



WE ARE COMMITTED TO IMPROVING DIVERSITY
AND CREATING THE RIGHT CULTURE AND
ENVIRONMENT FOR OUR PEOPLE. WE BELIEVE THAT
A DIVERSE WORKFORCE WILL NOT ONLY ENABLE
OUR PEOPLE TO THRIVE BUT ENSURE THAT WE
DELIVER THE BEST OUTCOMES FOR OUR CLIENTS.

In 2017 regulations were introduced by the UK government which required organisations with 250 or more employees to publish their gender pay gap data, including any bonuses, by 4 April 2018 and going forward, on an annual basis.

PAY & BONUS GAP

24.8%

 \blacksquare

WOMEN

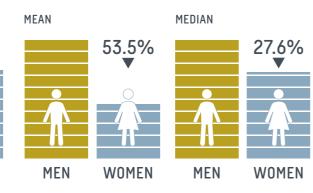
MEAN

MEN

HOURLY RATE AT THE SNAPSHOT DATE OF 5 APRIL 2017 (APRIL 2017 PAY PERIOD):

25.6%

BONUS PAY IN THE YEAR UP TO 5 APRIL 2017 (2016 PERFORMANCE YEAR):

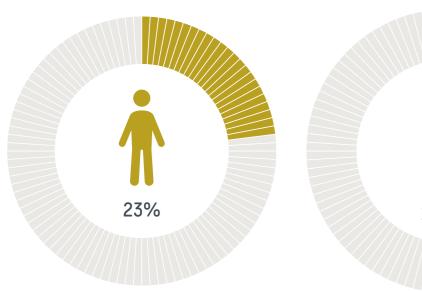


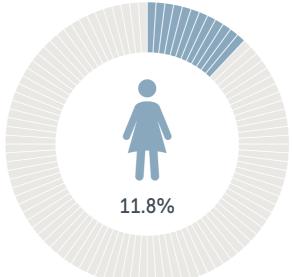
A positive percentage pay gap means that on average, men are paid more than women.

MEN

THE <u>PROPORTION</u> OF MEN AND WOMEN RECEIVING A BONUS PAYMENT IN THE YEAR UP TO 5 APRIL 2017 (2016 PERFORMANCE YEAR) IS AS FOLLOWS:

WOMEN





PAY QUARTILES

THE PROPORTION OF MEN AND WOMEN IN EACH QUARTILE BAND IS AS FOLLOWS:

	MEN	WOMEN	MEAN PAY GAP BY QUARTILE
UPPER QUARTILE	86%	14%	10.9%
UPPER MIDDLE	81%	19%	-3.6%
LOWER MIDDLE	74%	26%	1.8%
LOWER	54%	46%	3.1%

The above chart illustrates the gender distribution at Sweco across four equally sized quartiles, each containing just over 190 people. It also provides the pay gap for each quartile. In the upper middle quartile where the percentage is negative, women on average, are paid more than men.

The mean pay gap by quartile is based on the hourly rate for the distribution of males and females in each individual quartile. The variance in hourly rate within each quartile is smaller than the variance across the whole organisation. As a result, the pay gap varies between each quartile and is very different from the pay gap for the whole of the organisation.

UNDERSTANDING THE GAP

THE ANALYSIS OF OUR GENDER PAY GAP SHOWS THAT IT IS PRIMARILY DRIVEN BY TWO FACTORS:

- The current composition of the Sweco UK workforce where females represent 26.7%
- 2. There is a higher proportion of men in senior, more highly paid roles within the business

Specifically, when we look at our bonus gap it is largely driven by the fact that there are more men employed in the senior roles which attract a bonus payment.

We recognise that our gender pay gap issues are structural, reflecting a need for us to work harder to attract and retain female talent, particularly at a senior level. This is a highly competitive part of the marketplace because of the legacy issues that resulted from fewer women studying STEM-related subjects at school or university in past decades. We see addressing this challenge as a long-term strategic priority for our business.

