



# Gender and Ethnicity Pay Gap Report **2020**

Gender and Ethnicity Pay Gap Report 2020 for England, Wales and Scotland

**Jacobs**

Challenging today.  
Reinventing tomorrow.

This document represents a full report of Jacobs 2020 Gender and Ethnicity Pay Gap and meets all statutory requirements.

## Foreword

“ At Jacobs, we know that having a culture of inclusion where everyone feels that they belong and can prosper allows us to recruit and retain the best global talent and drive a more connected organisation. Our leadership and employees understand that inclusion, equality and diversity aren't “nice-to-haves” or fashionable buzzwords, but foundational components of a culture that drives the innovation, creativity and value that our clients and communities expect from us.

**TogetherBeyond<sup>SM</sup>** is our name for this culture at Jacobs. It's our approach to living inclusion every day, enabling diversity and equality globally and holding ourselves and our leadership to account for delivering tangible positive change in our workforce.

With this theme of accountability in mind, we are pleased to share our 2020 Gender Pay Gap report – and for the first time to go beyond the statutory requirements by also sharing our ethnicity pay gap. Only by being completely transparent in this way can we drive and measure the progress we continue to make in our business.

Looking at the numbers, we are excited to note that our average gender pay gap has reduced for a third consecutive year, and now stands at 21.3%. This is a reflection on the growing momentum we are seeing to reduce the pay gap, promote female talent and advance conversations around gender equality and pay equity with our Employee Networks, HR groups and Executive Leadership team. It is notable that our 2020 gender pay gap is calculated using a different sample population due to significant changes in our workforce following the divestiture of Jacobs Consultancy Limited in March 2019 and the acquisition of Wood Nuclear in March 2020.

While these results highlight a continuing positive trend in advancing equity and inclusion at Jacobs, we must continue to accelerate our commitment to reducing the pay gap and ensuring that we use insights from our pay gap data to hold ourselves accountable for creating a home where the world's best and most diverse talent can thrive.

One central tool that is helping us achieve this is our [Action Plan for Advancing Justice and Equality](#), launched in August 2020, which sets out actionable initiatives and measurable objectives to ensure equality both within Jacobs and in communities across the world. By identifying emerging black leaders, developing black talent and requiring all Jacobs leaders at VP level and above to mentor at least one Black, Asian and Minority Ethnic (BAME) employee, we're developing a growing pipeline of diverse talent that is already progressing through the ranks of our company: 11% of our Senior Leadership Team is black, our Board of Directors is 55% ethnically and gender diverse, and our Executive Leadership Team has similar diversity of 60%.

These developments are exciting, and our people, our clients and our leaders expect them to continue and to increase in frequency through 2021. We're committed to advancing our TogetherBeyond culture and continuing to use our pay gap and diversity data to drive tangible, effective and lasting cultural change, allowing everyone to achieve their full potential with Jacobs.

I confirm that the information and data provided in this report is accurate and in line with mandatory requirements.



**Shelie Gustafson**  
Executive Vice President,  
Chief People Officer

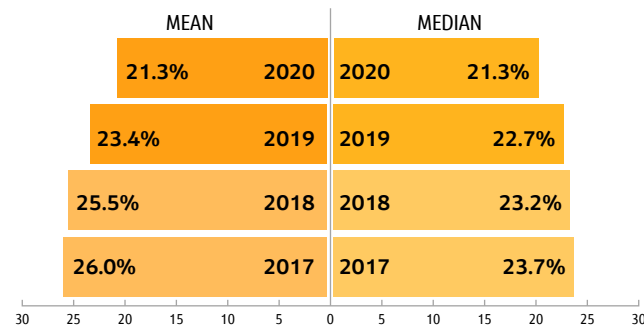
# Our Gender Pay Gap in 2020

JACOBS has five U.K. entities with more than 250 employees as of 5 April 2020. These are:

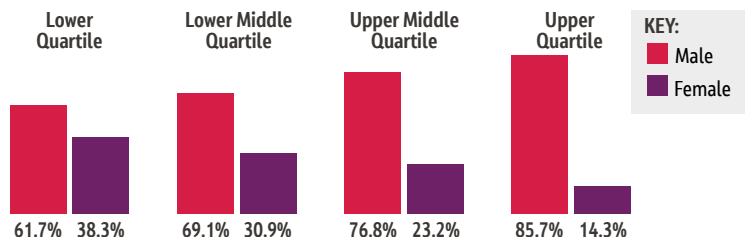
- Jacobs U.K. Limited
- Jacobs Field Services Limited
- CH2M HILL United Kingdom
- Jacobs Clean Energy Limited
- Halcrow Group Limited

The gender pay gap is a measure designed to show the difference between the gross hourly earnings for all men in an organisation and the gross hourly earnings for all women.

