

BURO HAPPOLD

Gender Pay Gap Report 2021



At Buro Happold, inclusivity and equity are part of our core values and we want everyone who works here to feel empowered, valued and recognised, no matter where they work or what they do.

The effects of 2020 will no doubt be felt for many years to come. As we review our progress in reducing our gender pay gap, we have been acutely aware of the impact the COVID-19 pandemic has had on our business and our people. Looking back over what was an extraordinary year, we have seen improvements in some areas but there is still work we need to do, something that we remain committed to as we focus on the future and our strategic growth.

While this report is a UK legislation requirement, we took the decision to look at each of our global regions and report on all locations where we have over 100 employees. By having an overall global view, we can measure our progress and identify areas for improvement as one business, while also implementing specific regional strategies to increase representation in these areas.



James Bruce
Chief Executive Officer
Buro Happold



Misti Melville
Chief People Officer
Buro Happold

About this report

For those who may be unfamiliar with the report, the gender pay gap is a measure of the difference in average pay between all men and all women across the organisation, regardless of their role, length of service or location and any other differentiating factors. At present, legislation governing reporting is binary in its reach; hence the report only covers men and women

Our methodology

The data in this report is taken from two 'snap shot' dates: 5 April 2020, and 5 April 2021. As we now have 4 years of data, we are showing the year on year figures. This represents a change from the previous format in which we would show a 'mid year update' based on analysis of our pay in December each year.

This report examines the following information:

- Mean and median hourly pay
- Mean and median bonuses
- Proportion of males and females receiving bonus
- Pay distribution by gender

It is usual that a gender pay gap report focuses on one snap shot of data, taken on the 5th April of each year. However, the data in this report is taken from the 5th April in both 2020 and 2021. Analysing and publishing this more recent data provides a more current view and also enables us to take action before the April 2022 snapshot date.

Female representation in technical disciplines continues to rise

Whilst navigating the pandemic in 2020, we paused many of the systemic means of reducing our gender pay gap such as pay review, promotions and hiring. However, in spite of this, we are pleased that female representation in technical disciplines continues to rise in nearly all regions and in each pay quartile each year.

Our first ethnicity pay gap report

Last summer we committed to undertaking a review of our ethnicity pay gap in the UK for the first time. The sample size used was only 70%, which is below the level we would like to use for confident statistical analysis, but the available data does give us an indicative starting point for measurement.

and is yet to recognise a broader gender identity spectrum. Buro Happold are keen to recognise and report in a manner which represents all our employees in their preferred identity. However, while we do not have the data to report on the full gender spectrum, we very much hope this changes in time.

Emerging development from our global regions

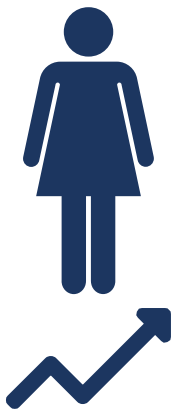
Although reporting has focused predominantly on the UK, where legislation requires reporting, we have analysed each of our global regions and implemented various strategies to increase representation and reduce gender pay gaps in each location. We can begin to see this take shape and have made the decision to report on all locations where we have over 100 employees, as well as understanding the overall global view.



Pay equity across the practice (i.e. being paid the same for doing the same job) is consistently achieved – we see very little discrepancy between salaries of men and women at the same grade, and differences that are observed are attributed to length of time in that grade.



We are making steady progress in increasing global female representation at senior grades in the business (Associate, Associate Director and Director) to **24%**, which yields a solid foundation to grow the number of female Partners from our current 11%



In general, we have a greater proportion of females in technical roles than in the engineering populations of the countries in which we operate. We're pleased to say we have exceeded our predicted 2020 figures for females in technical roles in all regions. However, we must not be complacent; we must work harder to achieve, increase and maintain our representation of women at all grades and in all regions.

72% 
Technical roles

61% 
Non-technical roles

<1%
Difference

72% of our technical roles are held by males, and 61% of our non-technical roles by female employees. This negatively impacts our gender pay gap figures for regions as a whole.

