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# **ENGINEERING** **A SUSTAINABLE TOMORROW**

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Equality, Diversity and Inclusion Strategy





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# Forward from Andrew Wyllie CBE, Chief Executive

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Our purpose is to improve peoples' lives by deploying technology-based engineering solutions to meet urgent national needs across the UK's energy, water and transportation infrastructures.

It is vitally important that as an organisation we represent everyone. Our engineering solutions must be inclusive, ensuring that every person in the UK has, safe, clean drinking water and sanitation, a reliable energy supply, and access to a 21st century transport infrastructure that will support their economic prosperity.

We believe that opportunities shouldn't be linked to a person's ethnicity, gender or disability, just as they shouldn't be linked to where they grew up or went to school. We are committed to creating the best team in the industry, recruited and developed on merit.

We must ensure that we are an accessible, diverse and inclusive organisation to continue to meet our customers' needs. We will be industry leading in



our approach and people from all backgrounds will be proud to work for Costain. Our goal is to have a workforce that is representative of society.

“ At Costain we are committed to creating the best team in the industry ”





# What do we mean by Equality, Diversity and Inclusion?

At Costain we respect that everyone is different and by being different, whether that is by gender, ethnicity or disability our people can bring their own valuable contribution to the business. We consider 'diversity' in its widest sense covering the nine protected characteristics as prescribed by the Equality Act 2010:

Age	Disability	Race
Gender reassignment	Marriage and civil partnership	Pregnancy and maternity
Religion and belief	Gender	Sexual orientation

We aim to embrace the skills and attributes that everyone can bring to Costain by creating a fair, safe and supportive culture without discrimination, so that no matter who anyone is they have equal opportunity. We believe that our inclusive culture allows our people the freedom to voice their ideas and in turn encourages innovation.

Equality, Diversity and Inclusion isn't limited to our people or our supply chain, it is also about social inclusion and making sure that the solutions we provide meet the needs of everyone.





# Why is Equality, Diversity and Inclusion important to us?

We are committed to ensuring Costain is an industry-leading sustainable business. Our 'Engineering A Sustainable Tomorrow' strategy, the next phase of our 'Costain Cares' journey, is based upon our four sustainability goals:

- Ensuring Costain is a safe and great place to work;
- Creating a better environment;
- Supporting our local communities and leaving a positive lasting legacy;
- Providing better solutions for the marketplace.

Equality, Diversity and Inclusion goes far beyond differences and is underpinned by fairness and respect. We expect everyone working for Costain, our partners and suppliers to uphold our values and in doing so Costain will be a safe and great place to work.

By understanding the cultural differences of our staff we can provide them the best possible environment to thrive. We want to promote flexibility to allow our people to have a healthy work-life balance and in doing so they will be more productive, healthier and happier.



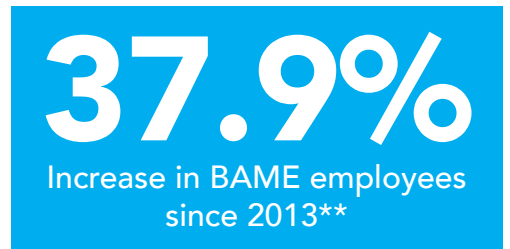
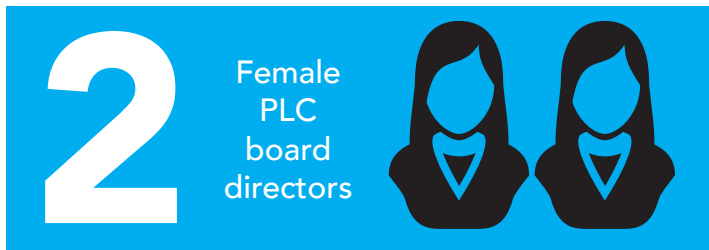
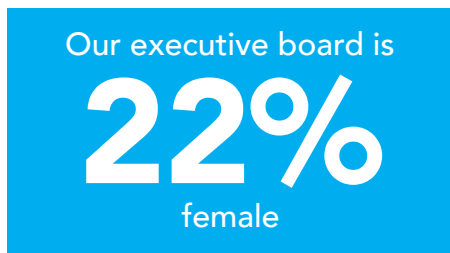
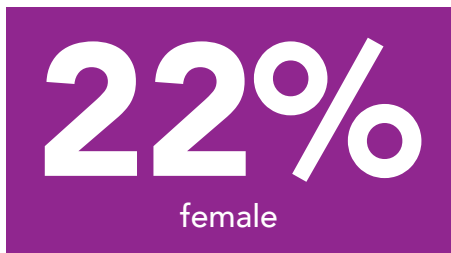
# Our goal

We want to be one of the UK's top engineering solutions providers. To accomplish this we must be more diverse. It is well proven that diverse teams are more innovative, creative, as well as having greater understanding of customers, including the everyday users of infrastructure.

