



REPORT

APRIL 2023 - MARCH 2024





1. EXECUTIVE SUMMARY

The purpose of this report is to summarise the Equality, Diversity, and Inclusion (EDI) work Arcus has undertaken in the fiscal year 2023-24 and reflect on the impact of this work.

In line with our EDI Strategy, we will publicly release this report to enhance transparency, as we believe it is important to hold ourselves accountable for our EDI efforts.

We recognise the value that a flourishing, diverse workforce brings to our customers and our business. Our vision for Equality, Diversity, and Inclusion is 'to create a diverse workforce and an inclusive workplace culture where every Arcus colleague feels included, that they can be themselves, and they can reach their full potential'. Every intervention we take contributes in some way to this vision.

A key outcome in 2023-24 was the complete revision and sign off of Arcus' EDI Strategy 2023 – 2028. This proved instrumental for us on our journey towards becoming an inclusive employer, as it laid the foundations on which all our EDI work will be built. Where EDI is a wide and potentially complex aspect in any organisation, our strategy has provided focus and clear, reportable objectives against each of our four EDI action areas:

- 1. Understand our EDI improvement areas.
- 2. Review policy and procedure.
- **3**. Ensure an inclusive environment.
- 4. Increase workplace diversity.

Other key achievements in 2023-24 include: communicating our EDI strategy more widely by making it available on our internal SharePoint site and as part of National Inclusion Week, thereby ensuring internal and external audiences understand the importance of EDI to us at Arcus.

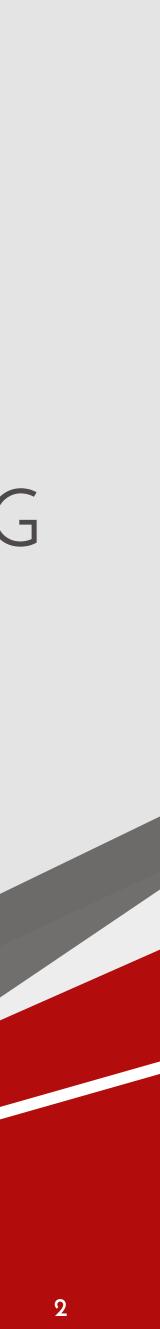
Having complete and reliable EDI data on the demographics of our workforce remains a work in progress. Progress made in achieving this objective in 2023-24 included revisiting the EDI question set on our HR database, making these as current as possible within the limitations of our system, and we launched the 'I Am Arcus' campaign aimed at increasing EDI disclosure rates. We used reliable data we had on gender to improve representation on our Accelerate talent programme, and to plan for a 'Women at Arcus' special interest forum.

A full review of all our policies against legal and EDI criteria is in process.

We supported several EDI themed national days, projects and events showcasing our commitment to inclusion.

"DIVERSITY IS NOT ABOUT HOW WE DIFFER. DIVERSITY IS ABOUT EMBRACING ONE ANOTHER'S UNIQUENESS."

- OLA JOSEPH, AUTHOR



2. BACKGROUND

EDI is about treating everyone fairly, and with dignity and respect. It is about recognizing and celebrating our differences, creating a level or circumstances. EDI is important to us at Arcus because it is the right thing to do, and because it impacts all of us every day.

The benefits of being an inclusive employer are numerous and include: it makes us more attractive as an employer and so widens our recruitment talent pool; it helps us win new customers and retain existing ones thereby enabling sustained growth; it brings diversity of thought and ideas, and it helps us retain our colleagues by enabling cross-skilling and progression so they can enjoy long and rewarding careers with us.

