



Europe

Gender Pay Gap Report

2021



The importance of our Gender Pay Gap report



As you are aware, equity, diversity & inclusion is extremely important for many businesses and SLR Europe is no different.

We have taken many steps to improve the diversity of our people and have introduced initiatives to facilitate equity and inclusion across our business. Nonetheless, we recognise that there is much more work to do.

We started our initiatives with a focus on gender, as naturally, this aligned with the key focus that we are witnessing across STEM and our industry. Across 2020, our activities saw us undertaking more work to support race and ethnicity as a result of the Black Lives Matter movement and we are now committed to focusing our efforts on supporting those with other protected characteristics. I look forward to sharing with you our ED&I action plan for 2021/22.

Our Gender Pay Report is one of the many initiatives we drive each year, but despite our statutory duty;

this report is an important way for SLR to measure the difference of the mean and median hourly rates of pay that our male and female colleagues are awarded.

I am pleased that we have once again included the figures for both Ireland and France in our reporting to help broaden our understanding of any pay gap occurring across our entire region, not just within the UK.

I am pleased to see that our Gender Pay Gap has once again reduced, not only across our staff based in the UK but also across the region as a whole. To summarise, we have seen a 5.3% reduction in the mean and 3.5% reduction in the median of our Gender Pay Gap UK and an 8.5% reduction in the mean and a 1.6% reduction in the median in the European 2020 gender pay gaps.

I am also encouraged to see that across the UK, the number of women in lower to lower mid quartiles has reduced (the latter by 11%) and as a result, we

have seen more women being represented in the upper mid quartile with the upper quartile remaining steady. This trend also continues for the broader European region which is pleasing to see. However, we also recognise that we still need to do more to change the mean and median pay gaps across these areas and will continue to monitor and make improvements.

We still have lots to do but are committed to making a difference, despite the challenging year we have faced. You can find out more information on our progress made to date as well as insights into our future plans throughout this report. I hope you find it an insightful read...

Alan Edwards
European Regional Manager

What is the Gender Pay Gap?

The Gender Pay Gap (GPG) is defined as the difference in the average pay and bonuses of all men and women within an organisation over a standard time period, regardless of their role or seniority.

It is important to note the GPG is different from equal pay. Equal pay is about ensuring that men and women are paid the same for carrying out work of equal value – which has been illegal since the 1970's. At SLR we regularly audit our pay and bonus structure and as a result, are confident that men and women are paid equally. That said, we acknowledge that we do have a GPG when we compare the overall average pay and bonuses for men and women.

This report provides both the statutory disclosures required by legislation as well as further information, so the organisation's GPG can be understood in the broader context.

How is it calculated?

The Gender Pay Gap calculates the difference between the mean and median hourly rate of pay that males and females receive.

The mean pay gap is the difference between the average hourly earnings of men and women. The median pay gap is the difference between the midpoints in the range of hourly earnings of men and women.

The figures set out below have been calculated using the standard methodologies used in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 based on the "snapshot" date for reporting of 5th April 2020, which covers all pay as at this date and all bonuses paid between 1st April 2019 and 31st March 2020.