We have a clear goal to have a workforce that is representative of society.

We are committed to achieving the FTSE 100 target of at least 33% of our executive pipeline positions filled by women by 2020. We are also committed to the FTSE 250 target to have at least one BAME (Black, Asian or Minority Ethnic) board director by 2024.

# Currently our workforce is



\* For the purposes of benchmarking, 'Senior Managers' were defined as heads of departments, heads of functions, directors and their deputies.

\*\* **BAME:** British, Black, Asian, and Minority Ethnic (used to refer to members of non-white communities in the UK).



# Our focus

Attracting diverse talent to our industry requires a significant collaborative effort that will see cultures and behaviours changed. As we begin our journey our short term focus will be on improving attraction and retention of women and BAME.

<p>Gender</p>	<p>We are committed to addressing our gender balance. We want to see more women represented in senior roles.</p> <p>Our executive female representation is currently at 22% and we remain committed to increase this to more than 25% in accordance with the Lord Davies report recommendations. To achieve this we will be working hard to achieve the FTSE 100 target of at least 33% of our executive pipeline positions filled by women by 2020.</p>
<p>Race</p>	<p>We need to do more to remove the real and perceived barriers to attracting and retaining people of colour at Costain.</p> <p>We are focused on our talent pipeline, making sure that our BAME colleagues form a greater proportion. This will help us to meet the FTSE 250 target to have at least one BAME executive director by 2024.</p>
<p>Inclusion</p>	<p>We believe we are an inclusive organisation, but we will strive to do more to develop and retain talent.</p> <p>We are proud that Costain will be supporting the Pride, London festival for the first time in 2017 and hope this sends a strong message that we are committed to ensuring that Costain is a safe and great place to work, for everyone.</p>

Although our short term focus will be towards gender, BAME and inclusion, we will continue our efforts to provide opportunities to all and prevent discrimination. We are on a journey with a clear vision and commitment from the highest level to ensure that every effort is made to make Costain a truly accessible organisation.



# Our Framework:

In order to have a workforce that is representative of society we have to examine, and change, all areas of our organisation. To make this simpler we have a framework that divides the career lifecycle into three pillars: Inspire, Hire and Grow.

There is also a fourth pillar that focuses externally, 'Lead'. This is our approach to ensuring that our supply chain is diverse as well as providing social and economic opportunities for local SME's (Small and Medium sized Enterprises). Understanding the needs of the end user is a crucial part of this strategy, with a clear focus that what we design, construct and maintain is always accessible to everyone.

Our framework for Costain is an adapted version of the Business In the Community Future Proof model.

## INSPIRE

What we do to attract people of all ages, gender, ethnicity or disability to our industry.

- Partnerships
- Diverse & Accesible programmes
- Inclusive communications

## HIRE

How we ensure the best candidates for the job are given fair and equal opportunity to apply, interview and progress through Costain.

- Fair & Accessible Recruitment Practices
- Partnerships
- Hiring Managers

## GROW

How we ensure Costain has an all inclusive culture that respects difference and is able to retain quality people.

- Policies & Practices
- Role Models
- Networks

## LEAD

How we will work with our stakeholders to provide innovative sustainable solutions that address the needs of everyone.