Reviewing our gender pay gap several times a year, we see that gaps within grades is consistently seen, and for some grades there is now less than a 1% difference.

Our results



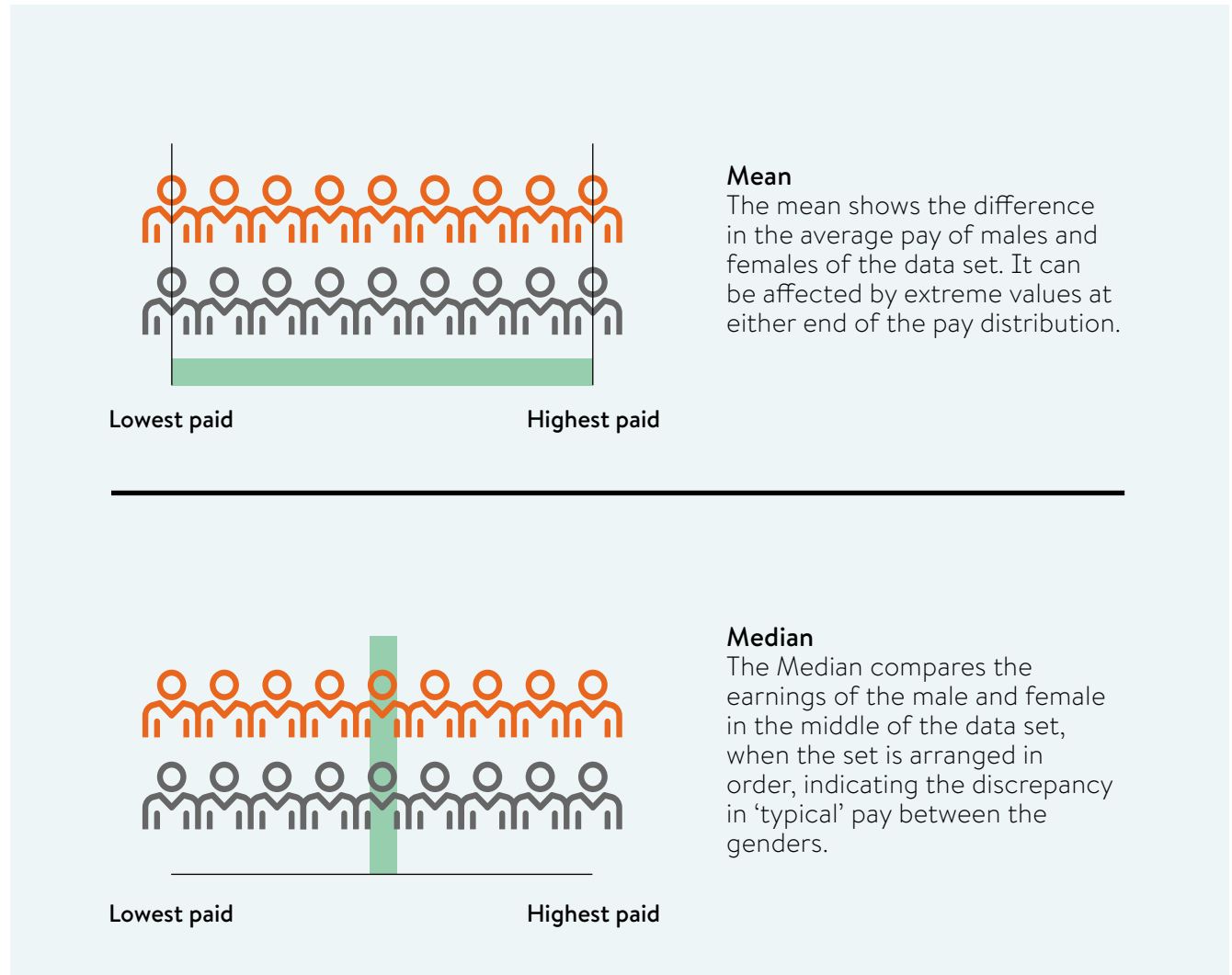
Hourly pay

The gender pay gap shows the difference between the average earnings of male and female employees and is expressed as a percentage of male earnings (e.g. female employees earn X% less than male counterparts).

