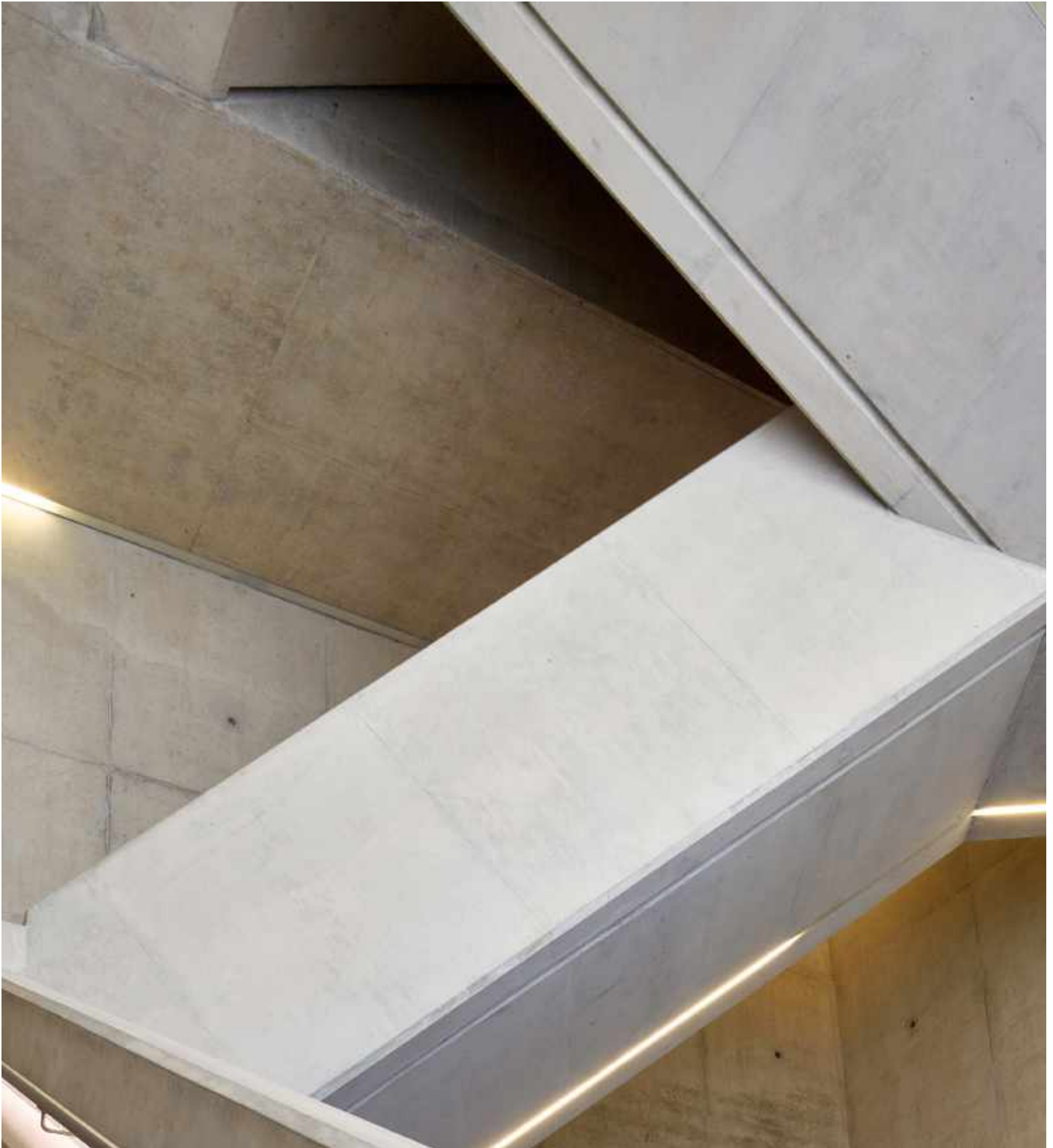

Allford Hall Monaghan Morris
Gender Pay Gap Report 2018



Introduction

The Gender Pay Gap reporting regulations came into effect on 5 April 2017, requiring UK organisations with over 250 employees to publish their Gender Pay Gap results annually.

The legislation sets out a precise method by which the gender pay gap should be calculated as well as specifying which figures each company is required to publish. These are set out in this report under items 1 to 3.

The gender pay gap is determined through sorting employees by their hourly pay, based on their earnings and standard hours as at the snapshot date, and calculating the median and mean pay gap.

The figures in items 1 to 3 below are based on data as at the snapshot date of 5 April 2018 and on bonus data in the 12 month reference period up to that date.