- End user focus eg Inclusive design
- Customer collaboration
- Leading our supply chain





# In 2016 we invested over £4m in the development of our people

## INSPIRE

Inspiring  
the next  
generation

## HIRE

We are committed to  
eliminating bias from  
recruitment

## GROW

We value  
and invest  
in our people



# 98

work experience placements  
in 2016

# 22%

of people hired in 2016  
were female



# 532

Number of internal  
promotions



# 178

schools visited  
by Costain

# 8%

of people hired in 2016  
were BAME



# OVER 800

Staff transfers



## We know it is working because...



# 9.35%

Employee (voluntary)  
turnover rate



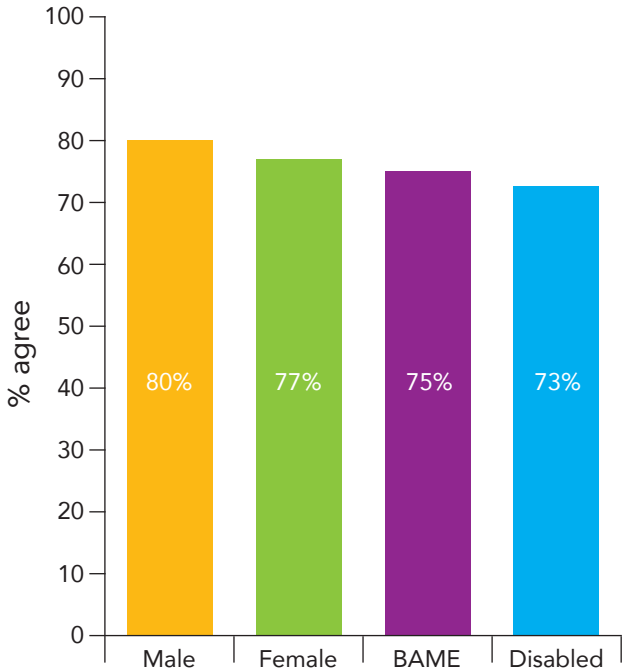
# 4.1 DAYS

Average absence rate  
per employee

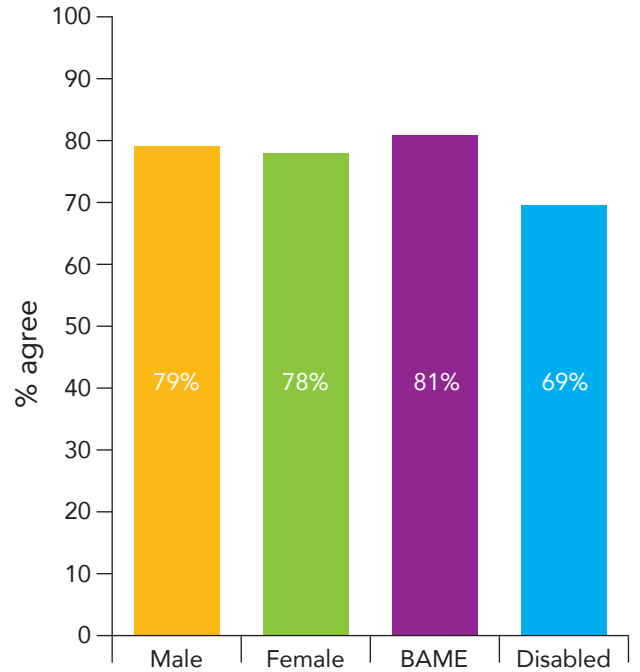


# 2016 Costain people survey results

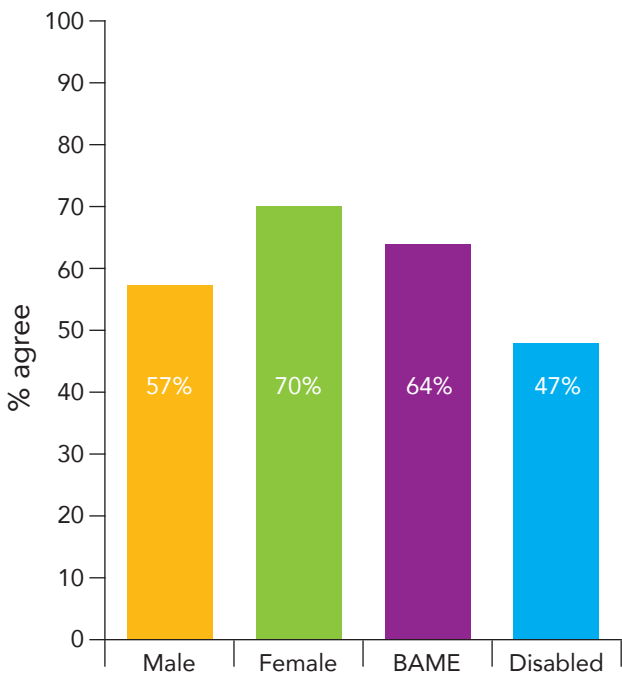
Where I work there is an inclusive culture that values diversity of people