## Gender Pay Gap



## Proportion of Males & Females in each Quartile Band



## Gender Distribution

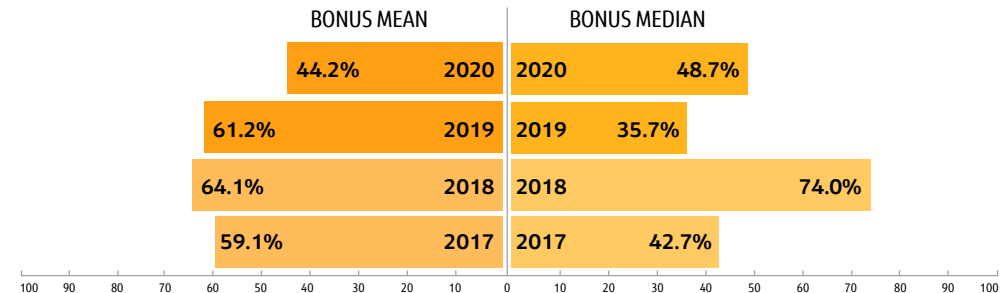


## Bonus Gap

Proportion of employees who received a bonus



A higher proportion of women received a bonus payment relative to men and we have seen a significant reduction of the mean (average) bonus gap for women in 2020, which is encouraging progress. However, the median bonus gap has increased and is explained by employees in more senior roles having a larger percentage of their remuneration paid as variable bonus, and more of these recipients being men.



## Gender Pay Gap Data - Highlights

- In 2020, we are pleased to report that our mean pay gap reduced significantly from 23.4% to 21.3% whilst our median pay gap reduced from 22.7% to 21.3%. It is encouraging to see that our strategy to attract, promote and retain more female talent is having a positive impact on our overall pay gap. Our gender gap continues to be driven by a higher proportion of men, compared to women, in senior, higher paid roles and our goals outlined in this report are reflective of addressing this imbalance over time.
- Both mean and median pay gaps have reduced for all five of our individual employing entities. Whilst we are reassured that our collective measures have been effective in reducing the gender pay gap, to have sustainable change in the gender pay gap, a higher representation of women will need to occupy higher paid, senior roles.
- Whilst our overall mean and median pay gaps have reduced, it is important to note that for this reporting period we have seen a number of operational changes in our workforce, in which only time will tell if these changes have had a material impact on our overall figures. These changes include the divestiture of Jacobs Consultancy Limited in March 2019, our acquisition of Wood Nuclear in March 2020. Employees placed on furlough at the start of the COVID-19 pandemic are accounted for as being on leave of absence for the purpose of these calculations.
- We have seen an increase in representation of women in all pay quartiles, with the most significant increase in the upper quartile and the upper middle quartile, which is where we need to see sustained change to reduce the pay gap.



## Our Ethnicity Pay Gap in 2020

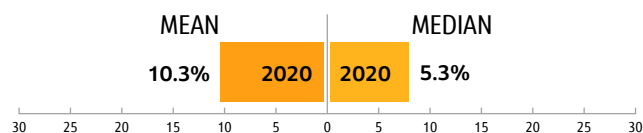
We are sharing voluntarily our Ethnicity Pay Gap report for the first time. For ethnicity pay gap purposes, the data was as of 5 April 2020 and we are reporting data for employees across all employing entities for employees who have made a declaration on their ethnicity, and are categorised as either white or BAME.

The ethnicity pay gap measures the difference between average hourly pay rates for BAME employees compared to white colleagues' average earnings, and is expressed as a percentage of white employees' pay.