Thinking beyond ourselves at Arcus, we strive to be an inclusive employer because we represent the society and communities in which we and our customers operate. We understand, therefore, that we have a responsibility and a part to play – albeit a small one – in effecting a positive impact on the following UK statistics:



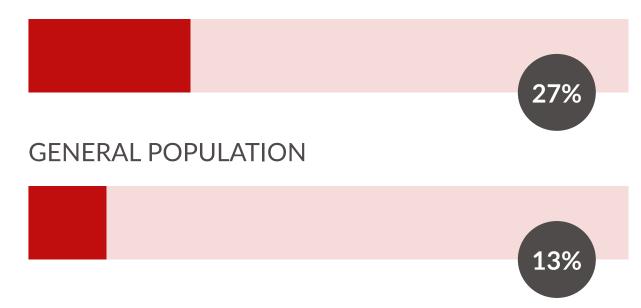
UK GENDER PAY GAP

£1

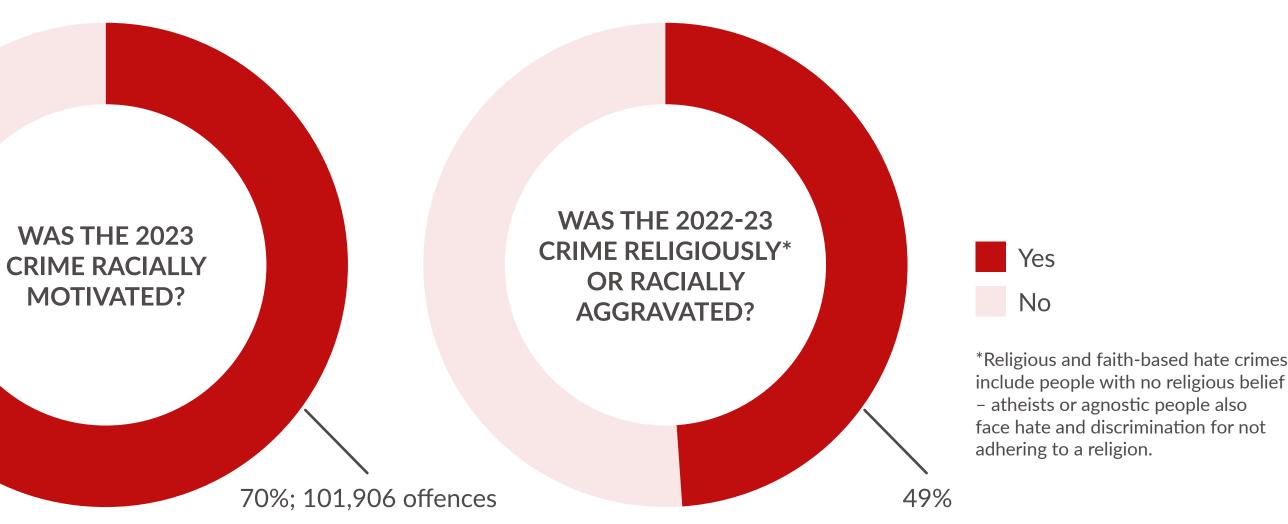
PEOPLE OF MINORITY ETHNICITIES IN UK

While improved from last year, the UK's gender pay gap for full-time employees in April 2023 was 7.7%. i.e., average pay for full-time female employees was 7.7% lower than for full-time male employees, or, for every £1 a full-time male employee earned, a full-time female worker earned 92.3 pence.

PRISON POPULATION

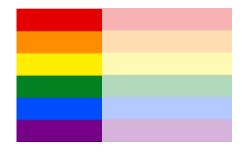


HATE CRIMES IN ENGLAND & WALES





2018 UK GOVERNMENT- LED LGBT SURVEY



40% experienced negative incident in the preceding 12 months due to being part of the LGBT community.