Mean and median averages are both useful tools when assessing the gender pay gap. The **mean** shows the difference in the average pay of males and females. The **median** compares the earnings of the male and female in the middle of the data set, indicating the discrepancy in 'typical' pay between the genders.

The Government's pay gap reporting process asks for the average hourly rate for male and female employees. These averages combine rates from all grades and disciplines and are therefore very broad and unspecific.

Data for gender pay gap calculation is taken from a snap shot date of 5th April each year. This report includes an update of both 2020 and 2021



Hourly pay

Since reporting started in 2018, the data sets (i.e. headcount) used to calculate our gender pay gap regionally have remained relatively small. In 2020, our headcount fluctuated – in the smallest data sets such fluctuations are most pronounced and can have a big impact on the results, significantly ‘skewing’ the data. For this reason we display information for groups of 100 or more employees in a country.

It is difficult to isolate individual causes of the fluctuations seen in the hourly pay figures, owing to the complexity of the factors involved, i.e. hiring, exit, secondment and promotion activity. Taken on their

own, each of these activities is unable to significantly influence the overall gender pay gap figure, but when viewed in total their combined impact becomes clear.

We continue to see some global commonalities across our regions which impact our gender pay gaps, such as the lower representation of women in senior grades (i.e. Associate, Associate Director and Director), a shortfall of women in our internal pipeline, and that technical roles tend to pay higher than non-technical positions in engineering firms. In non-technical disciplines where women make up a larger proportion, there are fewer senior positions available and the pay is lower.

The global pandemic and subsequent economic uncertainty led to a number of vacancies and promotion plans being put on hold, negatively impacting our ongoing efforts to address shortfalls in our pipeline. More men were hired into the most senior technical roles in strategic hiring efforts in 2020. This is predominantly due to men being much more prevalent in such technical roles in the industry. To combat this we need to redouble our efforts in developing our female employees and championing inclusive practices throughout the entire employee lifecycle and wider industry.

Hourly pay – regions with over 100 staff

DIFFERENCE BETWEEN MALES & FEMALES

	Mean/average				Median			
	Apr-18	Apr-19	Apr-20	April-21	Apr-18	April-19	Apr-20	April-21
UK	22.1%	20.1%	18.4%	19.3%	22.6%	20.6%	20.8%	23.2%
India	9.4%	15.4%	21.6%	18.8%	10.9%	9.1%	21.0%	22.5%
Germany	29.0%	24.7%	14.8%	17.6%	23.7%	22.6%	5.8%	10.6%
Poland	26.0%	25.5%	27.8%	21.1%	12.8%	24.7%	24.4%	14.0%
USA	19.2%	16.9%	19.7%	19.1%	13.8%	17.5%	16.2%	20.8%
Global	21.8%	20.6%	20.4%	21.7%	20.2%	19.5%	19.7%	22.5%

 Improved difference

Bonus payments

In accordance with the UK Regulations, the calculations are taken from the 12-month period ending 5th April 2020; we also include the bonus payments paid in November 2019 in the figures marked 'April 2020'.

April 2021 figures work on the same basis and include the November 2020 payment.

The table illustrates the mean and median bonus gaps for all employees who were paid a bonus in 2019 and 2020.

Our bonus gap reflects the fact that there are more males in senior technical positions than females.

As the bonus is calculated as a percentage of salary and the average male salary in technical positions is mostly higher than female's, the mean bonus is in favour of this cohort.

