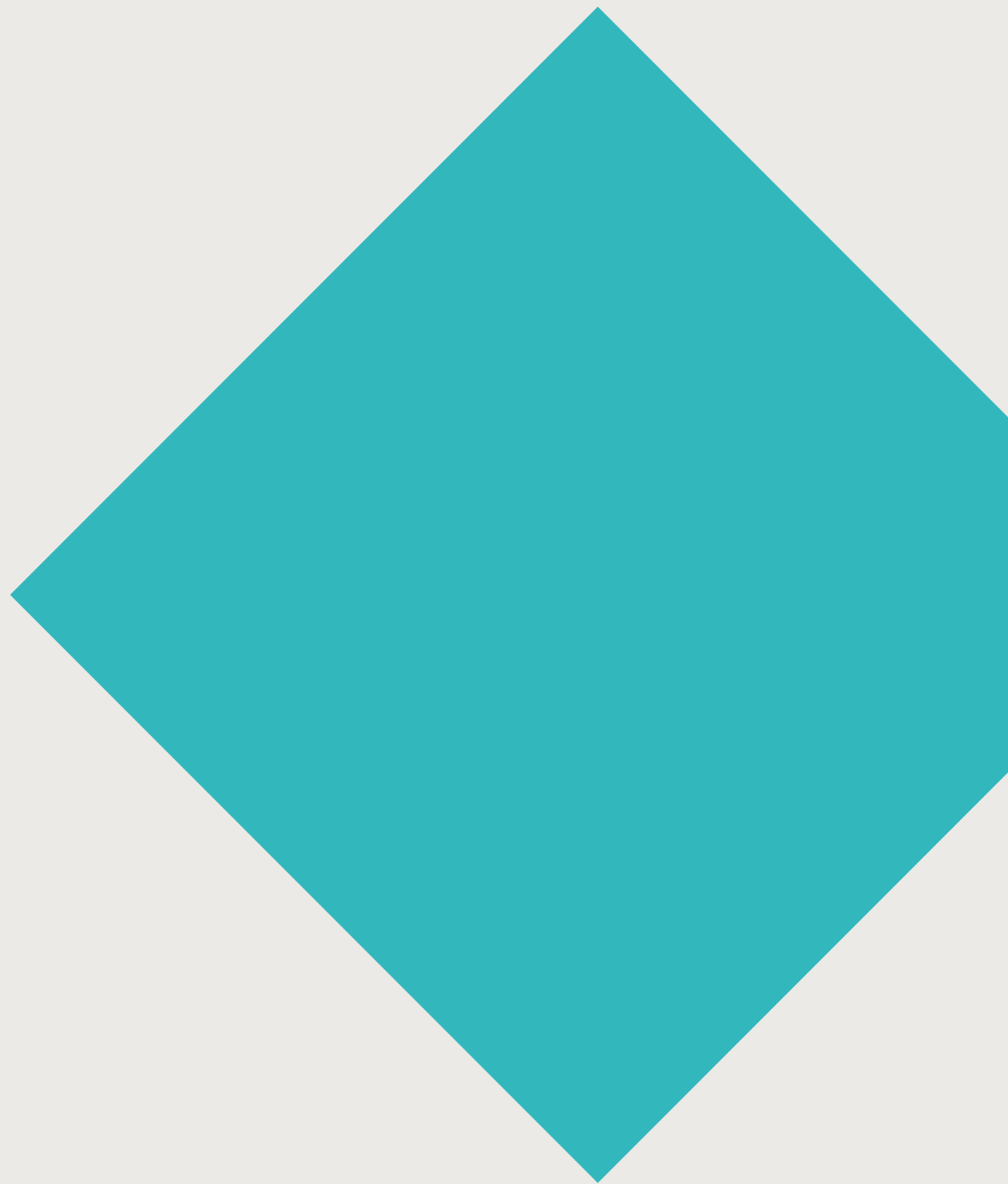


UK gender pay gap report 2019



Foreword

At Mott MacDonald we are committed to developing a gender-balanced and inclusive workplace. We believe that diversity supports innovation, high performance and good decision-making.

Reporting on our gender pay gap for the last three years has helped us to understand how we are doing and focus on where we need to improve. It is encouraging to see that both our gender and bonus pay gaps have reduced since 2018, a sign that our targeted actions and key initiatives are truly making a difference to our people and workplace culture. However, this doesn't meet our high ambitions – we want to see a more significant reduction.

We are working hard to build upon our progress and speed up the pace of change. Informed by the data we've collated throughout the reporting process, to reduce the gaps we have developed and targeted our actions to cover every employee lifecycle stage – attraction and recruitment, retention and engagement, and development and progression.