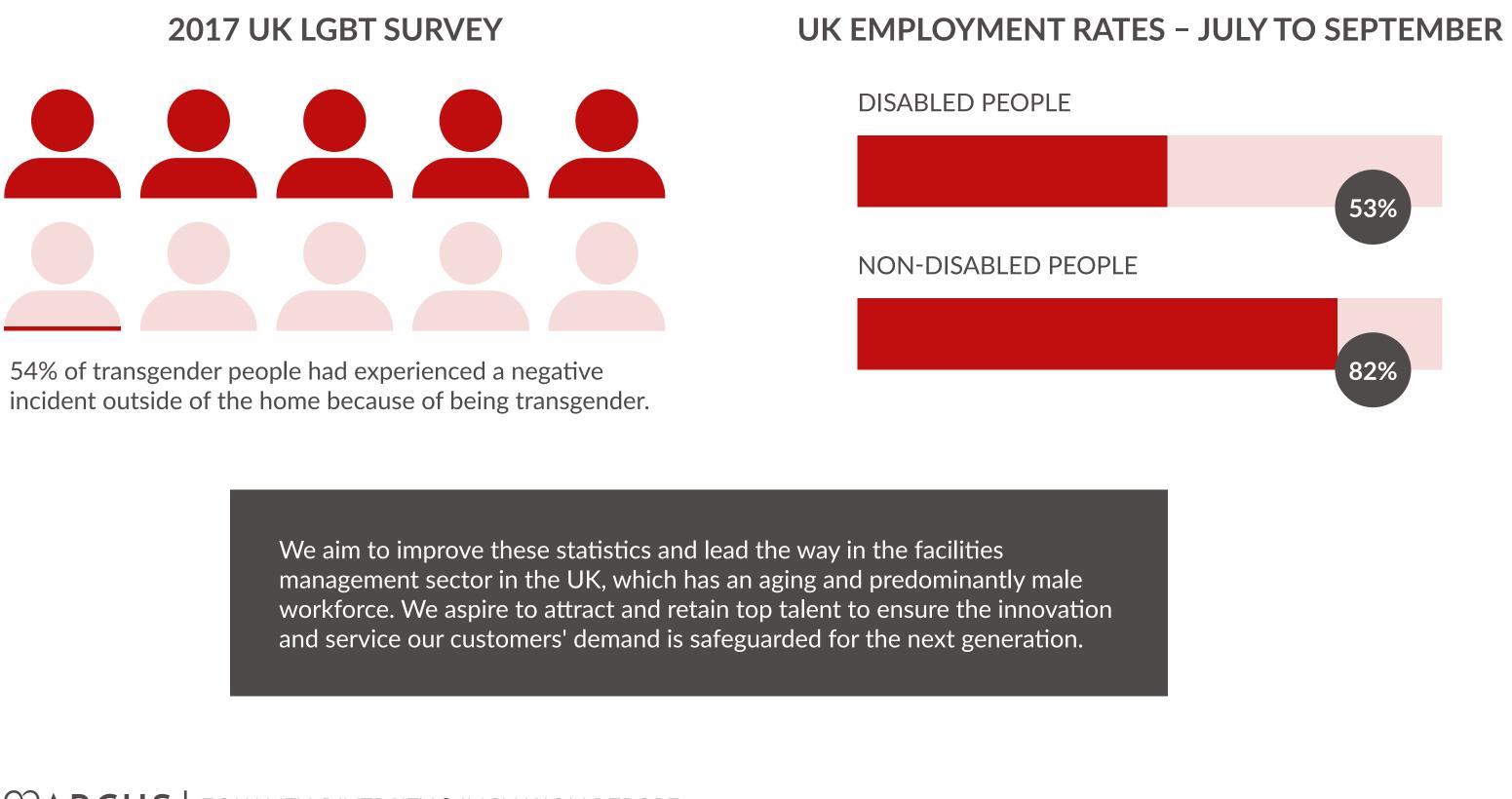
91% of the most serious incidents were not reported because...

