



GENDER PAY GAP REPORT



fewer women are leading our business. Evidence shows that the highest performing teams are those that embrace diversity and include a mixture of complementary skills. 'Our People: A diverse and inspiring place to work' is already part of SLR's core values, Our 5 Elements, so our commitment to this issue remains at the forefront of our approach. While we have made grounds in increasing the number of women on our Regional Management Team, we recognise the work that needs to be done to increase the number of women leading our operational and technical teams.

Why are we publishing our Gender Pay Report? From April 2017, all organisations (in the UK) with 250 or more employees are required to report statutory calculations on an annual basis showing the size of their gender pay and bonus gap, so SLR has a statutory requirement to report these figures. But more than that, we have approached this as an opportunity to address a far bigger issue within our industry; the disparity in the number of women in senior managerial positions compared to men. At the heart of the issue is the hard reality that

What is important is how we chose to change our approach moving forward. What actions do we take today to make sure that our results in a year's time, or five years' time are improved? On page 3 of this report we have outlined the areas that we will initially focus on when it comes to closing our Gender Pay Gap.

Alan Edwards
European Regional Manager

WHAT IS THE GENDER PAY GAP?

The gender pay gap 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 gender pay gap is different from equal pay. Equal pay is about ensuring men and women are paid the same for carrying out work of equal value. 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 we do have a gender pay gap 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 gender pay gap 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 male 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 2017, which covers all pay as at this date and all bonuses paid between 1st April 2016 and 31st March 2017:

DIFFERENCE BETWEEN MALES & FEMALES	MEAN (AVERAGE)	MEDIAN (MIDDLE VALUE)
Gender Pay Gap	35.4%	37.3%

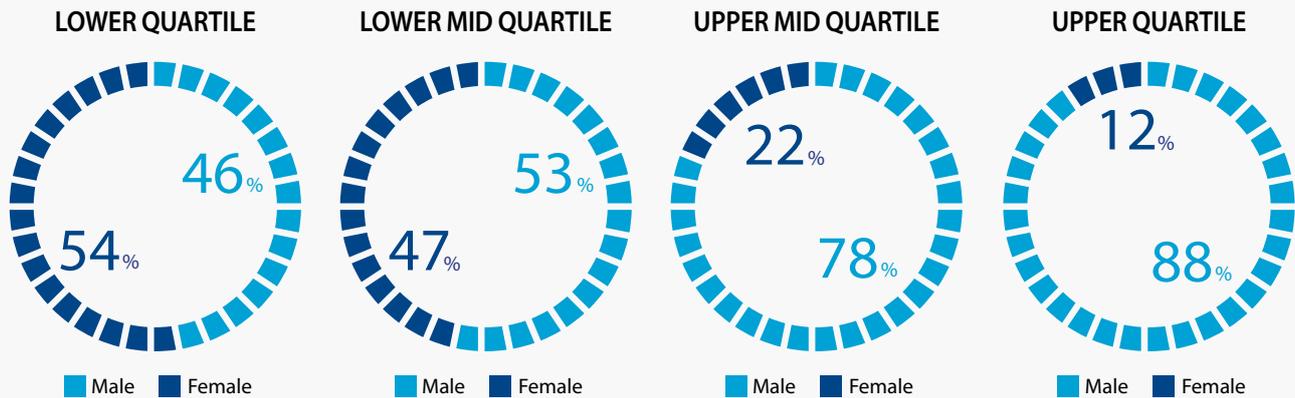
WHAT ARE THE REASONS FOR THIS?

There are a number of underlying reasons for the gender pay gap, some of which can be attributed to the following:

- There is a gender imbalance of male and female employees across the Company. We currently employ 65% male and 35% female staff.
- The lower representation of women within senior grades and in particular technical disciplines that attract higher levels of pay.
- The prevalence of women in part time roles. We currently have 23% of our employees working part time of which 59% are females.
- The wider issue of career choices, where there is an under representation of females that aspire to careers in STEM roles (Science, Technology, Engineering and Maths).

