# **2023 UK Gender Pay Gap Report**





# **Executive Summary**

# **Make Great Things Possible**

This is our purpose, and it explains why we exist as a company and deeply influences our strategic directions. It helps us navigate the world while also inspiring change and progress. This motivates us to work toward creating a more diverse and inclusive environment for our workplace. It's important that we draw opinions, experiences and skills from a diverse range of employees to represent those different views and opinions within our workforce. This is a priority for HDR to continue to promote a more inclusive, diverse, and equitable culture within our business. We believe this supports innovation and reflects the communities we serve.

Drawing on varied opinions, skills and viewpoints is crucial to our clients, our communities and ourselves. That is why we are focusing on initiatives and strategies that will help us close the gaps that exist within our workforce.

To achieve this, we are working toward targeting talent throughout their career journey, creating inclusive working conditions for those underrepresented and putting in place paths for career progression and for rewarding employees appropriately.

We understand that it will take time to reflect an increased overall representation in our industry. We are taking action to implement short, medium, and long-term strategies to increase the diversity in our workforce and to add to the diversity in our industry.



"As employee-owners at HDR, we all have a role in creating an inclusive environment where each of us is welcomed, valued, respected, and empowered to bring our authentic selves to work every day. Our Employee Network Groups help create an inclusive and supportive environment where everyone is empowered to engage and contribute. Our women's employee network group at HDR develops skills as leaders within the organization through networking, professional and personal development activities. We are committed to ensuring equal opportunities and fair compensation for all employees, regardless of gender and we aim to create an inclusive workplace where diversity is celebrated, and all individuals are valued for their contributions. We strive to proactively counteract the existing gender pay gap within our business by directly addressing its root cause, namely the underrepresentation of women in the engineering industry through proactive measures and ongoing evaluation of our policies and creating local partnerships with local educational institutions that promote the STEM. This supports our long term strategy of attracting the talent to effectively close the gender pay gap."

#### **Richard Whitaker**

Managing Director (EMEA)

# The purpose of our gender pay gap analysis

A gender pay gap analysis is vital to understand the extent of the gender imbalance within our workforce. Through analysis of our internal composition, we are focusing on areas where there is underrepresentation.

This report will therefore focus on the analysis of the mean and median pay gap across our organisation as well as representation across the different quartiles and organisational levels.

It is important to note that gender pay gap is different from unequal pay. Unequal pay is paying an individual from one group a different level of pay compared to another individual, for comparable roles with comparable tasks.

# **Definition**

# **Gender pay gap**

The gender pay gap is the difference between the average hourly pay between two groups as a proportion of the first group's average earnings. A high positive number indicates lower pay for the group that is underrepresented.

The gender pay gap is different from equal pay. The issue of pay inequity is paying women and men differently for doing comparable work.

## Mean pay gap

The mean pay gap is the difference between the average earnings of two groups.

# Median pay gap

The median pay gap is the difference in hourly pay between the midpoints of two groups' pay, when earnings are listed according to size.

# **Our 2023 findings**

Our gender pay gap in the UK shows the gender imbalance that exists within our industry with a higher proportion of men employed across the industry.

This is the second year that HDR has reported on this information, so we only have one year of comparison data for reference. HDR is actively working toward making year-on-year improvements to reduce the gender pay gap via the means outlined in this report.

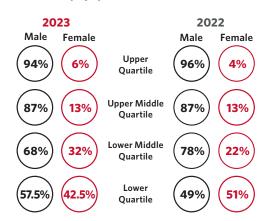
The 2023 findings show year over year improvement in a number of areas. In 2022, we worked to reduce the pay gap between male and female employees. This is reflected in the shift in the percentage of female employees from the lower quartile to the higher quartile.

Promotions and reviewing individual pay has helped reduce the disparity. Numerous initiatives introduced last year are starting to have a positive impact on the data and as our initiatives begin to embed in our organisation, this will further reduce the pay gap.

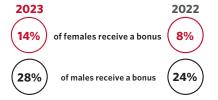
Whist our pay gap is moving in the right direction and the percentage of female employees receiving bonuses has increased, our Mean and Median bonus pay gap has widened in comparison to our 2022 findings.

This is due to lower female representation in the top two pay quartiles. As we increase the female representation in these top two quartiles, our Mean and Median bonus pay gap will also reduce. The bonus pay gap calculation methodology does not provide a full-time equivalent recalculation to address our employees that work part-time. Many of our part-time employees are women and this does have an impact on the data.

## Proportion of male to female in different pay quartiles



#### **Bonus Pay Gap**



## Mean pay gap analysis



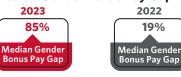
#### Median pay gap analysis



#### Mean Gender Bonus Pay Gap



#### **Median Gender Bonus Pay Gap**



# **Closing the Gap**

Our gender pay gaps are driven by lower female representation throughout HDR and at senior level positions. We recognise the need to do more to reduce gender imbalance across the organisation and as a result we will be looking at a variety of strategies to narrow this gap. Initiatives we are utilising include:

- Employing the right person for the right role. We will continue to utilise objective factors to enhance our recruitment process and to target campaigns through a variety of diverse partners.
- Providing developmental opportunities to all employees to provide an equal opportunity for success.
- Retaining our talent through our engagement survey results and career development programs.