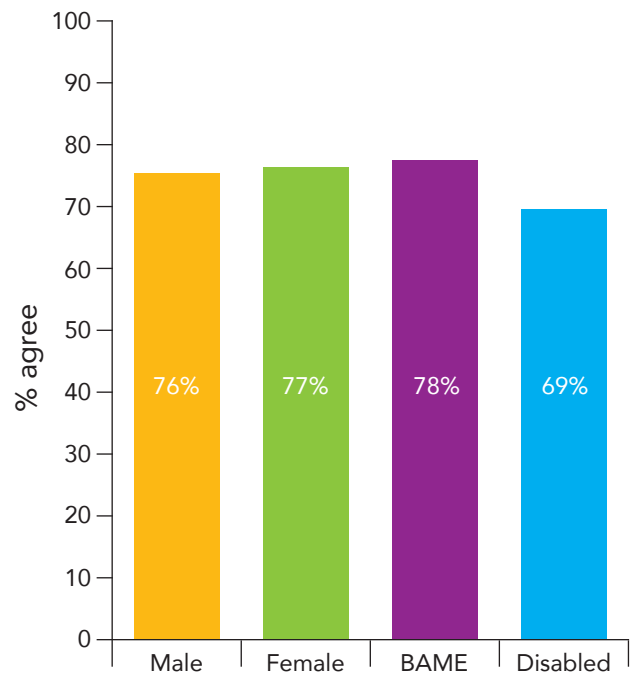
Costain treats me with dignity and respect



I am able to balance my work and home life responsibilities



Overall Costain is a great place to work



## Costain people challenging the norm



### **Ben and Sam Dowden, Civil Engineering Apprentices**

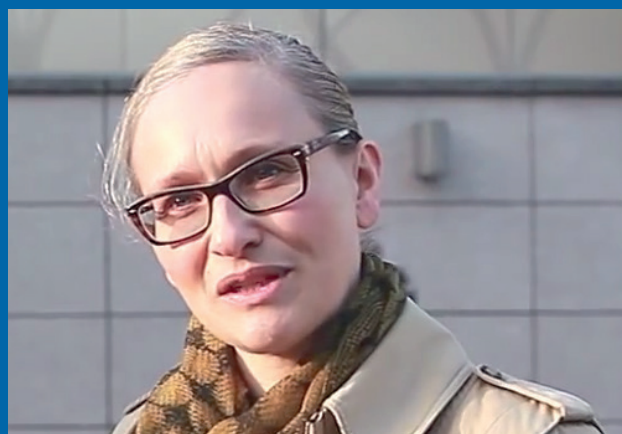
"We visited the local Job Centre when we left school and were directed to the Prince's Trust. We were amazed by the work that Prince's Trust does with young people and both of us signed up to one of their programmes. [Sam signed up to the Trust's 'Get into Construction' programme and Ben took part in the 'Team Programme']. Both of these routes led us to Costain who is a Patron of the Prince's Trust and was recruiting apprentices. The programmes prepared us well for our applications and we were both successful in getting apprenticeships in steel fixing with Costain."

Sam and Ben successfully completed their apprenticeships and have now moved onto a civil engineering apprenticeship, which they hope will support them as they further progress their careers.



### **Usman Shah, Supply Chain Engagement Manager**

"I am a proud Muslim and whilst I have always felt welcome and included during my time with Costain, I was struck that our holiday entitlement and working hours were rigidly set around the Christian calendar. I worked with our HR department to develop a holy festivals policy, providing equal opportunities to our staff to celebrate their religious festivals. The policy was trialled in 2016 seeing colleagues able to work on certain public holidays in exchange for a day off for their religious festival. The trial was very well received by many colleagues, who were grateful for the consideration of their religious celebrations."



### **Isabel Coman, Programme Director**

"As a working parent, returning from maternity leave, I am like many other parents who face the daily struggle of working commitments and childcare arrangements. To balance all of my commitments I needed to challenge the early morning meeting culture that existed. It turned out that I wasn't the only person struggling to make early morning meetings, male or female!"



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## Who is responsible for delivering this strategy?

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Every Costain employee has a responsibility to create and maintain an inclusive working environment. From the board down, we are all required to demonstrate commitment to embracing the diversity of our workforce, customers, and the communities in which we operate.