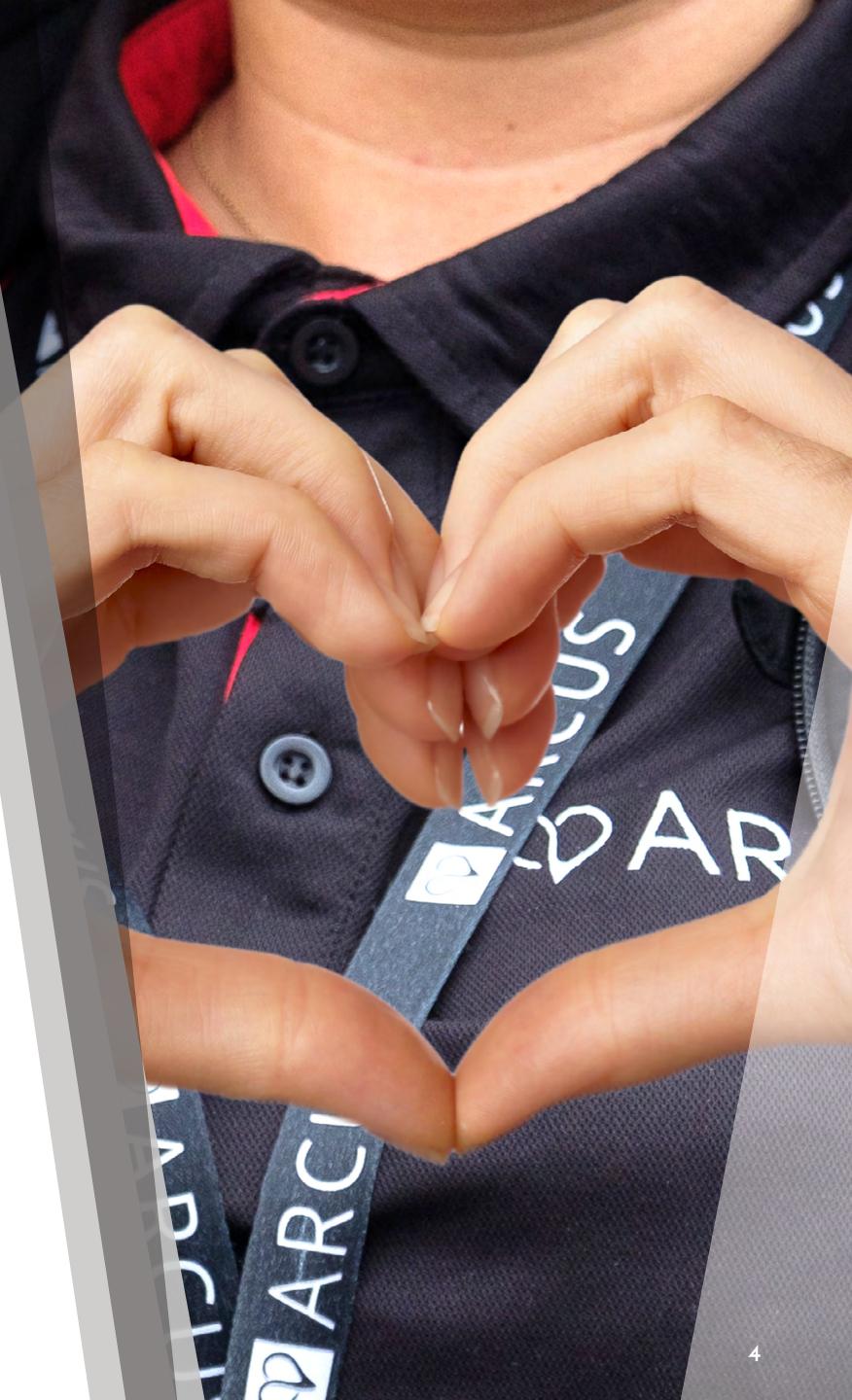


48% felt 'it was not worth it or nothing would happen or change'.



and 54% felt 'it was not serious enough or it happens all the time'.







Our EDI strategy helped to ensure we met the minimum standard set by UK legislation which is to eliminate unlawful discrimination, harassment, victimisation, and other conduct prohibited by the Equality Act 2010.

It also stretched us to achieve outcomes far beyond the legislative requirements, with every intervention aimed at helping us realise our EDI vision:

To create a diverse workforce and an inclusive workplace culture where every Arcus colleague feels included, that they can be themselves and they can achieve their full potential.

The following sections detail actions taken in 2023-24 in each of our four EDI action areas.