Bonus payments – regions with over 100 staff

DIFFERENCE BETWEEN MALES & FEMALES

	Mean/average				Median			
	Apr-18	Apr-19	Apr-20	April-21	Apr-18	April-19	Apr-20	April-21
UK	25.3%	20.0%	32.0%	31.3%	20.0%	0.0%	16.7%	25.0%
India	21.4%	7.8%	13.1%	40.2%	10.3%	21.2%	38.9%	12.2%
Germany	21.2%	43.8%	52.4%	4.7%	37.5%	51.0%	20.0%	-8.2%
Poland	29.6%	32.3%	35.8%	35.2%	45.3%	33.3%	15.2%	25.0%
USA	13.6%	30.5%	14.2%	27.3%	18.6%	49.9%	25.0%	10.8%
Global	23.9%	23.2%	29.0%	31.5%	21.6%	16.0%	21.0%	21.3%

 Improved difference

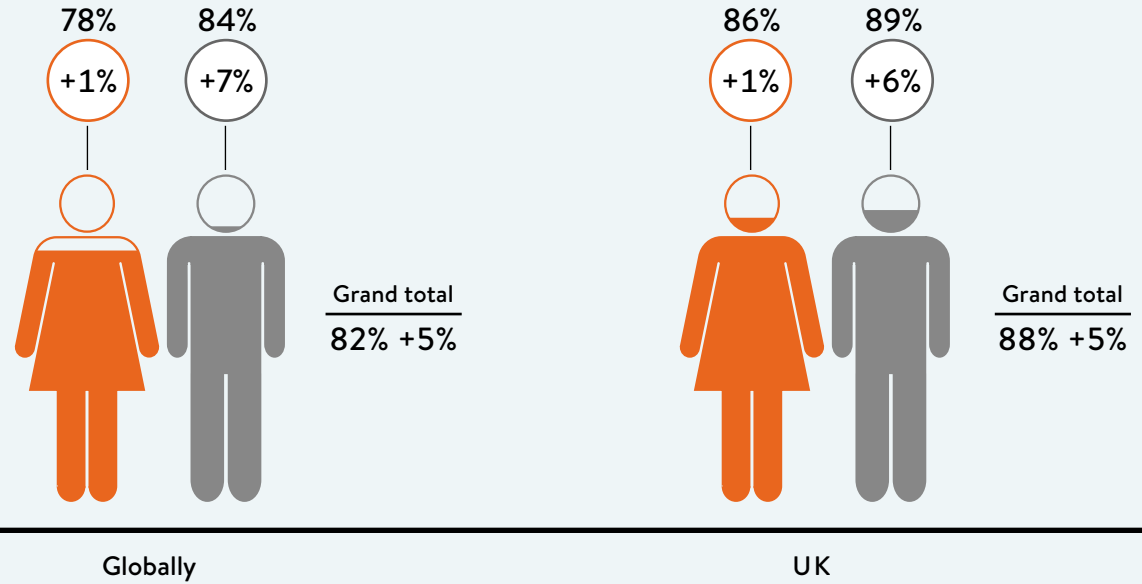
-0% A minus figure illustrates that the average female pay is higher than the males

Bonus payments

All employees receiving a bonus

The percentages of all males and females receiving a bonus can be seen to the right. As with the last report, we are showing both the total who received a bonus, as well as the proportion of eligible employees receiving a bonus.

