



Costain Inclusion Strategy

Foreword

At Costain, inclusion is a critical enabler for our success in ensuring that firstly we have a diverse team, as diverse teams deliver better results; and secondly that every member of our valued team is able to be at their best and to achieve their potential. It is important that no one is disadvantaged or excluded because of who they are, and that everyone can feel a valued member of our team. Being inclusive will allow us to retain, attract and realise the potential of our diverse teams at every level of Costain.

Feeling included is fundamental to the social and mental wellbeing of our team members. We are committed to having an inclusive working environment and culture where people feel able to be themselves at work, have the freedom to voice their ideas – in turn encouraging innovation and improvement.

Building an exceptional inclusive culture is crucial to Costain's success. We succeed through having the best teams working together, in developing innovative solutions for our clients and working in ways that make us safer, faster, greener, and more efficient.

Our population of female senior leaders has more than doubled over the last five years from 12% to 31%. For the first time ever, women represent over half of our executive board. In 2021, we have been awarded the Times Top 50 Employer for Women for the fourth year in a row.

We recognise that we need an intersectional approach to inclusion and are dedicated to making Costain a great place to work for everyone.









EMPLOYER RECOGNITION SCHEME

GOLD AWARD 2021

Proudly serving those who serve.



Alex Vaughan, Chief executive officer

The New Era of Inclusion

In 2020, we saw the COVID-19 virus change the way our business operated. We embraced technology for remote working, our working patterns became agile and our jobs and personal lives collided. As we respond and recover from the pandemic, we are committed to continuing to promote individuals to work dynamically, recognising that working patterns and behaviours have changed.

The pandemic has highlighted the different needs across our diverse workforce.

Alongside the Black Lives Matter protests, the pandemic underlined the systemic inequality for black, Asian and minority ethnicities. More recently, we have seen the movement for women's safety on our streets and evidence of people with disabilities and long-term health conditions have come to the forefront as the most likely to be excluded from work due to inherent prejudice in the system.

Having a diverse team will give Costain a leading edge in the market. Studies have shown that companies in the top quartile for gender diversity are 15% more likely to have financial returns above their respective national industry mean average. Companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns above their respective national industry median average.

Creating an inclusive culture is key attracting and retaining diverse talent and enhancing our employees' wellbeing so that everyone can flourish at work. We want to all members of our team feel able to contribute, so that every individual's knowledge, skills and experience can be brought to the table. A diverse team will perform better and enable us to create smarter solutions for our clients.

We continue to focus on remaining inclusive even when teams are physically apart. We will empower teams to make decisions on their working patterns, enabling individuals to manage their work around parenting and caring responsibilities, health conditions, disabilities, and professional development opportunities.

Our Employee Networks are integral to supporting, educating and connecting our colleagues across the spectrum of diversity and continuing to drive change. We have been a Times Top 50 Employer for Women four years in a row. We are a Stonewall Diversity Champion and Disability Confident Committed. We continue to support Working Families and have a Gold Award from the Defence Employees Recognition Scheme.

We also recognise our influence on the industry and in 2020, we publicly became a signatory to the following pledges for diversity and inclusion:

- The Valuable 500
- Women in Rail's/Rail Industry Association EDI Charter
- Confederation of British Industry (CBI) Change the Race Ratio
- Business in the Community (BITC) 2020 Race at Work Charter

Despite our progress in this inclusion journey, we acknowledge that we still have a lot to do to be a fully inclusive employer. Below we have listed our current population diversity statistics against our target population diversity by 2024. In 2024, we will review our achievements, and set our new ambitions for the following years.

	2021 Q1	2024 target
Female % of total population	26%	33%
Female % of management population	20%	33%
Female % of senior leadership population	36%	40%
Female no. executive team	5	4
BAME % of total population	10%	14%
BAME % of management population	4%	14%
BAME % of senior leadership population	0%	5%
BAME no. executive team	0	1
LGBT & of total population	1%	2%
Declared disability or long term condition % of population	>1%	16%

We've made disability our business,
by signing up to The Valuable 500





WE ARE COMMITTED TO CHANGE THE RACE RATIO



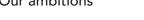




Our Goals and Ambitions

At Costain, we are dedicated to becoming a truly diverse business with an overarching ambition of having an employee population which is representative of the communities in which we operate by 2030. To achieve our ambition we have set ourselves incremental targets to keep us on track as part of our implementation plan.

Our ambitions



To achieve a population representative of the communities in which we operate, by 2030 to ensure that we have an inclusive culture and a diverse team which has equal opportunity to progression.



To champion visible allies across the group, and set a culture of calling out discrimination.



To eliminate the disparity in pay between our white and non-white colleagues.



To remove barriers against disabled persons from entering or being within the workplace.



To have a workforce with a wealth of differing experiences, giving diversity of thought behind our solutions.



To eradicate gender stereotypes and disparity in pay between all genders.



To create a workplace where colleagues are proud to be open about their sexual orientation, gender identity and gender expression.



To establish a culture where employees are empowered to make decisions about their work routine around their caring responsibilities. Our medium-term goals

By 2024, we will:

- Diversify our population to be 33% female, 14% BAME, 2% LGBT+ and 16% declaring a disability or long-term condition
- o Develop a management population which is 33% female and 14% BAME
- o Grow our senior leadership population to be 40% female and 5% BAME

In 2021, fifty of our senior leaders will undertake allyship training as part of our new Active Allies Programme. All employees will be a member of an Employee Network by 2024 and every team will have a visible active ally.

We will publish our Race Pay Gap Report in 2022, ahead of reporting becoming a legal requirement.

We will become a Disability Confident Employer by the end of 2021, and a Disability Confident Leader by 2024

We will achieve a Gold award in the Defence Employers Recognition Scheme in 2021.

We will further reduce our Gender Pay Gap as part of our Female Empowerment Programme, and strive to retain our position as a Times Top 50 Employer for Women.

We will better our LGBT+ inclusion, evidenced by improving our Stonewall Workplace Equality Index and retaining Stonewall Diversity Champion status

We will rank in the top 30 of the Working Families Top Employers Benchmark.

Our long-term goals

By 2030, the diversity of our employee population at all levels of the organisation will be fully representative of the communities in which we operate:

- o 51% female
- o 16% BAME
- o >5% LGBT+
- >20% declaring a disability or long-term condition.

We will be an industryleader in equality, diversity and inclusion matters, and clients' first choice for inclusive solutions.

Roadmap to inclusion

The road map below depicts our inclusion journey so far and highlights the further actions we need to take. The implementation plan behind this road map sets out the actions to meet the milestones needed to achieve a Costain team which is representative of our communities and a workplace which is inclusive of all.

