

GENDER PAY GAP REPORT



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1 Introduction

COWI UK Ltd is committed to championing a great place to work and we recognise that fairness, inclusion and opportunity are at the heart of this important agenda.

We want COWI to be a place where our people can bring their whole selves to work and that means making a consistent effort to attract as diverse a candidate base as possible. It means ensuring that we are creating opportunities so that people can move through their career in a way that works for them. But it also means that we have the right systems in place, so progression and pay are fair for everyone.

For our second year of mandatory gender pay gap reporting, we're proud to share the journey that we have been on at COWI and the steps we have taken to ensure we're in a strong position to narrow our gender pay gap.

We have provided awareness briefings to staff on equality and diversity on what it means; improved our maternity pay to above the statutory requirements, we have carried out our bi-annual people review process to recognise potential leaders of the future and ensuring that we plan and develop staff to ensure a diverse pool of leaders in the future. These steps, and other actions we have taken, are a positive foundation for the future growth of COWI UK and confirm our commitment to our people.

Declaration

I confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Ian Robinson, Executive Director 11 March 2019

2 Gender pay gap reporting – An overview

As of April 2017, public, private and voluntary sector organisations with 250 or more employees must report on their gender pay gaps annually, using six different measures:

1. Mean gender pay gap: The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
2. Median gender pay gap: The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
3. Mean bonus gap: The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.
4. Median bonus gap: The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.
5. Bonus proportions: The proportions of male and female relevant employees who were paid bonus pay during the relevant period.
6. Quartile pay bands: The proportions of male and female full-pay relevant employees in the lower, lower-middle, upper-middle and upper quartile pay bands.

The aim of gender pay gap reporting is to show how large the pay gap is between an organisation's male and female employees. The data must be published on the employer's own website and a government website, and the intention is to encourage employers to act to reduce or eliminate their gender pay gaps to create fairer, more inclusive workplaces.

Taking a 'snapshot' of this data on a set date, as required by regulation, creates a level playing field for all reporting organisations, but a snapshot may also mask the fluidity of gender pay gaps. Gender pay gaps can fluctuate from month to month and across pay quartiles depending on changes to headcount. It's important to monitor the gender pay gap across the year, and not just on the snapshot date. Doing so gives an organisation a better understanding of what drives its gender pay gap figure at any given time, and in turn, how it can be reduced.

3 COWI UK's pay journey

Gender pay gap reporting provides a further opportunity to build on many of the policies and practices that we already have in place, and to enhance key elements of our culture, such as flexible working.

In this report we describe what we've been doing more recently to ensure pay fairness and address our gender pay gap.

Taking action – The year in review

With support from our senior leaders, we formed an Equality, Diversity and Inclusion (ED&I) focus group to discuss important topics which included improvements we can make toward reducing the gender pay gap.

In our first gender pay gap report last year, we prioritised three areas for action to reduce our gender pay gap. Here we report on our progress for each area and how we are building on our 2018 plan to encourage further progress towards our goal of reducing the gender pay gap.

Recruitment

We committed to:

Using a recruitment system and process to ensure there is no bias towards either gender from the point of recruitment right through to Onboarding.

Our progress towards this goal:

COWI will be introducing their new recruitment strategy 2.0 whereby training will be provided to all our line managers to ensure that good practice is being applied across the company when hiring decisions are being made. This will include unconscious bias training and it will also be a requirement for a member of HR to be present during the interviews.

- We have already provided an Equality and Diversity Awareness Briefing to all our staff and this will continue on an annual basis to continue our promotion of championing a great place to work and fairness, inclusion and opportunity for all.

Talent Management

We committed to:

Exploring how we can attract more women into our organisation to create better gender balance at all levels.

Our progress towards this goal:

- > We have carried out our bi-annual people review process to recognise potential leaders of the future as well as identifying our critical skills gaps. This process puts focus on the need for talent development and where we need to plan and develop staff to ensure a diverse pool of leaders in the future.
- > We will explore return to work programmes (also known as 'returnships') as we recognise that there are skilled people that have taken a career break and their skills could add value to our business.
- > We will also explore mentoring schemes to help support development of staff in our four career streams.

Engagement

We committed to:

Ensuring that we have best practices in place to encourage better work life balance.

Our progress towards this goal:

We have policies in place to enable men and women to balance working life with family commitments.