3.1 - ACTION AREA 1: UNDERSTAND OUR EDI

IMPROVEMENT AREAS

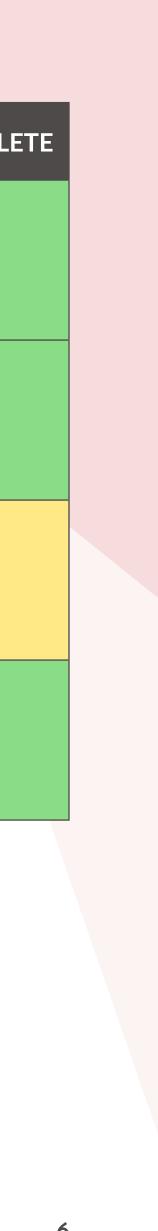
This action area is about firstly getting us into a position where the EDI data we hold about our employees is complete, reliable and accurate. We will then use the data to identify areas for improvement and make informed decisions related to EDI that are representative of our colleagues. It will also enable us to engage in open dialogue with under-represented groups on how to make our workplaces and our organisation more representative so that we can attract and retain talent.

We reviewed the EDI question set on our HR database and brought the drop-down options in line with current best practices as much as possible, considering limitations in our current system. We launched the 'I Am Arcus campaign', encouraging colleagues to review, and enter their EDI data to improve our disclosure rates. We integrated 'I Am Arcus' with our social value strategy, offering a £1 donation per fully completed profile (EDI + home address + contacts fields) to Arcus' charity of the year, Whizz Kidz. A total of 129 new completions resulted in a £129 donation to Whizz Kids.

Unfortunately, as of March 2023, our disclosure rate is just 7%. We will work with the relevant teams across Arcus to continue the 'I Am Arcus' campaign into 2024-25, aiming for a minimum 50% disclosure rate.

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UNDERSTAND OUR EDI IMPROVEMENT AREAS	MEASURABLE OBJECTIVE	ACTIONS COMPL
Generate a scorecard that is inclusive of the nine protected characteristics and the SFMI requirement, using this to identify our priority action areas.	EDI scorecard produced periodically	COMPLETE
	Update EDI question set/drop-down options on Cintra	COMPLETE
	The disclosure campaign 'I Am Arcus' was launched to increase disclosure to a minimum of 50%	IN PROGRESS
	£1 charity donation incentive i.e. for every fully complete profile Arcus will donate £1 to charity	COMPLETE



3.2 - ACTION AREA 2: REVIEW POLICY & PROCEDURE

Our employment policies and procedures reflect our culture, our colleagues' values, and their needs. We are currently conducting a systematic and ongoing review of all employment policies and procedures. Each policy is evaluated against various review criteria, including legal compliance and EDI. This was prioritised due to the significant growth we have experienced in recent years, to ensure continuous compliance with UK legislation. The review has also allowed us to incorporate current inclusive best practices.

REVIEW POLICY & PROCEDURE	MEASURABLE OBJECTIVE	ACTIONS CON
Bi-annual review of policies and procedures to ensure ongoing compliance with UK legislation	100% of Arcus' employment policies were reviewed through the lens of EDI by their due date	IN PROGRESS



3.3 - ACTION AREA 3: ENSURE AN INCLUSIVE ENVIRONMENT

Our five-year EDI Strategy was communicated internally, it was also released publicly for the first time: Arcus FM says we can all do better and releases EDI Strategy and Theresa Bell importance of EDI within the FM industry.

Having a meaningful strategy and holding ourselves accountable for its outcomes demonstrates our commitment to collaborating across the business to create opportunities for those facing barriers to work and progression, and celebrate what makes us unique. We demonstrated our commitment to EDI by supporting various events, communications, organisations, and projects including:

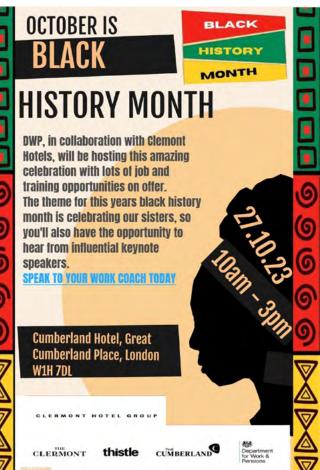
• **STEMazing Inspiration Academy programme:** increasing the number of women in STEM professions benefits all of society and is crucial to our economic growth as a nation. One reason fewer girls than boys go into STEM careers is a lack of female STEM role models. Arcus supported one of our colleagues to participate in a programme empowering women in STEM roles to shine as visible role models for children. After building her confidence and skills on camera, and sharing teaching tools and resources, our colleague delivered a series of live, online sessions to children aged six-seven years old (Year Two) at school, demonstrating that women can and do work in engineering. She told us: 'I cannot stress enough how important I believe programmes like this are.' Here is a recording of one of her classroom sessions: Rebecca is STEMazing.