The number of employees at Allford Hall Monaghan Morris (AHMM) as at the snapshot date was 369, of which 146 (39.6%) were women and 223 (60.4%) were men.



Key figures

1 AHMM's gender pay gap figures

The table below shows our median and mean hourly gender pay gap and bonus gap at the snapshot date and the 12 month reference period. Our 2017 figures are shown to the right for comparison.

*The median is the middle value within a range (eg 1 2 2 3 **4** 4 5 6 6), while the mean is the average value of that same range (eg **3.7**).*

| 2018 | Median | Mean |
|------------|--------|-------|
| Hourly pay | 16.7% | 24.9% |
| Bonus | 22.5% | 35.2% |

| 2017 Median | 2017 Mean |
|-------------|-----------|
| 12.3% | 23.6% |
| 20.5% | 34.6% |

2 Proportion of AHMM employees receiving a bonus

The table below shows the percentage of men and women who were eligible for a bonus during the relevant period. Again, our 2017 figures are shown to the right.

| 2018 | Eligible for bonus | Not eligible for bonus |
|-------|--------------------|------------------------|
| Men | 79.4% | 20.6% |
| Women | 72.4% | 27.6% |

| 2017 Eligible | 2017 Not eligible |
|---------------|-------------------|
| 77.1% | 22.9% |
| 76.8% | 23.2% |

At AHMM all employees are eligible for a bonus provided they have completed at least one month's service during the relevant financial year.

Regular recruitment means that, on average, the percentage of employees eligible for a bonus at any one time has hovered between 75% and 80%. As a result the reported figures for eligibility against men and women will fluctuate each year according to the degree of recruitment that has taken place in the relevant period.

Key figures

3 Pay quartiles

The table below shows the practice's gender distribution across the four quartiles arranged in order of hourly pay, from lowest to highest. Our 2017 quartile data is shown beneath for comparison.

| 2018 Quartiles → | Lower | Lower Middle | Upper | Top |
|------------------|--------------|--------------|--------------|--------------|
| Men | 47.3% | 53.3% | 65.2% | 76.1% |
| Women | 52.7% | 46.7% | 34.8% | 23.9% |

| 2017 Quartiles → | Lower | Lower Middle | Upper | Top |
|------------------|-------|--------------|-------|-------|
| Men | 51.2% | 56.5% | 55.3% | 78.8% |
| Women | 48.8% | 43.5% | 44.7% | 21.2% |

What does AHMM's gender pay gap data indicate?

The gender pay gap is not an indication of unequal pay between men and women

Men and women are paid equally for performing equivalent jobs throughout AHMM.

The gender pay gap is a manifestation of gender distribution across the practice

The overall gender balance within the practice has remained static since last year's report (60.4% men to 39.6% women), although swings can be seen in gender distribution across all four quartiles.

This year, gender distribution across the lower two quartiles averages out at roughly 50:50 men to women, while the average distribution across the upper two quartiles is closer to 70:30 men to women.

It remains evident therefore that there are significantly more men in senior higher paid roles and this manifests itself in our gender pay gap.

Addressing the gap

AHMM has always recognised the need to invest in and to nurture the diverse talent across all areas of the practice, because we know that this is what enables us to thrive as a business, to produce our very best work and so to sustain our ambition.

While the Gender Pay Gap report necessarily takes a very specific approach to measuring gender balance in companies across the UK, we value this exercise as a catalyst for our industry to look at the wider picture of gender representation in architecture and construction, and for us to look at ways of improving gender balance at all levels in our own practice over and above our long-standing commitment to supporting our employees at all stages of their professional and personal lives.

Women and men at AHMM are paid equally for performing equivalent jobs, but we recognise that this is only a part of the picture. Since last year's Gender Pay Gap Report we have taken actions that will help us firstly to understand the gender pay gap data in more detail as well as any underlying trends or explanations; and secondly to consider and develop new strategies for achieving greater gender balance, particularly in progression to the more senior roles.

These are being developed with employees at all levels through a Gender Pay Gap working group, instigated through our Employee Ownership Forum and overseen by a senior member of the practice who has taken on the role of Gender Equality Champion.

Our Gender Pay Gap working group will shortly produce its first report to the Board. Any actions arising from their report, along with actions we have already taken, will take time to make a difference, and as we have seen our pay gap has widened slightly in this second reporting year. However, we are confident, and determined, that positive change can be achieved, both in our gender pay gap data and the pursuit of a more representative gender balance across the practice.

Peter Morris

Founder and Managing Director

March 2019