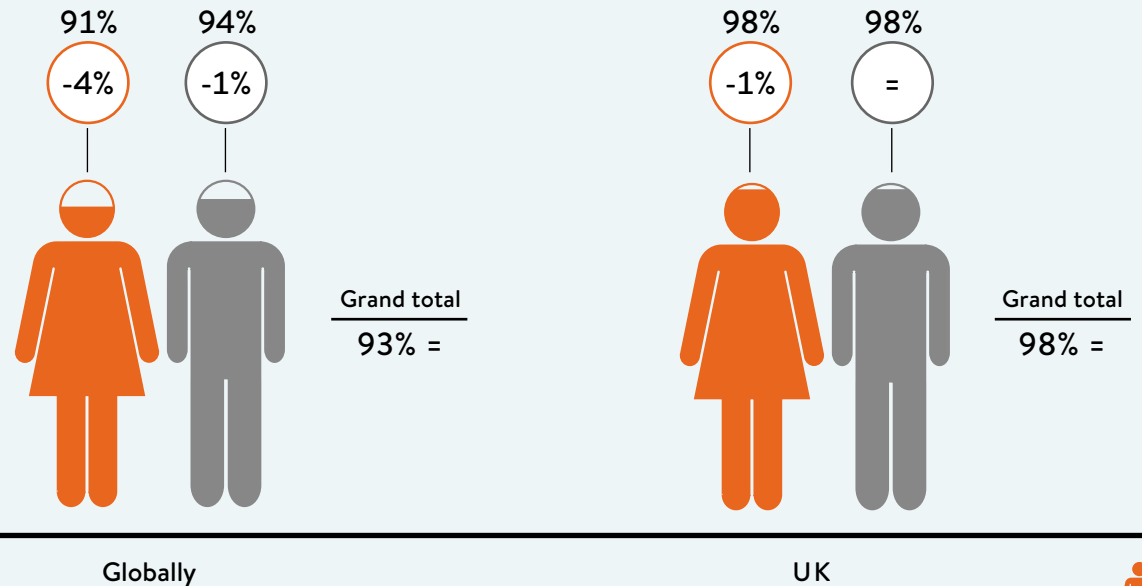
Information on bonus gaps are shared with the region for information and action where required.



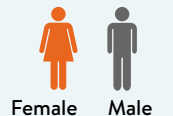
All eligible employees receiving a bonus

The tables above only shows the percentage of men and women who received a bonus for their performance. It does not account for bonus eligibility, for example recently promoted employees or new starters may not be eligible for a payment.

When we look at the figures for those who were contractually* eligible for a bonus (and received one) globally we see a more positive picture.

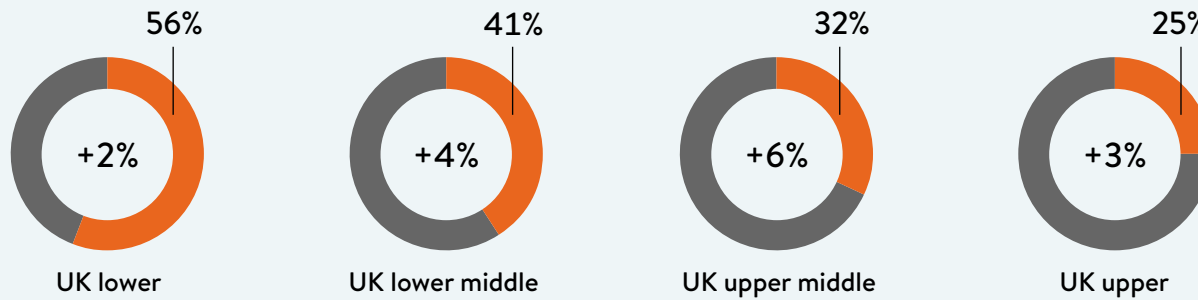


*Anyone joining the business before March of the qualifying year (e.g. before 1st March 2020 for bonus payment in Nov 2020, which is included in the April 2021 'snap shot' date). Also excludes anyone working their voluntary notice at the time of bonus payment.