We will further explore learning and development (L&D) opportunities that can be accessed via online training modules, particularly through our own COWI Academy, which means that our staff can easily access L&D tools and activities whatever their working hours or location, all of which can contribute to their progression at work.

4 Our data for the last two years

Our gender pay gap data for this year is based on the 'snapshot' date of 5 April 2018. At this time there were 271 employees within the COWI UK workforce: 85 women and 186 men.

Mean gender pay gap

If we add together all the hourly pay rates that women earn, divide by the number of women and then compare that with the same calculation for men, we find that women receive 25% an hour less than men. This is a decrease of 4% from our 2017 figure. When we look closely at the figures we recognise that at lower grades women's mean hourly pay is more than men's mean hourly pay and it is only when the grades are more senior that men's mean hourly pay is more than women's mean hourly pay.

We believe this decrease is largely due to an increase of female staff being appointed at more senior roles either as new employees or through promotions.

Our gender pay gap is largely concentrated in the upper pay quartile, where we have a range of expertise in different skills and includes our four male Executive Directors. We will use our talent intelligence that we gather during our people review process to continue to develop a highly talented, diverse and inclusive workforce. We will explore further the challenges faced by women in senior roles and ensure there are no barriers for women to work at leadership level. This will be supported by the actions we have set out in this report.

Median gender pay gap

If we rank all women by pay and rank all men by pay and then compare what the woman in the middle of the female pay range received with what the man in the middle of the male pay range received, we find the typical woman received 20% an hour less than the typical man. This is a decrease of 3% from our figures last year.

Our pay quartiles

A pay quartile represents a quarter, or 25%, of the workforce, ranked by pay. The pay quartiles are then broken down by gender.

At our snapshot date, there were 85 women and 186 men.

Male - Lower Quartile	14%
Female - Lower Quartile	11%
Male - Lower Middle Quartile	15%
Female - Lower Middle Quartile	10%
Male - Upper Middle Quartile	19%
Female - Upper Middle Quartile	6%
Male - Upper Quartile	20%
Female - Upper Quartile	5%

Our bonus pay gap

As of April 2018, the snapshot date for this year’s figures, 93% of men (compared with 91% in 2017), and 88% of women (compared with 84% in 2017) received a bonus in the previous 12 months. This resulted in a bonus pay gap of 53% mean (up from 51% in 2017) and 32% median (up from 25% in 2017).

A summary of our reporting figures is below:

Statutory calculations required	2018	2017
Mean gender pay gap in hourly pay as a percentage of men's pay	25%	29%
Median gender pay gap in hourly pay as a percentage of men's pay	20%	23%
Percentage of males who were paid a bonus	93%	91%
Percentage of females who were paid a bonus	88%	84%
Mean gender pay gap for bonuses	53%	51%
Median gender pay gap for bonus pay as a percentage of men's pay	32%	25%

Pay Quartiles:

Male - Lower Quartile	14%	11%
Female - Lower Quartile	11%	13%
Male - Lower Middle Quartile	15%	17%
Female - Lower Middle Quartile	10%	9%
Male - Upper Middle Quartile	19%	19%
Female - Upper Middle Quartile	6%	6%
Male - Upper Quartile	20%	23%
Female - Upper Quartile	5%	2%

To help close our overall gender pay gap, we will update our practices for making decisions about salaries and promotions which will include criteria for decision making on promotions and awarding salary increases.

This further demonstrates our commitment to use relevant controls within our pay practices that will act to narrow our gender pay gap.



5 COWI UK Board's perspective

We are committed to being a diverse and inclusive organisation and understanding and improving our gender balance is an important part of this journey. Reducing our gender pay gap through a better gender balance across all levels of the organisation requires understanding and focus from leadership, the Board and people managers across our business. It also requires us to be evidence-based, with real insight on the makeup of our workforce, progression and pay differentials.

As of January 2019, around 31% of our workforce is female, and we have around 8/52 balance of women and men in leadership roles. We are working hard to promote equality of opportunity for all people across the company, and it is good to see a modest improvement in our overall median gender pay difference through the actions we are taking.

In other activities, we will continue to train all our staff in understanding difference, and how to manage, treat, and develop staff from all backgrounds. Promoting and making more of our flexible working opportunities and encouraging open dialogue and a culture of trust are also very important elements in our desire and need to create a truly inclusive organisation.