Our current focus is on creating a diverse talent pipeline. Our returners programme Re-Connectors, has expanded following a successful pilot. Our first Women in Leadership event brought over 80 women to network with each other, supporting their development within and engagement with the fast-changing nature of our industry.

Through our memberships with the Women's Engineering Society (WES) and Women in Transport (WIT), we've encouraged female colleagues to access external mentors. We plan to launch our own region-wide mentoring platform enabling all our people to access a mentor from within our business.

Our commitment to gender equality continues to move us in a positive direction. Our regional leadership team help us drive accountability for our progress and our senior colleagues are fully engaged in the dialogue. As a female leader at Mott MacDonald, I know that achieving gender diversity cannot be done alone or just by one team – it is only possible via the collaborative effort and individual responsibility that everyone of us, at every level, makes.

Cathy Travers

UK and Europe general manager
Pronouns: She, her



Our gender pay gap reporting explained

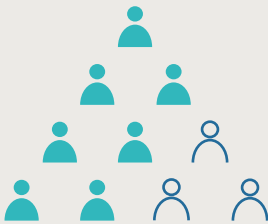
When looking at gender pay gap figures, it is important to remember there is a difference between equal pay and the gender pay gap.

Equal pay



Equal pay means that **men** and **women** should not be paid differently for performing equal work.

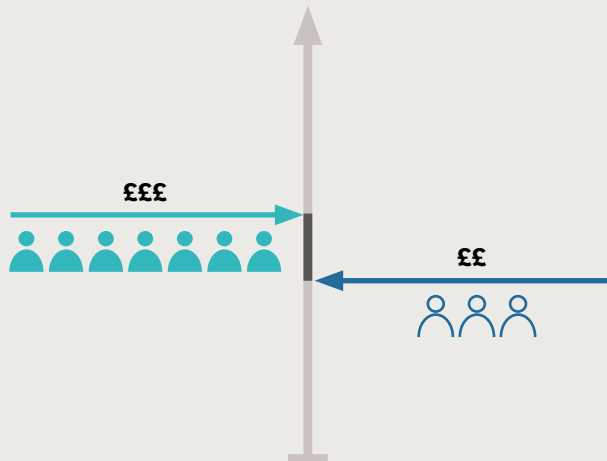
Gender pay gap



The gender pay gap measures the difference between **men's** and **women's** average earnings. The difference is expressed as a percentage of men's earnings.

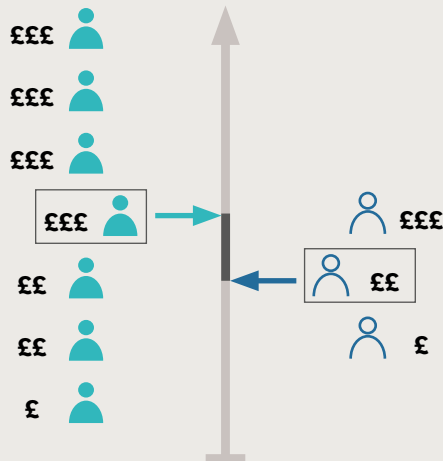
Mean gender pay gap

The mean gender pay gap is the difference between **men's** and **women's** average earnings.



Median gender pay gap

The median gender pay gap is the difference in hourly pay between the mid-point of **men's** and **women's** earnings, when listed by size.



How we calculate and report on our gender pay gap

Mott MacDonald's gender pay gap has been calculated using the government's statutory methodology. Our reporting is based on pay after salary sacrifice as required by statute. Hourly pay is based on the pay period including 5 April 2019 and bonus pay is based on bonuses paid in the period 6 April 2018 to 5 April 2019.