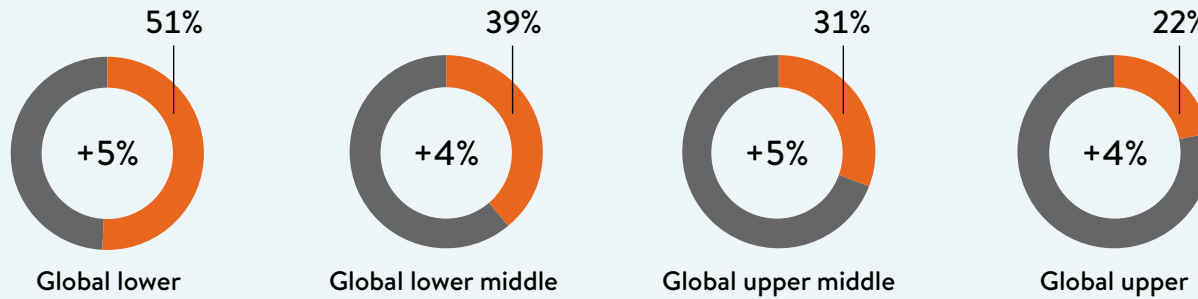


Pay Distribution (quartiles)

Proportion of males and female in each quartile band – UK



Proportion of males and female in each quartile band – global

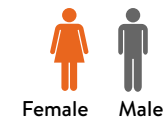


To help illustrate how men and women are represented across the organisation, employees are split into four separate pay groups known as ‘quartiles’. These are calculated by arranging employees from the lowest hourly rate to the highest hourly rate of pay and dividing them into four equally-sized groups. Employees on the same hourly rate of pay were spread out evenly by gender where they crossed the boundary between quartiles.

Our pay quartiles are a visual reminder of how much work we have left to do in attaining the gender balance we desire.

Ideally, we would want to see a 50/50 split of men and women in each quartile. However, we are pleased to see that we are making positive progress, with more women in senior roles as shown by increase in the upper quartiles (illustrated by the (+) in each diagram).

Our newly promoted female partners are still included in the Upper Quartile figures owing to the snap shot date.



Next steps



Making Progress — closing the gap

Following on from undoubtedly one of the most disruptive years many of us will have experienced, we are aware of the need to re-double our efforts in reducing our gender pay gap. We understand the need to interrupt potential bias in our processes such as recruitment, promotion and reward, as the opportunities to redress our gender balance appear once more. Our commitment to inclusive hiring can be seen in our Recruitment Charter which all hiring managers will be asked to adhere to. As part of their Regional Equity Plans each region is reviewing targets for gender parity and we have invested in modelling software to allow for greater insights into our pay parity. As we resume our focus on internal promotions, we will ensure that regions have specific action plans to redress their gender balance.

Our results illustrate the slow burn nature of this complex issue — a snapshot figure struggles to show the full picture but rather acts as an indicator of how impactful our efforts to address gender parity are. Although the figures appear rather static, it will take a series of incremental changes to affect an overall reduction in our gender pay gap. Continually learning about and pushing ourselves to foster an inclusive culture will help ensure everyone understands the importance of equity.

Efforts will be required at all stages of the employee life cycle in order to make meaningful progress towards reducing the gender pay gap across our business. Whilst we may not always feel that impactful change is within our sphere of influence there are meaningful actions that we can take in our everyday work.

Buro Happold's Fairness in Recruitment Charter

We are **committed to providing equal access.**

We utilise technology to **reduce opportunities for bias.**

We strive to have **diverse interview panels.**

We **focus on the skills** related to the role.

We will provide **objective and skills-based feedback.**

We ensure **no appointment is made on the basis of one opinion.**

We will ensure our **supply chain supports our commitment.**

We will **strive to make all adjustments required.**

Making Progress – closing the gap

Trust in flexibility

Flexible working empowers everyone to succeed, irrespective of gender identity. Normalising such arrangements within our business will help ‘level’ the working environment.

Advocate and mentor

Internal sponsorship, as well as mentorship, is tremendously powerful. Anyone can be an ally and can sponsor a colleague by advocating for them.

Offer exposure through stretch assignments

Giving more opportunities to women doesn’t just mean hiring and promoting them when deserved, but also offering them stretch assignments that increase their exposure to the wider business in parallel with their current role. Such assignments provide women with more breadth of experience, putting them in a better position for elevation when promotion opportunities do arise.

Visible role models

“If you can’t see female leaders are there and their strength and performance, you can’t aspire or learn to be like that.”