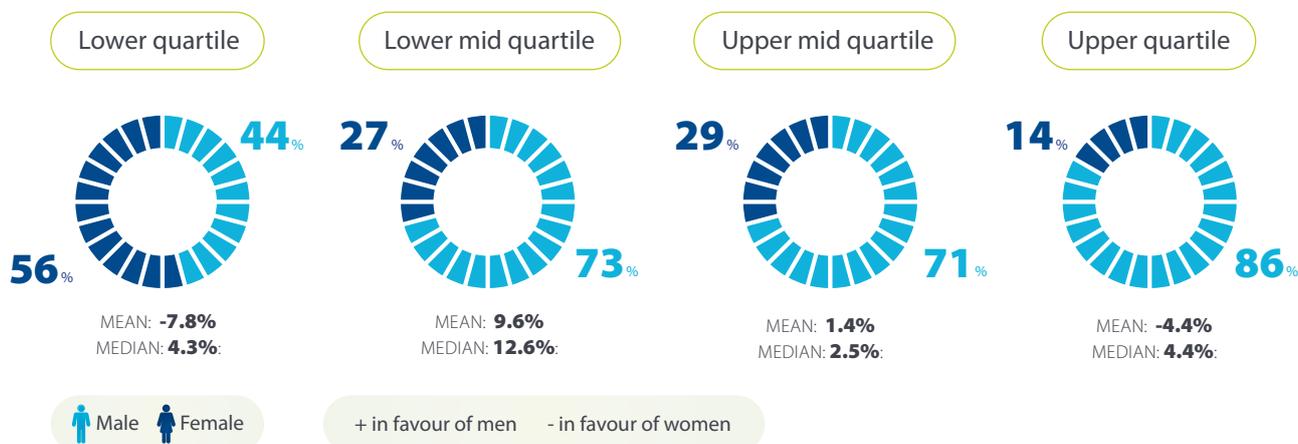
UK only Gender Pay Gap data

The 2020 gender pay gaps shows there has been a 5.3% reduction in the mean and 3.5% reduction in the median of our Gender Pay Gap.

DIFFERENCE BETWEEN MALES & FEMALES	MEAN	MEDIAN
Gender Pay Gap 2017	35.4%	37.3%
Gender Pay Gap 2018	35.3%	41.5%
Gender Pay Gap 2019	32.5%	37.4%
Gender Pay Gap 2020	27.2%	33.9%

How can we break this down further?

The graphs below show the gender split of hourly rates in pay quartiles. This clearly demonstrates that women are predominantly represented in the lowest pay quartiles in roles that tend to attract lower salaries.



There has been some movement in the number of women in the lower pay quartiles as well as a few changes to the pay gaps in the quartiles, please see below:

- Although the number of women in the lower pay quartile has reduced from 61% to 56%. The mean pay gap of the lower quartile has reduced from -1.2 to -7.8 and the median pay has increased from 1.4% to 4.3%.
- The number of females in the lower mid pay quartile has also reduced. In 2019 the percentage of females was 38% in 2020 this has reduced to 27%. The mean pay gap has increased from 5.9% to 9.6% and the median from 7.2% to 12.6%.
- The number of women in the upper mid quartile has increased slightly from 27% to 29%. We have also seen a reduction in the mean from 5.1% to 1.4% and the median from 6.9% to 2.5%.
- The upper quartile remains the same as last year, except for the median, which has increased from 0% to 4.4%

When analysing the figures by grade the Gender Pay Gap reduces significantly at most grades and is generally less than overall GPG. The grades have been updated to reflect the new grading structure, please see below:

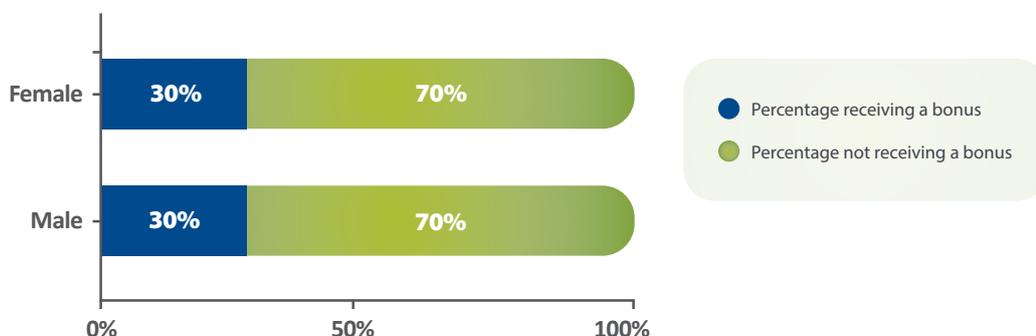
GRADE	MEAN	MEDIAN
A	6.9%	8.7%
B	0.7%	-2.2%
C	-6.2%	-2.3%
D	1.5%	-1.8%
E	3.7%	-1.2%
F	-17.9%	-29.0%
G	-27.6%	-10.2%

+ in favour of men - in favour of women

The differences in these figures will be attributed to the different pay scales of the various technical disciplines within the company.

What is the Gender Bonus Gap?

Employees at all levels within SLR are awarded a discretionary annual bonus dependent on both individual and Company performance. In 2020 employees who had a performance rating of 4 and above were awarded a bonus. Referral bonuses paid to employees within the 12-month period from April 2019 to March 2020 are also included in the calculations below:



DIFFERENCE BETWEEN MALES & FEMALES	MEAN	MEDIAN
Bonus Gap 2017	57.6%	60.0%
Bonus Gap 2018	28.4%	50.0%
Bonus Gap 2019	14.0%	5.0%
Bonus Gap 2020	46.8%	24.4%

The same proportion of males and females received a bonus in 2020. However, there has been a significant increase in our Gender Bonus Gap (GBG). The mean has increased by 32.8% and the median by 19.4%.

