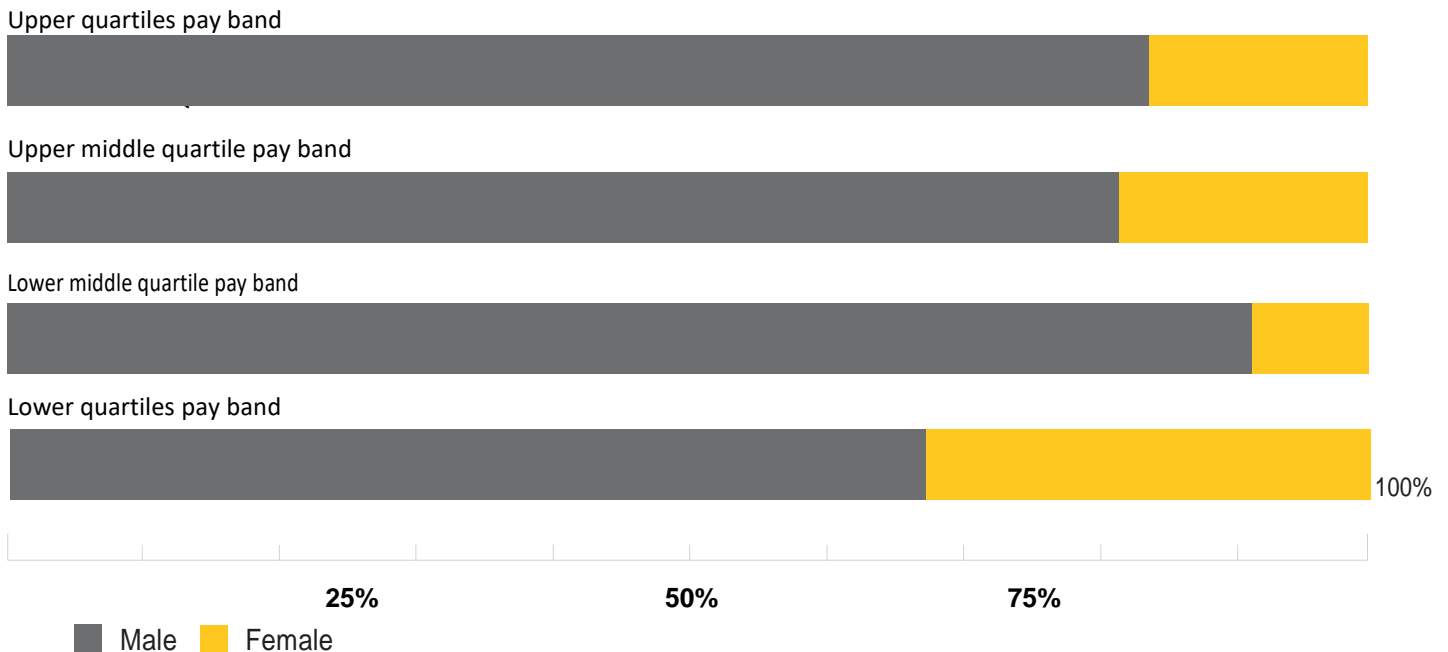
Bonus Pay - Percent Receiving



87.2% 59.7%

Pay Quartiles

Proportion of males and females by quartile



What Does the Data Mean to Finning?

In 2019, Finning had a pay gap median of 12.5%, before that it was 16.4% and 2017 was 17.3%. With a median pay gap of 6.9% for 2021, we believe the results show the dedication, passion, and commitment the business must ensure women are valued and rewarded at the same level as males.

Mixed progress can be seen in different job levels and job types and there is clearly more work to be done to close the pay gap in these areas.

From the data, we can see that moving forward, one of our focus areas in the business is enabling females to attain more of the higher paid roles. Gender parity can only be achieved if women make up an even proportion of the roles at all levels in the organization. With the nature of our industry and many of the roles Finning have, it will take time and a consistent ongoing effort to achieve gender parity. Only 19.4% of the workforce are women and although we have an increasing number of females in the more senior roles, we want to see this improve further.