This data and the pay gap relates to gender pay not equal pay. Gender pay analyses the average pay between men and women across an organisation. Equal pay deals with pay differences between men and women who carry out the same or similar jobs or work of equal value. Both men and women are paid equally for performing equivalent roles across Sweco UK. Our approach to determining pay for roles at all levels is not based on gender.

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CLOSING THE GENDER PAY GAP

WE ARE DETERMINED TO ADDRESS THE GENDER PAY GAP AND HAVE CLEAR PLANS IN PLACE AND LEADERSHIP COMMITMENT TO DO SO.

BUILDING ON OUR PROGRESS

We are proud to have teams within our business where our gender pay gap is significantly below the 2017 national mean average of 17.4%, including 2.2% in our Transportation Business Unit and 8% in our Environment Business Unit.

However we are passionate about making a difference within the areas of our business where women are particularly under-represented and where the gender balance and consequently, the gender pay gap, is more significant.

We are committed to improving diversity at all levels and have set ourselves a specific and ambitious target to have 20% of females in the Upper Quartile in the next 3 years.

We believe that by focusing on the Upper Quartile we will have the greatest impact on our gender pay gap.

However, we will continue to take recruitment and progression decisions based on the 'best person for the job' and are focusing on the three areas below that cover how we attract a diverse pool of candidates, develop all our people, encourage more females into senior roles and retain the our talent.

20%

We will ruthlessly measure our progress against this target which will form part of the objectives for the senior leadership team.

STRATEGIC INITIATIVES TO SUPPORT ACHIEVEMENT OF OUR TARGET

ATTRACTION

RECRUITMENT PRACTICE

As part of our ongoing review of recruitment practice we have designed training for our line managers, to be launched in 2018, aimed at tackling unconscious bias in the recruitment process. We will also adopt broader methodologies to attract female candidates into our business and challenge the diversity of all our shortlists.

WOMEN IN SCIENCE & ENGINEERING (WISE)

The lack of female representation is a well acknowledged issue in our industry. We have signed up to WISE and their 10 Steps to support gender balance in STEM subjects and to enable Sweco itself to build its expertise in attracting, retaining and developing women.

SCIENCE, TECHNOLOGY, ENGINEERING & MATHEMATICS (STEM)

A member of our Leadership Team is co-ordinating our STEM project and through the activity of our STEM Ambassadors, we will continue to actively promote the development of a future pipeline of professionals.

GRADUATES

In 2017 our intake of female engineers increased to 40% from 11% in 2015. We will continue to encourage more females to apply for a range of opportunities in our business.

Female graduates

DEVELOPMENT

We are committed to the development of all our people at all levels. In 2017 there was a 35.5% increase in expenditure on training from 2016.

TALENT REVIEW

We are going to launch a **talent review process** which will help us identify and develop untapped talent in the organisation.

LINE MANAGER DEVELOPMENT PROGRAMME

96% of line managers have undertaken our Line Manager Development Programme launched in 2017. This programme provides managers with the knowledge and skills to enable them to support, develop and manage their people. In 2018, we will be launching the Sweco Development Framework providing greater clarity and structure around training and development for all career paths and levels.

CAREER FRAMEWORKS

We are currently developing new frameworks, providing greater clarity and transparency around career pathways and the simplification of our grading structure, which will support the attraction of new and the development of our existing talent.

RETENTION

FAMILY FRIENDLY POLICIES

We are committed to creating a culture and environment for all our people to thrive and have introduced new maternity and paternity policies to support women and men with young families.

We recognise that it is likely to take some time and sustained activity for the results to come through in the data.

We will continue to monitor our strategy, actively engage with our people and review our approach to ensure that the gap is reduced and that in doing so we attract, develop and retain a diverse and talented workforce.

FLEXIBLE WORKING

We offer **flexible working hours** for employees that need to juggle their personal and family lives with work commitments through bespoke arrangements.

I confirm that the data in this report is accurate.



Max Joy, Managing Director

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