What are the reasons for our Gender Pay Gap?

There are a number of underlying reasons for the Gender Pay and Gender Bonus Gap, some of which can be attributed to the following:



- More men than women are employed in the senior positions within the business, which attract higher salaries. Although, it is positive to see the number of women within the upper mid pay quartile has increased again this year.
- Women continue to be under-represented in the industry. Which is why our work with organisations such as Women in Science, Technology & Engineering (WISE), and Women in Technology & Science (WITS) is so important.
- Despite being committed to encouraging more women into roles at SLR and redress the balance of gender across all grades, there continues to be an imbalance across the company:
 - In 2019, 37% of the region were female compared with 63% males.
 - In 2020, this reduced to 32% (of females) compared with 68% (of males.)
 - In 2021, we have increased back to 2019 levels at a split of 37% female compared with 61% male (2% categorised as Other)

European Region Gender Pay Gap Reporting

While we are only required by law to publish our UK GPG data, we felt it was important to look at the data for the whole of the European region. The GPG for the European region is as follows:

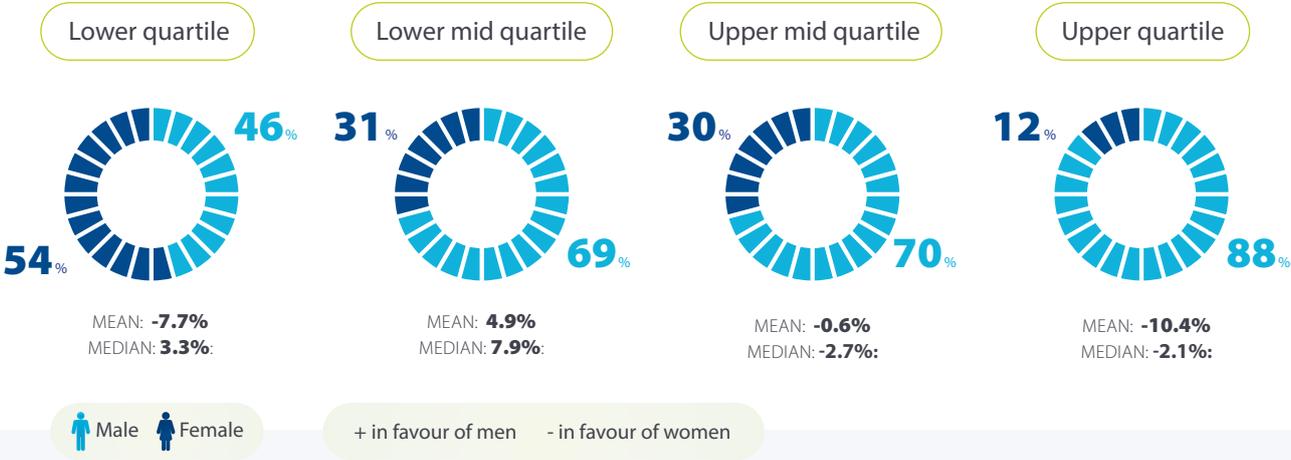


DIFFERENCE BETWEEN MALES & FEMALES	MEAN	MEDIAN
Gender Pay Gap 2019	32.6%	37.4%
Gender Pay Gap 2020	24.1%	35.8%

There has also been a reduction in the European 2020 gender pay gaps. The mean has reduced by 8.5% and the median by 1.6%.

How can we break this down further?