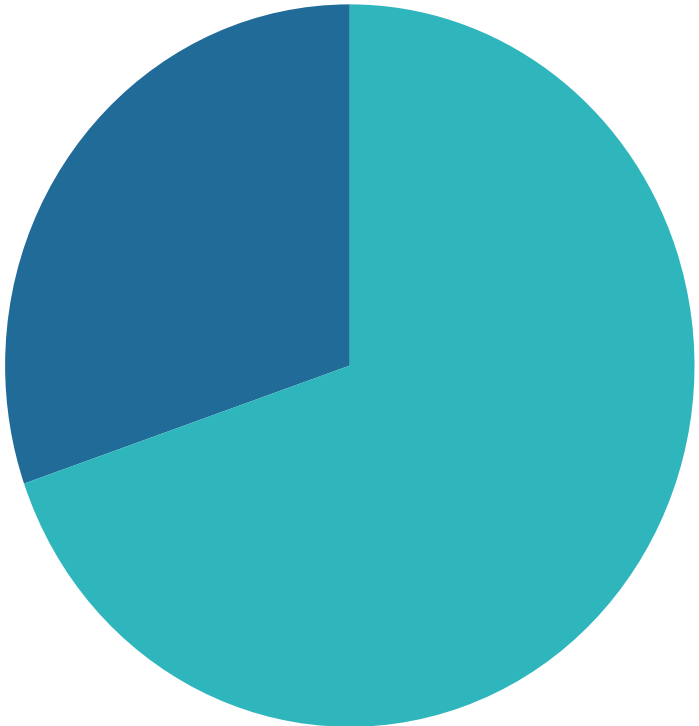
Our reporting is based on a population size of **5,660**.

69.7%

of our UK workforce is **male**

30.3%

of our UK workforce is **female**

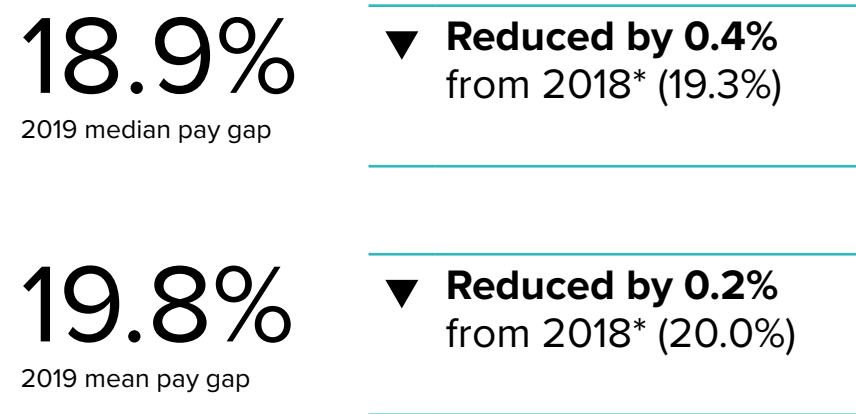


Male Female

Gender pay gap and representation

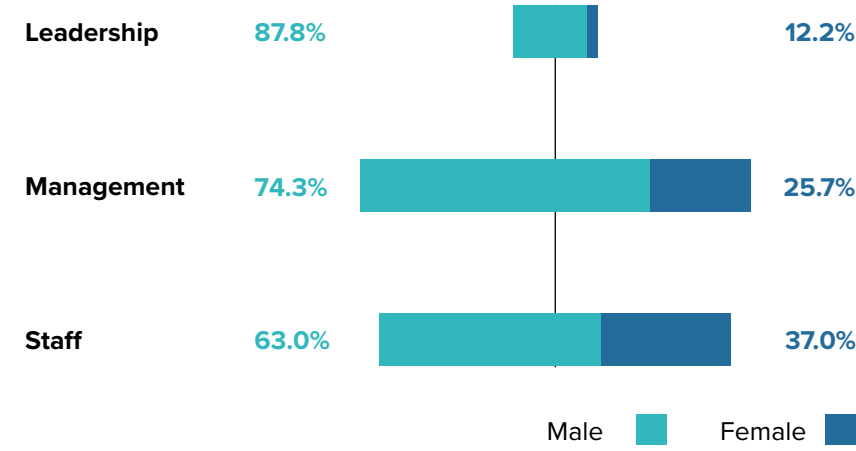
Gender pay gap 2019

Since our first year of reporting in 2017, we have seen a steady decrease of our mean and median gender pay gaps. While we would like to see a more significant reduction, we also appreciate that our actions to improve female representation in our talent pipeline may slow progress. For example, our work towards achieving gender balance in our early careers roles may increase our gender pay gap in the short term as these roles are largely entry-level. However it is necessary to ensure our future talent pipeline is diverse.