# **Priorities Going Forward**

## **Nurturing New Talent**

In September 2023, nine graduates and apprentices were hired for the Careers Plus early Careers programme. 30% of this group were female and in the structural and civils, commissioning engineering and energy and sustainability disciplines. The civils and commissioning engineering students will undertake a degree apprenticeship at London Southbank University while working alongside their learning. The duration of the apprenticeships in building services and civils are approximately 4.5 years, plus the End Point Assessment. We hope to retain all apprentices following their graduation and have them progress through the business. In January 2024 we sponsored a visa for a female student from Omaha, Nebraska, U.S., to join the Energy and Sustainability team as part of the Careers Plus programme to further support business needs and encourage women into our industry.

The IET (Institute for Engineering and Technology) also looks to promote and support the engineering and technology field by encouraging their corporate partners to engage with the IET open house every summer. This event is aimed at 5-13 year-olds and their guardians/ parents to think about STEM topics for the future. This year, the Women's Employee Network Group will host this event: Engineering Open House Week 2024 (theiet.org).

#### Collaboration

HDR has a selection of employee network groups (ENG's), one being the Women's group. This is a global internal group which supports women in our workplace, local and regional events, and everything from celebrating each other's accomplishments/promotions, to discussing relevant topical events and shared life experiences. The ENGs are comprised of employees who join together in their workplace based on shared characteristics, life experiences and interests.

The Women's employee network group has also recently hosted internal talks on "Parenting while working" and "imposter syndrome" to support employees and give them a voice to express their experiences. In addition, the Women's group will be attending the RAF Museum Inspiring Careers event in July 2024.

HDR also promotes International Women in 'Engineering Day on the 23rd June which occurs every year and the business is hoping to eventually become a corporate community partner to encourage females into the industry: International Women in Engineering Day #INWED24

Upcoming later this year, HDR will be hosting another in person Q-Taster session with Queen Mary university to introduce all students at the university to engineering as a career if they are unsure about their choices, or if they wish find out more about what we do as a company. This will be hosted in the Autumn term: QTaster - Careers and Enterprise (qmul.ac.uk)

In addition, as part of the training and development offerings, HDR has a host of internal supervisory resources which are actively promoted to all staff. Topics include trainings and webinars for navigating difficult conversations, the multi-generational workforce, supervisor essentials and coaching and unconscious bias.

Once in the business, there are various options to support ongoing training and development of our employees. The annual appraisal process allows for employees to access various soft skills trainings, such as project management training, technical report writing or presentation skills; as well as technical skills required for their discipline. Furthermore, the Career Connect programme launched internally in 2022, is self-paced, customisable and most significantly, accessible to any employee looking to develop leadership skills. It is designed to be flexible,



**Ghada Elsheikh** Associate Women's Employee Network Group Co-Chair



Harpreet Chahal Assistant Project Manager Women's Employee Network Group Co-Chair

"The Women Employee Network Group is a dedicated collective within our organisation that champions the professional development, support and advancement of women in the workplace. The group aims to create an inclusive culture where differences are valued and celebrated by fostering a community that actively engages in conversations surround gender equality. The group also contributes to creating awareness and understanding of the factors contributing to pay gaps. Through targeted initiatives, mentorship programs, and educational events, the group aims to empower women within the organisation, encouraging them to navigate career progression and ultimately serving as a catalyst to closing the gender pay gap."

allowing anyone to start, stop, or pause as needed. Those who complete this programme in its entirety will not only have demonstrated a keen knowledge of HDR's business, but also the self-management, interpersonal skills, and focus necessary for the next generation of HDR leaders.

Another arm of this framework includes the mentoring programme, which provides valuable personal and career development opportunities, through facilitated mentorship pairings and events. Started by the Women's ENG, participation in the Mentorship Programme is a great opportunity to gain professional support, share experiences, extend employees network, and cultivate meaningful relationships with strong, inspirational role models within HDR.

# **Family friendly benefits**

To attract new talent, we recognise that we must address some of the challenges that will affect potential new hires as well as some of our existing colleagues by expanding as well as enhancing our employee benefits.

We have focused on a specific set of benefits.

# Flexible Working

HDR takes a positive approach to flexibility in the workplace. This positive view has given our employees confidence to request flexible work arrangements to have a better work-life balance.

This attitude has enabled our female colleagues to request flexible working arrangements after maternity leave. As a result, we have been able to retain more female employees after maternity leave.

## **Hybrid Working**

The business operates a hybrid working model which all are employees have an opportunity to participate in. These changes have a positive impact on not only attracting talent to HDR and the industry but also contribute to improving the work-life balance of many our employees.

### **Maternity Pay**

As part of our plan to attract and retain more female employees, we have enhanced our maternity benefits to better support our female employees while on maternity leave.

# **Paternity Pay**

Lack of or reduced support during paternity leave may play a part in fathers' bonding with their children and supporting their partners as much as they would like. We have enhanced the support we offer to fathers during paternity leave.

We will continue to review the support we offer our employees while on leave to fit the purpose and reflect what our employees value.





"At HDR, building a diverse workforce and an inclusive, equitable environment is fundamental to being a sustainable business. As an employee owners, we are committed to making HDR a place where anyone can thrive. We believe that by harnessing our differences, we're able to deliver better outcomes for our people, clients and our communities. I am truly honoured to be the sponsor of our Women's Employee Network UK Chapter which we launched last year. Being in the industry for 23 years, the aim of this group is to assist and provide an inclusive culture whereby women can be more confident within the industry and develop in HDR through professional, personal activities and networking. The Chapter is open to all our employees who support the cause and acknowledges women's progress across HDR.

HDR is committed to reaching better representation across all levels of our firm."

# Jay Amin

Human Resources Director EMEA & APAC Women's Employee Network Group Executive Sponsor, EMEA & APAC