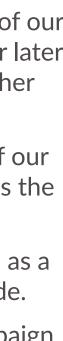
"YOU CAN'T BE WHAT YOU CAN'T SEE." - MARIAN WRIGHT EDELMAN

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- Arcus celebrated International Women in Engineering Day in June 2023 by interviewing one of our female Mechanical and Electrical engineers. She shared her story of beginning her M&E career later in life and her experience as a female engineer at Arcus and in the industry. Click here to see her interview: Kirstie Elbourn M&E Engineer.
 - In July 2023, Arcus celebrated its Nick Swords Apprentice of the Year winner, who was one of our first female Mechanical and Electrical apprentices. Read her LinkedIn post where she describes the impact of the win for her: Steph Hitch Nick Swords Apprentice of the Year 2023.
 - Arcus in the Community made financial donations to several mixed-gender sports teams such as a mixed boys' and girls' rugby team including children with disabilities, and the 67th Girl's Brigade.
 - During National Inclusion Week (NIW), we held an internal and external communication campaign highlighting our EDI Strategy and action areas, with top-level support and contributions from our Chief People Officer, who has overall responsibility for our EDI strategy, and our Chief Commercial Officer, executive sponsor of the EDI strategy at Arcus. Here are links to various NIW communications: NIW Debbie Gregory; NIW kick off; NIW learning and development; NIW Theresa Bell.
 - An Area Manager in SW England **recruited a candidate** who is non-verbal autistic. The manager adapted the interview to make it more accessible for the candidate.
 - During **Black History** Month, our Chief Commercial Officer, who is the executive sponsor for EDI, joined our Social Value Coordinator at a Department for Work and Pensions event celebrating Black History Month. We engaged with job seekers and their families during the event.











- **Movember** is an annual event where participants grow moustaches during November to raise awareness of men's health issues. Given that two-thirds of Arcus' demographic is male, we continue to support Movember as part of our commitment to prioritise the health and wellbeing of our colleagues. During this campaign, we remind colleagues of the support available, including over 30 Mental Health First Aiders, resources and guidance on mental health, our WeCare 24/7 health and wellbeing service, and the availability of support from their manager and/or the HR team.
- Each year, Arcus' **Christmas raffle** raises funds for a charity aligned with our social value priority groups. Prizes are donated by Arcus and by our suppliers. In December 2023, Arcus colleagues raised £9,346.00 for Whizz Kids, a charity supporting young wheelchair users with specially adapted equipment and also support young people find work through placements. We are exploring the possibility of Arcus offering work experience opportunities to their services users.
- Two colleagues attended a live event launching **Co-op's Endless Inclusion Hub**, a platform that hosts EDI resources and tools. Arcus will be able to engage with the hub, both to use and to contribute to, supporting us in progressing our inclusion plans.
- On International Women's Day 2024, we hosted our inaugural 'Women at Arcus' network event, attended by over 40 guests - a mix of colleagues and external guests, including three female engineering students from a local college. Led by our EDI C-Suite sponsor, Theresa Bell, colleagues shared their stories and engaged in debate and discussion on how we might become a more inclusive employer, how to attract more women into engineering and FM, and into Arcus specifically, and how we can better support gender balance throughout our business so colleagues can thrive and enjoy long-term, rewarding careers with us. See here for a video on the day: International Women's Day at Arcus FM.