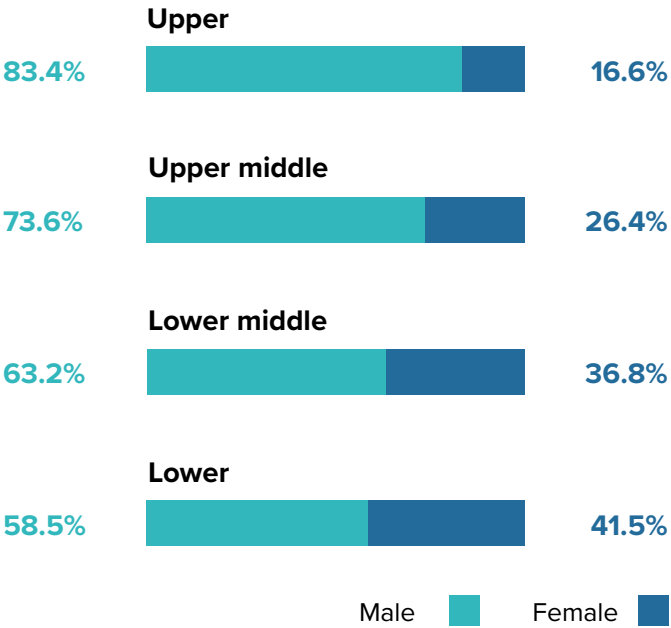
The shape of our workforce

The improvement we have seen in our gender pay gap is due to changes in the shape of our workforce. Since 2018 female representation at leadership levels has increased by 3% at both management and leadership levels and only 1% at staff level. This shows that our focus on developing internal talent over the past 12 months is assisting our overall goal to improve female representation.



Representation per quartile

Pay quartiles are used to show how the representation of female and male staff varies throughout an organisation. Pay quartiles are created by ordering the employee population based on hourly pay from lowest to highest and then dividing it into four equal groups.



Mean gender pay gap per quartile

When we look at our pay gaps per quartile, we can see that all are under a 2% mean gap (each way) except that of our upper quartile where the gap is 9.2%. This larger pay gap is caused by lower representation of female staff at senior management and leadership levels. We are working hard to improve this and recognise that high retention rates at this level means change will be gradual.

Upper	9.2%
Upper middle	1.9%
Lower middle	1.0%
Lower	-1.2%

Gender bonus gap

Percentage of male and female staff receiving bonuses in 2019

The proportion of men and women receiving a bonus remains broadly unchanged, however the proportion of women receiving a bonus is still lower than men. The predominant reasons for this are more women taking long term leave and a proportionately higher number of female hires relative to headcount, ineligible for bonus due to length of service.

84.6%

of male staff received a bonus in 2019

78.7%

of female staff received a bonus in 2019

Gender bonus gaps

We are pleased to see a significant improvement in our median bonus gap since 2018 which shows that the steps we have taken to improve female representation has had a positive impact on gender balance at this level.

8.3%

2019 median bonus gap

▼ Reduced by 11.7% from 2018* (20.0%)

Our mean bonus gap, however, reduces at a far slower rate as it is affected by the proportionately lower number of women in leadership roles which attract higher bonuses.

67.5%

2019 mean bonus gap

▼ Reduced by 3.4% from 2018* (70.9%)

“We are working hard to increase the transparency of our compensation and benefits processes to ensure that all of our colleagues can be confident that they are being rewarded fairly and equally.”

Jen Ross
UK and Europe human resources manager
Pronouns: She, her



* Please note that our prior years' bonus data has been recalculated, following an audit which found the previously reported figures to be incorrect.

Addressing our gender pay gap

We have analysed our data, sought feedback from our colleagues and engaged with external gender equality campaigns to help shape our actions. As our pay gaps are largely due to the underrepresentation of women, particularly in senior positions, our actions focus on how we will attract and recruit, retain and engage, and develop and progress women in our business.

Attraction and recruitment

We have put in place actions and initiatives to attract female candidates and recruit a more gender-diverse workforce.

Implementing an ‘achieve or explain’ approach to shortlisting

This year we will implement an ‘achieve or explain’ approach to our interview shortlists. Hiring managers will be expected to achieve a minimum of 25% diverse candidates on a shortlist in terms of gender or ethnicity (e.g. in a shortlist of four suitable applicants, at least one must be female and/or BAME) to ensure no candidates are being overlooked or talent pools unexplored. If this is not achieved, hiring managers have to explain the steps they have taken to attract diverse candidates and are held accountable by our talent acquisition team. If they have not taken active steps to achieve this, they are required to take further action and will not be allowed to interview a homogenous candidate list.

Attracting returning talent

Since 2018 we have worked in partnership with Women Returners on our Re: Connectors scheme. The scheme provides opportunities back into work for experienced professionals who have had a career break for two or more years. Returnees are supported through the transitional period, with coaching provided by Women Returners, internal mentoring and a comprehensive induction process. More than half of participants in our 2018 pilot were offered permanent employment at the end of the six-month scheme. We scaled up the programme in 2019 with cohorts across three of our largest UK business units. This resulted in an increase of permanent opportunities being offered to the participants, highlighting what a great success the scheme has become. Discussions are currently taking place around this year’s scheme which we are confident will be another success!