Claire Johnston, Managing Director for Google Development Ventures at Lendlease
(*Savannah group report, 2021*).

Promote the industry

Visibility is not just important when it comes to promoting female role models, but also showcasing what the our industry actually entails. Actively promoting the benefits of working in the built environment can help dispel the myths that surround the industry which can discourage women from following a meaningful career path within it.

Ethnicity pay gap (UK)



In 2020 the UK business committed to assessing our Ethnicity Pay Gap for the first time. Previously we held insufficient data to undertake such an assessment, but we're pleased to say that **68% of UK-based employees have now shared their ethnicity** information enabling us to run the report.

We are very much in a pioneering space – there is not yet any formal guidance for how to measure ethnicity pay gaps.

In the cohort of Buro Happold UK-based employees, the total Black, Asian and Minority Ethnicity population is 9.5%.

1.3%

Black

4.9%

Asian

2.8%

Mixed ethnicity

57.6%

White

33%

Undisclosed or preferring not to state their ethnicity

Where an employee has selected 'other', 'unknown' and 'prefer not to say' options when disclosing their data, these results are defined as 'undisclosed' as they are not aligned with any particular ethnicity grouping and are therefore excluded from calculations. These account for approximately 2% of declarations.

This is a very positive start, although the 'sample size' used for this report is smaller than we would ideally like. Whilst it is a useful indicator, it does not necessarily truly reflect the make-up of our UK workforce, and therefore any potential pay gap. We are working to collate more demographic data in order to gain a fuller picture.

As there is no government guidance on the ethnicity pay gap, we have consulted with pay equity specialists and used the same methodology as applied to our Gender Pay Gap. Our mean and median Ethnicity Pay Gaps can be seen in the chart to the right.

The extremes in differences we see in the bonuses are due to the broad range of roles, and therefore salary bands included in these calculations. Currently we cannot truly understand all the steps needed to close these gaps, and we encourage all UK employees to share their demographic information to increase our understanding.

This initial calculation on a 68% sample size provides us with an indicative baseline. We continue to work with external experts and use specialist software to allow us to analyse and track our progress over time, as well as model some future scenarios to allow us to set and achieve meaningful targets for the short and medium term. In countries where we are permitted to collect demographic data, we intend to seek more data from our employees in order to carry out the same exercise in as many regions as possible.

This process is still in its early stages – although there is not yet any formal guidance for how to measure ethnicity pay gaps, nor yet any solid consensus for what ‘good’ looks like, we are partnering with pay equity experts to obtain the best guidance possible as we navigate.

We believe that action is better than inaction and we continue to learn by doing whilst seeking role models and guidance from other firms and taking every opportunity to work with thought leaders. We continue to partner with external bodies such as BiTC’s Race at Work, AFBE, #10,000 Black interns, the RAEng GEEP programme and a host of other community groups in order to understand the challenges facing marginalised groups and to interrupt bias and pursue equity for all at Buro Happold.

Ethnicity pay gap (UK) – hourly pay


PAY GAPS BY COMPARATOR GROUP
(COMPARED TO WHITE, EXCLUDES ALL UNDECLARED)

	Mean	Median
Black	-2.2%	16.5%
Asian	5.6%	2.1%
Mixed	15.7%	17.0%

Ethnicity bonus pay gap (UK)

PAY GAPS BY COMPARATOR GROUP

	Mean	Median
Black	-95.9%	29.7%
Asian	33.1%	25.0%
Mixed	44.0%	12.5%

 Under 3% difference

-0% A minus figure illustrates that the average pay to this group is higher than the white comparator

BURO HAPPOLD

We confirm the information and data reported is accurate as of the snapshot date 5th April 2021.



James Bruce
Chief Executive Officer
Buro Happold



Misti Melville
Chief People Officer
Buro Happold

Contact

Lucy Miller

Global Head of Inclusion, Diversity and Engagement
Email: lucy.miller@burohappold.com

www.burohappold.com