

Gender Pay Gap Report 2022/23



Gender Pay Gap Reporting

The gender pay gap is an equality measure that shows the difference in average earnings between women and men. Any employer with 250 or more employees on a specific date must report their gender pay gap data.

The data included in this report is based on a snapshot from 4th April 2023. As a company with over 250 employees on this date, Denholm Industrial Services Limited has a statutory requirement to report our gender pay gap data, which has been calculated in accordance with the regulations set out by the UK Government.

2023 is the second year Denholm Industrial Services recorded headcount above the 250 threshold. We therefore draw a comparison of the 2023 data against the previous year's data on page 3 of this report.

What We Do

Denholm Industrial Services supports the construction and preservation of assets and the building and maintenance of naval vessels that are critical to our nation's security and everyday living.

We operate across the UK, in the challenging environments of construction, infrastructure, power and marine. As well as providing scaffolding, specialist access and protective containment solutions that enable essential works to be carried out, our surface preparation, coatings and insulation services preserve and extend asset lifespans by protecting them in their harsh operating conditions. On large-scale projects, particularly in naval defence, our stringent industrial cleaning service operates with all trades to prevent the potentially dangerous accumulation of waste.

Wherever we work, safety always come first: we are committed to the safety of our employees, the people we work with and members of the public that may be close by.

Our Workforce

Employing a talented and diverse workforce and offering attractive career paths at all levels is important to Denholm Industrial Services. We are committed to diversity and inclusivity and we do not discriminate based on gender, ethnicity, disability or age. We are keen to promote the opportunities that are open to anyone with a strong work ethic, the required skills and a passion for learning, including people that may not have previously considered a career in industrial services.

Each year, every employee of Denholm Industrial Services is required to formally sign up to the four principles of the Denholm Standard: upholding the law, fairness, integrity and respect.

Our Annual Wage Framework

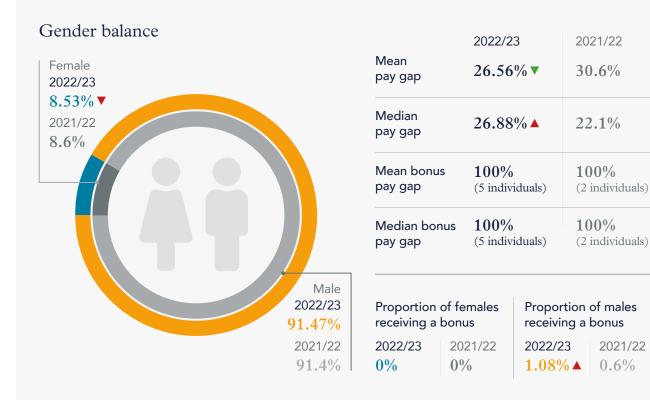
We utilise set wage parameters for each role and operate a discretionary bonus scheme, for eligible employees, based on company performance. Each year, Denholm Industrial Services undertakes a robust annual salary review process. Under certain contracts with clients, the local wage rates will be dictated by the terms of the contract.

Gender Pay Gap Data

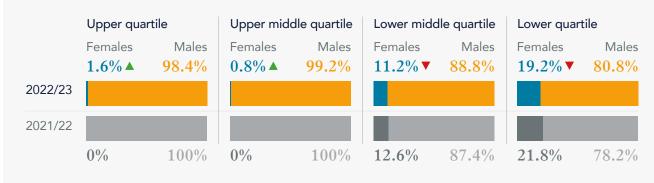
While the overall workforce has increased by 47.4%, encouragingly, the gender balance has remained static and the mean pay gap has closed by over 4 percentage points. In addition, the proportion of female workers in the upper and upper middle quartiles has increased to 1.6% and 0.8% respectively, from 0% in the previous year.

Employees at snapshot date





Proportion of males and females in each quartile



Commentary

We believe the disparity in our figures between female and male pay remains due to the inherent nature of the industries in which we operate, as they are not recognised as viable career options by most women. We are confident that our gender pay gap does not reflect an equal pay issue nor is it related to paying males and females differently. The talent gap generally begins with very few females joining the industrial services workforce at entry level, resulting in a non-diverse gender candidate pool when job promotion opportunities arise.

During the year multiple businesses within the Industrial Services division merged with Denholm Industrial Services. As a result of this merger, the median pay gap increased because the management teams within the transferred businesses had been predominantly male.

Denholm Industrial Services does not operate a formal bonus scheme and paid a discretionary bonus to only five employees during the period. Therefore, while we recognise that no females received a bonus during the period, a very small number of people were paid a bonus overall, in proportion to the size of the total workforce.

In 2022 we merged four individual businesses into one single legal entity company and, as a result, the figures in this report represent a larger workforce. Despite an increase in workforce population, movement in some of the percentages is promising. We recognise that encouraging females into our industry will be an ongoing journey.

Action Plan

When we reported on the themes driving the talent gap last year, we highlighted our resulting action plan to encourage a more balanced workforce gender profile in the medium-term. These actions included:

- Highlight career options at Denholm Industrial Services via schools and college visits
- Launch the "Pathways Programme" to enhance and foster career development and mobility
- Roll out diversity training across the organisation
- Proactively utilise apprenticeships as a mechanism to attract females into the industry

Our Commitments

Denholm Industrial Services – and the industry at large – recognises the importance of a workforce that is representative of the wider communities of which we are proud to be a part. To maintain momentum on closing the gender gap further, the initiatives set out in our action plan are continuous in nature and have therefore been extended into 2024.

Accuracy Statement

I confirm the gender pay gap data contained in this report is accurate and has been produced in accordance with the regulations.



Steve HillManaging Director, Denholm Industrial Services Limited 4th April 2024