Partnering with Work 180

In 2019 we partnered with Work180, a global jobs network whose aim is to empower every woman to choose a workplace where they can thrive. Work180 provides job applicants with a transparent directory of endorsed employers who support equality, diversity and inclusion and we are proud to be working with them. Work180 has worked closely with our recruiters, providing them with support with everything from inclusive language on job descriptions to social media content. We have also collaborated on blogs, podcasts and supported their Super Daughter Day events, encouraging girls aged 5-12 to explore the exciting world of STEM.

Women in leadership networking events

Our talent acquisition team hosted their first women in leadership networking event in 2019 to create a network for female leaders in our sectors. Attendees mixed with Mott MacDonald leadership, engaged with a panel on the future of our industries and listened to a TED-talk style lecture on the future of the human workplace. We are planning to continue these events in the future to support gender balance in our leadership.

De-biasing our early careers application process

Over the past two years we have taken steps to de-bias our selection processes. For our early careers opportunities, we moved from competency-based assessment to strength-based assessment. This focuses on the strengths and potential that a candidate has rather than their prior work experience, creating a more equal platform for them to join our workforce. For our upcoming 2020 intake we also removed CVs from the application process and moved to a standardised application form which limits unconscious bias.

Using EDI data to support our early careers talent strategy

Our early careers recruitment strategy – focused on apprentices, industrial placements and graduate opportunities – is directly shaped by diversity data. We commissioned market research to identify how we can attract more diverse talent to our early careers opportunities and now use higher education gender data to focus our engagement on universities with better female representation.



Retention and engagement

We have several actions in place to retain female staff and engage all employees in our gender equality efforts.

Understanding our people

In alternate years we run global employee engagement surveys and region-specific EDI surveys to understand the views of our people and measure the impact of our inclusion efforts. Responses are anonymised with trends analysed using diversity monitoring – including gender – and this allows us to understand key challenges and priorities for female colleagues. The findings from both surveys have been used to inform and measure the actions referenced within our action plan.

Improving exit interviews

In all areas of our work we aim to be data-driven and to measure outcomes. In 2020 we are developing a new and improved exit interview process to better understand why people leave the business and monitor differences in overall trends by gender and ethnicity.

Supporting our Advancing Gender and Sunshine parents and carers networks

Our employee networks help us to create an inclusive culture and engage our colleagues. Each network is led by co-champions who are provided with time, budget and training and a regional board-level sponsor who champions the network at executive level. The Advancing Gender network engages staff through a newsletter and has recently set up a speaker bank to support gender diverse speaker lists. The Sunshine parents and carers network provides peer-to-peer support and runs webinars on topics including ‘balancing work and caring responsibilities’ and ‘managing pre-school childcare’.

Flexible working

The government equalities office and behavioural insights team recommend improving flexibility as a key action to address the gender pay gap. In 2019 we changed our careers website to make it easier for candidates to search for roles by contract type and level of flexibility. In all of our job adverts we state our openness to discussing flexible working at interview stage. We have also set up a project team focused on creating and implementing a common flexible working policy across the UK which will roll out in 2020.

Development and progression

We have implemented several initiatives to support the development and progression of female staff.

EDI dashboards

Our EDI dashboards cross-analyse diversity monitoring data – including gender – by headcount, turnover, retention and promotions for each business unit which is required to report trends on a bi-annual basis to the regional board. The board holds business units to account for driving improvements and ensuring promotion rates are proportional to current representation levels.

Skills4UK career development programme

We have rolled out the Skills4UK career development scheme – a targeted programme to identify management-ready female talent and to give women further skills to operate in what remains a male-dominated industry. Since 2016 almost 350 women have attended the three-day course and 94% of participants have said they would recommend it to a colleague.

Mentoring

In our Buildings and Transportation units our memberships with the Women’s Engineering Society (WES) and Women in Transport (WIT) have provided female colleagues with access to external mentors. We are also launching a mentoring platform across the UK business to help all colleagues partner up with internal mentors. Mentoring is one of the key actions recommended by the government equalities office and behavioural insights team to reduce the gender pay gap.

Increasing transparency around promotion and progression

We are improving our career development pathways so that we can more consistently define our job roles and what is expected at each level by clearly outlining the requirements and competencies of each role. This will support improved performance discussions and better define what is expected of people in order to progress in the business. In addition, to reinforce objectivity we will introduce a balanced scorecard for senior promotions.



**What makes you
different makes us better.**