Finning also understand that improving the gender balance in each quartile is essential to achieving gender parity. Although improvements have been made, progress remains slow for some of the quartiles. Finning needs to improve females' representation at all levels in the business. The data shows us:

- We must increase representation of women into the technical and service areas of the business.
- We need to ensure women at lower levels stay and progress up with Finning.
- If a woman leaves for a career break, we need to encourage and support the return with flexibility and development
- We need to focus on recruiting females at more senior levels

How are we addressing the gap?

1. Recruitment

We are working hard to change the perception of engineering and inspiring the next generation of girls to start STEM subjects and become the engineers of the future.

We have relaunched our STEM ambassador programme with the aim to recruit more STEM ambassadors to help spread the message that all Finning roles are open to females and other diverse groups. Not just in engineering but also in science, math, and technology.

In 2021 we supported the Government's Kickstart scheme to help those affected by Covid19 gain employment resulting in the recruitment of a female in our finance department. We also recruited our first female Science Laboratory degree apprentice to work in our Fluid Analysis Laboratory. Through our new graduate programme, we successfully recruited a female project engineer.

We continue to highlight our strong female role models with the appointment of a female Director to the UK&I Executive team, and a General Manager in the Electric Power part of the business. These key steps demonstrate to other females how rewarding a career in Finning can be for women.

Finning's recruitment processes have been strengthened to attract more diverse candidates – from using inclusive language in job adverts, revamp of our website and having diverse recruitment panels, to challenging recruiters to draw-up gender balanced shortlists. We have also set an ambitious target that by 2023, circa 50% of our early career's intakes will be from diverse backgrounds which includes females,

2. Retention

Our employees have the right to request flexible working hours which enables them to better balance work with family commitments or professional development. Following the last

24months of working from home for many of our employees, we are reviewing our permanent working policy which will incorporate hybrid working or even full time working from home in some instances

Our reward policies are clear, transparent, and non-ambiguous. This allows for reassurance that Finning provide are fair and equitable when evaluating and compensating a job.

We recently launched an employee resource group for women to offer support to females. Some of the issues raised were around menopause, female engineers in a male environment, lone working, returning to work after having children, personal development and many more. The employee resource group is an open group for women working at Finning with an executive sponsor taking forward actions.

3. Development and talent

We are building the skills our people need to thrive, so we have a pipeline for talented women to advance through Finning. We are relaunching a mentoring and sponsorship scheme to support diverse groups to progress including women.

We launched Aspire a programme which helps employees on their journey to become leaders. Powering Up is another programme which equips leaders with the skills to be successful within the Finning family. We continue to offer our Power to Lead programmes, to equip employees with the leadership skills to help drive business success and customer experience. All programmes have good representation from females in Finning.

Inclusion and diversity training continues to be rolled-out and all leaders attended 'Building Respectful Teams' training in 2021 which aims to ensure that our environment is inclusive for all no matter what their background or diversity. Every Finning employee completed 'Standing up for Respect' training to help deepen knowledge and understanding across the organization around inclusion and diversity. All leaders in 2022 have an inclusion and diversity goal which will support our aim to further embed inclusion, diversity, and equity through the business.

We continue to support leaders to challenge the status quo and our senior leaders undergo conscious inclusion training which helps to understand the importance of both cultural and organizational systems change to avoid bias and improve decision quality, safety, performance, and innovation.

Our Regional I&D Council has a diverse representative group with three members out of the eight council members being female. The Council collaborates closely with the global team on the ongoing implementation of our Inclusive Culture journey.



**ALL EMPLOYEES
DESERVE TO
WORK IN AN
ENVIRONMENT
THAT IS SUPPORTIVE
OF THEIR INDIVIDUAL
CIRCUMSTANCES.**

We confirm the data reported is accurate.

Tim Ferwerda

Managing Director, Finning (UK) Ltd

Lynne Smith

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