Costain also requires its joint venture and supply chain partners to be working to the same goal, collaboratively instigating a step change in the industry.

“ We aim to embrace the skills and attributes that everyone can bring to Costain by creating a fair, safe and supportive culture without discrimination ”



# Appendix 1. Our Equality, Diversity and Inclusion Action Plan

To reach our long-term goal to have a workforce that is representative of society. We believe the following actions are vital to attracting people of all ages, gender, colour and disability to our industry.

Inspire	
	We will
Inclusive Communications	<ul style="list-style-type: none"><li>• Create more content on our website showcasing a diverse range of employees.</li><li>• Targeted marketing campaigns for minority groups.</li><li>• Advertising vacancies via more diverse sources, such as non-engineering magazines.</li></ul>
Diverse & Accessible programmes	<ul style="list-style-type: none"><li>• Promote 'Returnship scheme' to support parents who are returning from a career break.</li><li>• Formalise the Costain work experience offering.</li><li>• Ensure Costain ambassadors are representative of the young people they are trying to inspire.</li><li>• Engage 10,000 young people through Costain supported Science, Technology, Engineering and Maths activities.</li><li>• At least 10% of our sponsored student placements from under-represented groups.</li><li>• At least 10% of our sponsored student placements from London Design &amp; Engineering University Technical College.</li></ul>
Partnerships	<ul style="list-style-type: none"><li>• Build brand awareness with a broader base of universities.</li><li>• Sign up to Women on Boards.</li></ul>



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The following actions will ensure that best candidates are given fair and equal opportunity to apply, interview and progress their careers with Costain. This will contribute to the Costain goal of having the best team in the industry.

Hire	
	We will
Partnerships	<ul style="list-style-type: none"><li>• Broaden the base of universities we recruit from.</li><li>• Hire more people through the Social Mobility Foundation.</li><li>• Sign up to the Armed Forces Covenant.</li></ul>
Fair & Accessible Recruitment Practices	<ul style="list-style-type: none"><li>• Targeted short-listing.</li><li>• Recruitment staff to complete passport to hire<ul style="list-style-type: none"><li>» Including unconscious bias training.</li></ul></li><li>• Blind CV's.</li><li>• Ban the box.</li></ul>
Hiring Managers	<ul style="list-style-type: none"><li>• Ensure any organisational design work includes a representative workforce.</li></ul>

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The following actions set out how Costain will build on its inclusive culture, creating an environment where people are proud to work. Therefore, supporting the Costain goal to be a safe and great place to work.

Grow	
	We will
Policies & Practices	<ul style="list-style-type: none"> <li>• Implement holy festivals policy.</li> <li>• A further 250 people to complete unconscious bias training.</li> <li>• Remove barriers to flexible working. Look at job design, technology and agile teams.</li> <li>• Set diversity objectives for manager. (These objectives should include ensuring diverse talent has equal access to training, development opportunities and progression programmes.)</li> <li>• 100% Costain contracts and offices (including supply chain) to have completed Fairness, Inclusion and Respect training from the Supply chain sustainability school.</li> </ul>
Networks	<ul style="list-style-type: none"> <li>• To implement a network for women, race &amp; lesbian, gay, bisexual and transgender.</li> </ul>
Role models	<ul style="list-style-type: none"> <li>• Encourage and deliver mentoring.</li> <li>• Promote the profile of our diverse role models.</li> </ul>



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The following actions set out how we will work with our customers and supply chain to provide innovative sustainable solutions that address the needs of everyone.

Lead	
	What is next
End user focus e.g. Inclusive Design	<ul style="list-style-type: none"><li>• Set up a working party to identify better ways of delivering inclusive design, including design partners.</li><li>• Identify training needs for the Design Management function around Inclusive.</li><li>• To capture and promote inclusive design across our projects.</li></ul>
Leading our supply chain	<ul style="list-style-type: none"><li>• Ensure diverse leaders present at Costain Supply Chain Academy events.</li><li>• Review PQQ/ Achilles questions &amp; develop more robust monitoring.</li><li>• Add diversity to supplier performance review.</li></ul>
Customer collaboration	<ul style="list-style-type: none"><li>• Deep dive with top ten customers. Review equality, diversity and inclusion aspirations and how we can collaborate.</li><li>• Cross pollination of role models between Costain and customers.</li></ul>



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