INTERNATIONAL WOMEN'S DAY 2024

#InspireInclusion | #IWD2024





• Donation stations for the charity **Smart Works** were set up at our Upminster and Redditch offices as an extension of Arcus' International Women's Day event. Smart Works aims to give women the confidence they need to reach their full potential, to get a job, and hopefully change the trajectory of their lives. Women are referred to Smart Works from women's refuges/safe houses, homeless shelters, job centres, mental health charities, the prison service; care services, or youth organisations. Smart Works provides a dressing and coaching service for women, helping them to prepare for job interviews. Each client receives a dressing consultation with trained volunteers to find an outfit she can wear to her job interview that will fill her with confidence. This service is free of charge, and the clothes are

SMART **WORKS**

hers to keep, thanks to donations from supporters such as Arcus FM. Donations were gifted to the Birmingham and London (Islington) branches in April 2024.



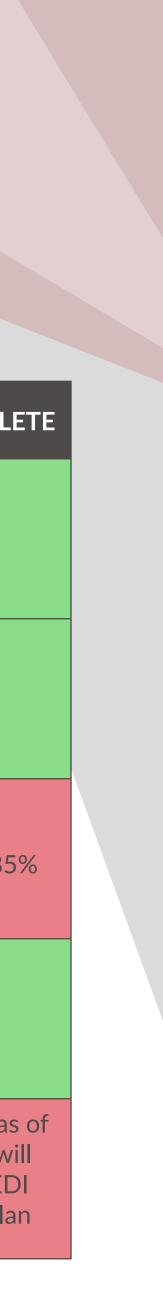


Further to the events and projects mentioned on the previous pages, colleagues continued to complete our comprehensive EDI training, mandatory for all colleagues. This training covers our strategy, the nine protected characteristics, discrimination, bullying and harrassment, and unconscious bias. Training is completed as part of onboarding and re-done every two years. We were disappointed to report that we did not achieve our 92% EDI training completion target with only 85% of colleagues having completed it. We will investigate non-completions and address this to ensure 92% minimum of our colleagues complete their EDI training and refresh every two years.

Our People team and Marketing team members attended specialist EDI-themed training delivered by our EDI advisers; Inclusive Employers, and used the knowledge gained to help shape our communications, our policies, and our approach to managing employee relations. This is the summary of Inclusive Employers training attendance:

Inclusive Employer	No. of Learners
Inclusive Employers – Combatting Homophobia, Biphobia, Interphobia and Transphobia	1
Inclusive Employers – Diversity Data – Collecting, Managing and Evaluating	3
Inclusive Employers – How to Support and Grieving Colleague	1
Inclusive Employers – Inclusive Leadership Conversations	1
Inclusive Employers – Intergenerational Working	2
Inclusive Employers – International Women's Day: #inspireinclusion	3
Inclusive Employers – Non-visible Disabilities	1
Inclusive Employers – Positive Action in Recruitment	2
Inclusive Employers – Putting a Stop to Microaggressions and Banter	2
Inclusive Employers – Supporting Colleagues with Learning Disabilities	1
Inclusive Employers – Supporting Your Team's Mental Health	1
Inclusive Employers – Taking Action to Support Employees During the Cost of Living Crisis	2
Inclusive Employers – Making Recruitment Fairer for Those with Criminal Records	1
Inclusive Employers Standard – A Broad Framework for Inclusion	2
Grand Total	23

ENSURE AN INCLUSIVE ENVIRONMENT	MEASURABLE OBJECTIVE	ACTIONS COMPL
Communicate our EDI strategy, providing regular updates on the progress.	Quarterly updates to all colleagues from March 2023	COMPLETE
Arcus' Social Value and Diversity calendar issues EDI-themed communications.	Minimum four comms per year tailored to our diversity journey and/or our identified priority areas commencing March 2023	COMPLETE
EDI training for colleagues on the importance of an inclusive environment.	92% compliance with updated mandatory EDI training by March 2024.	NOT ACHIEVED as of March 2024 compliance is at 85
All formal communications are inclusive.	Educate owners of formal communication platforms on good practice with attendance on Inclusive Employers webinars as relevant.	COMPLETE
EDI training for line managers on role modelling an inclusive environment	Create managers version of EDI training and implement by March 2024	NOT ACHIEVED as March 2024 this w form part of the ED 2024-25 action pla





3.4 - ACTION AREA 4: INCREASE WORKPLACE DIVERSITY

As a people driven business, this action area is about opening doors to those facing barriers to work. It's also about supporting, and valuing our colleagues and creating an environment where everyone feels able to be themselves and that they can reach their full potential.