HOW CAN WE BREAK THIS DOWN FURTHER?

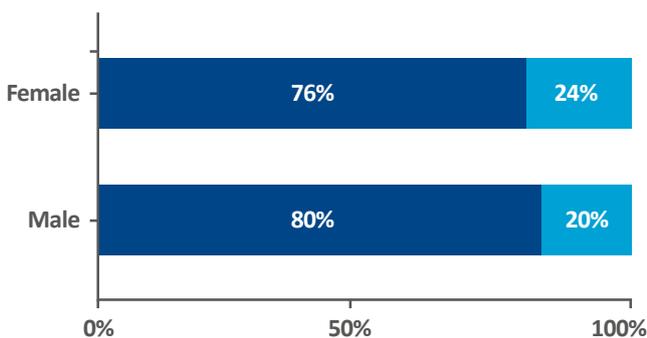
The graphs below show the gender split of hourly rates in pay quartiles. This clearly demonstrates that women are predominantly represented in the lowest pay quartiles in roles that tend to attract lower salaries.



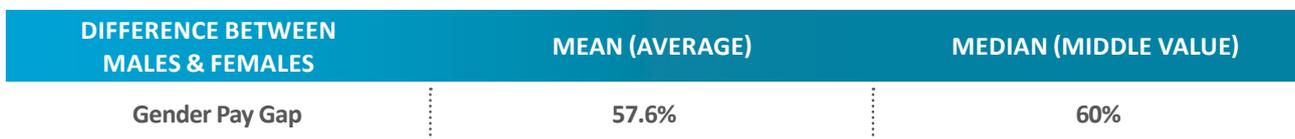
In order for there to be no gender pay gap there would need to be an equal ratio of male and female employees in each band. However, within SLR 54% of employees within the first pay quartile are females and 46% of males. The percentage of men increases throughout the remaining quartile from 53% in the second quartile to 88% in the fourth quartile.

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. A similar proportion of males and females received a bonus in the relevant pay period, please see below:



Below you can see there is a gap in our mean and median bonuses. The reasons for this are due to the composition of our workforce as outlined above.



HOW WILL WE MAKE A DIFFERENCE?

Acknowledging the Gender Pay Gap is important but the key is what happens next in order to address it. SLR is committed to closing our Gender Pay Gap and we are clear and focused on how we will do this.

- Continue to actively review our decisions around our annual performance pay and bonus awards.
- Review our talent maps and succession plans to ensure where possible we have gender balanced pipelines, so we can actively focus on the career progression of females into senior management roles.
- Introduce a new Applicant Tracking System (ATS) that will enable us to monitor the ratio of applicants for each position and the conversion rates to interview and to offer. This will help us to identify areas of potential concern, so we can implement recruitment initiatives to address the imbalance.
- Improve the recruitment process by creating gender neutral recruitment plans to attract the widest possible female talent pool. This will include the modifying of our recruitment guidance material to help our hiring managers to ensure the shortlisting process is fair and consistent. Where possible we will encourage the use of diverse and gender balanced interview panels in an attempt to mitigate any unconscious bias in the interviewing process.
- Make improvements to our flexible working policy to provide more options at all levels within the Company, so our employees are able to achieve a better work life balance. This will go hand in hand with the introduction of new guidelines for managers on supporting employees prior to, during and on return from maternity leave.
- Work with identified tertiary educational institutions to promote environmental consultancy as a career choice and help develop our talent pipeline.
- Ensure that all our policies and procedures encourage inclusive ways of working and reinforce the SLR vision of creating a 'one team' culture in which people from all backgrounds feel they are able to fully contribute to the Company.

There is a part that we all have to play in ensuring we close the Gender Pay Gap. Our approach to overcoming this needs to be multifaceted and diverse, only then will we begin to improve our reported figures and address this fundamental business driver.





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SLR is organised by both industry sector and technical service line so that we have both the expertise and in-depth knowledge our clients need.

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