The graphs below show the gender split of hourly rates in pay quartiles:

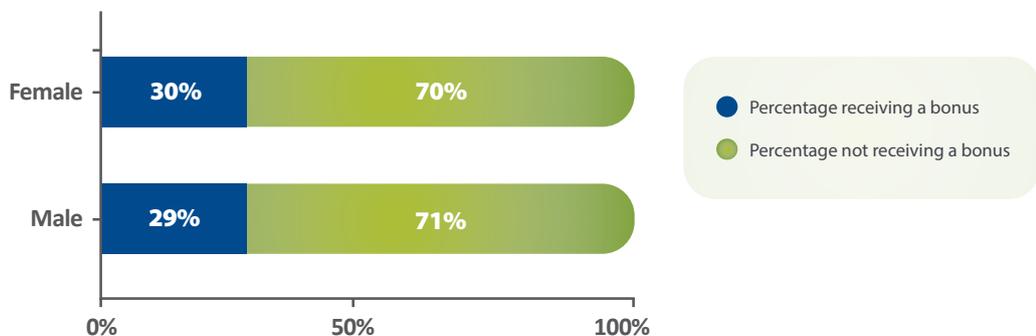


Like in the UK there has been a reduction in the number of women and a few changes in the quartile pay gaps, please see below:

- The number of women in the lower pay quartile has reduced from 62% to 54%. The mean pay gap of the lower quartile has reduced from -2.7 to -7.7 and the median pay gap has increased from 1.1% to 3.3%.
- The number of females in the lower mid pay quartile has also reduced. In 2019 there were 40% females compared to 31% in 2020. The mean pay gap has increased from 3.5% to 4.9% and the median from 0.8% to 7.9%.
- The number of women in the upper mid quartile has increased by 2% to 30%. We have also seen a reduction in the mean from 4.1% to -0.6% and the median from 6.2% to -2.7%.
- The number of females in the upper pay quartile has reduced slightly from 13% to 12%. However, the mean has reduced significantly by 13.3% to -10.4% and the median has slightly reduced from -1.3% to -2.1%.

GRADE	MEAN	MEDIAN
A	6.3%	7.7%
B	4.6%	2.1%
C	-6.1%	3.6%
D	2.5%	1.2%
E	4.7%	-3.7%
F	-18.5%	-24.6%
G	-26.2%	-8.6%

What is the Gender Bonus Gap?



A similar proportion of males and females received a bonus in 2020. However, there has been an increase in our Gender Bonus Gap (GBG). The mean has increased 8.9% and the median by 21.19%.

DIFFERENCE BETWEEN MALES & FEMALES	MEAN	MEDIAN
Bonus Gap 2019	17.3%	5.0%
Bonus Gap 2020	26.2%	26.2%



Our progress

2020/21 has been a difficult year, and as such, we recognise that we have not been able to make as much progress as we had initially planned but have continued to embed and maintain momentum on several initiatives that were established in 2019 and 2020.

Nonetheless, the start of 2021 saw SLR rolling out its first ever Equality, Diversity & Inclusion (ED&I) Steering Committee which now meets once a quarter. The Committee has undertaken external training on ED&I legislation as well as training in how to recognise inappropriate behaviours and challenge inequalities. The Committee has identified three key actions which they would like to see SLR take forward which will be incorporated into the 2021/22 ED&I action plan for Europe. The Committee has also seen the introduction of the community champions.



The start of the year saw the roll out of our pilot graduate development programme pilot which saw 9 female graduates join the scheme in March 2021 which represented 45% of the total programme cohort. We are pleased to say that this has risen to 54% across our September cohort with 15 female graduates joining the programme compared to 13 males.

Throughout the period of January to June 2021 we have continued to analyse the makeup of our candidates applying for our roles and are pleased to record that this has risen by 5% which has attributed to the 5% increase in our female headcount across 2021 vs 2020.

Our first promotion round of 2021 also saw a 5% increase in females applying for promotion when compared with 2020, with 50% of female applications being accepted.

Our future focus

Despite the challenges we have faced across 2020/21, SLR Europe will soon formally launch its Equity, Diversity and Inclusion Action Plan for FY21-22 which will continue our development across a variety of areas. This will include but will not be limited to:

- Inclusive Leadership Training for the Senior Leadership Team with a focus on allyship and recognising the differences and experiences of our colleagues with protected characteristics.
- Training and guidance materials for line managers to better support members of staff returning from parental leave/career breaks.
- Regular salary benchmarking exercises to compare salaries of those from under-represented groups across the wider organisation.



- A review of our key HR policies to ensure that equity, diversity and inclusion is reflected throughout.
- An analysis of the equal opportunities data collected across our workforce in 2020/21 to understand how this could inform future target setting and KPI's.
- The celebration of key festivals and events across our annual calendar to include Ada Lovelace Day and International Women's Day.
- The commencement of outreach opportunities with schools, universities, and other organisations working within underserved communities.



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