Women are underrepresented in the Facilities Management industry in the UK. This is reflected at Arcus where 33.5% of our total workforce are female. The ratio of females to males is significantly higher in Arcus soft services, where it is 42% female and 58% male. Arcus took positive action to increase the ratio of women in leadership positions by planning for a new talent programme, Rise, exclusive to soft services (hourly paid) colleagues. Eight of our most talented and highest-performing team members have been nominated for Rise (nominations are 50% male/ female). Rise aims to build a talent pipeline into leadership roles and to support participants to progress their career at Arcus.

For the first time, we addressed the gender imbalance in our Accelerate talent programme nominations. Initially, we had six nominations, 100% of which were male. After taking positive action we received ten nominations, 40% of which are female and 60% male.

We continue to work with our social value partners to make job offers to individuals from disadvantaged backgrounds. In the financial year 2023-24, we recruited 73 individuals via our social value partners. Of these, 27 were long-term unemployed, and six had a disability.

INCREASE WORKPLACE DIVERSITY	MEASURABLE OBJECTIVE	ACTIONS CO
Increase diversity of targeted populations within Arcus.	Identify targeted populations as an outcome of Action Area 1, year on year increase the number of diverse colleagues on talent programmes; sponsorships and apprenticeships.	IN PROGRESS
Increase the number of job offers to candidates from diverse backgrounds i.e. nine protected characteristics and SFMI / TOMs.	Year-on-year increase in the number of job offers made to candidates from diverse backgrounds.	COMPLETE



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4. WHAT'S NEXT

Using the outcomes of this report, we have reviewed our EDI Strategy, and no changes will be made.

While continuing with the ongoing elements of the strategy until 2028, this report has highlighted that our future EDI action plans will likely include:

- Aim for Inclusive Employers Standard (IES) Bronze status. This supports all the action areas and will give detailed feedback on our improvement areas, which will be used to further inform our action plan.
- Continue the 'I Am Arcus campaign', introduce league table to help colleagues understand why we collect their EDI data and how we'll use it in decision making. Aiming for a minimum 50% disclosure rate.
- Launch 'This Is Arcus' to share results and celebrate our people. Invite them to tell their stories and celebrate our 'typical' colleague to ensure their voice is heard.
- Our gender data is reliable therefore we will proceed with the Rise talent programme and introduce a 'Women at Arcus' special interest forum to lead on/influence gender-related interventions. This forum will gather feedback on policies, procedures, our culture, and how we can improve career pathways and progression programmes, etc.
- In the longer term, we want our EDI data fields and questions to include socio-economic data and to be asked at the job applicant stage too, so we can measure inclusive recruitment.
- EDI scorecard/dashboard data analysed to decide priority actions and set aspirational targets for 2024-25, such as five percent more females on talent programmes, apprenticeships, and sponsorship and five percent more individuals from diverse ethnic backgrounds promoted, etc.
- Use data to also analyse leavers and promotions for any trends., cause for concern, action needed?
- Use data, IES report, special interest forum feedback, etc., to identify policies and working practices we can improve to be more inclusive and support our business needs, e.g., job sharing.
- Through Arcus' Colleague Engagement Network colleagues will be enabled to request that a special interest forum/s is created.
- Investigate EDI training non-completions. Identify actions to ensure a minimum 92% of colleagues complete their EDI training and refresh it every two years.
- Introduce EDI training for line managers on role modelling an inclusive environment.



REFERENCES

Hate crime, England and Wales, 2022 to 2023 second edition

Hate Crime Statistics

Disabled people with one health condition are more than twice as likely to be in employment than those with five or more conditions



"EQUALITY MEANS MORE THAN PASSING LAWS. THE STRUGGLE IS REALLY WON IN THE HEARTS AND MINDS OF THE COMMUNITY, WHERE IT REALLY COUNTS." - BARBARA GITTINGS, AMERICAN ACTIVIST FOR LGBT EQUALITY

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