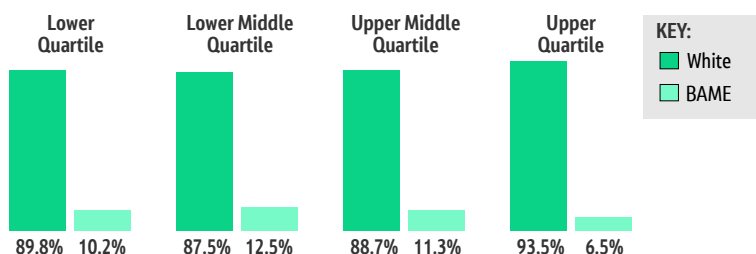
In the absence of prescribed guidelines on how to report the ethnicity pay gap, for the purpose of this report we are reporting the pay gap between employees who declared their ethnicity to be 'white' versus all other ethnicity declarations and we have excluded any employee who had not shared their ethnicity.

The percentage of employees who had shared their ethnicity was 78% and our declared BAME talent made up 8.5 % of our overall workforce.

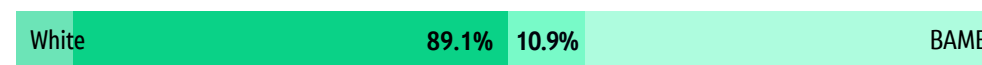
### Pay Gap



### Proportion of White and BAME in each Quartile Band



## Ethnicity Distribution

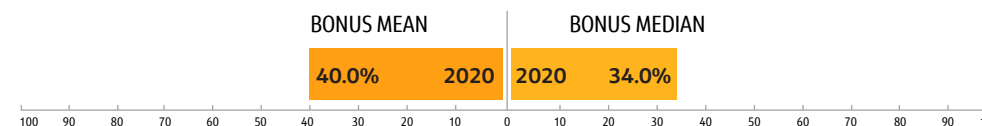
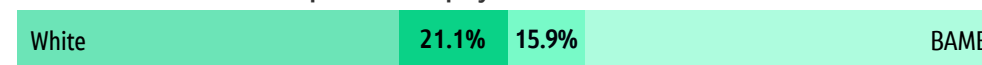


As with the gender pay gap, one of the contributors to the ethnicity pay gap is the lack of representation of BAME talent in senior positions. We know we need to do more to increase the ethnic diversity at Jacobs, as well as addressing barriers, which might be affecting career progression.

## Bonus Gap

Our ethnicity bonus gap is significantly higher than our ethnicity pay gap. While a slightly higher proportion of white employees received a bonus than BAME employees, our employees at a more senior level have a larger percentage of their pay as variable bonus and more of these are white.

### Proportion of employees who received a bonus



## Actions taken in 2020 to address the Gender and Ethnicity Pay Gap

We are committed to increasing the representation of women and BAME employees at senior levels in Jacobs and to creating a culture where everyone can succeed, thrive, and have a genuine sense of workplace belonging. Through our collective efforts we have made notable progress, but we also know there is much more to do, and we will remain focused on 'living inclusion everyday' to achieve sustainable change around race and gender. In 2020, we have seen tangible progress resulting from our approach to inclusion and diversity including:

### ■ Accreditation

We partnered with [The Clear Company](#) in January 2020, and we are proud to celebrate our progress from a 'Foundation' to '[Silver](#)' rating in less than nine months. We implemented sustainable changes in our talent attraction and retention activities including developing an **Inclusion Action Plan**, undertaking a holistic review of our job descriptions to include flexible working options and make them more inclusive for a wider talent pool. We have reviewed our website and job boards for accessibility, and trained hiring managers on inclusive hiring. We commit to progressing our external evidence-based assessment requirements with a view to improving our rating further in 2021.

### ■ Data

We have enhanced the data we collect from our employees (voluntarily provided) to cover all protected

characteristics and our goal for the coming year is to increase employee declaration of their demographic data, to enable us to identify and prioritise our inclusion goals.

To support the analysis of data, we have created a data dashboard for leaders in the business to provide a real time view of gender, age and tenure, which has been incorporated into people scenario planning to safeguard the achievement of our inclusion and diversity goals. The data dashboard will be expanded to cover the entire employee lifecycle, enabling us to track progress and measure progress against our aspirational gender goals.

### ■ External Engagement

We have reviewed and renewed our engagement with external organisations who can holistically support us with our inclusion objectives. We have empowered our Employee Networks to leverage these relationships to keep abreast with best practice and share our own experiences. These relationships include [Business In The Community \(BITC\)](#), [Women in Science and Engineering \(WISE\)](#), [Women in Nuclear \(WiN\)](#) and [Employers For Carers U.K.](#). For 2021 we are new signatories of [BITC Race at Work Charter](#) for employers, and Women in Rail and the Railway Industry Association [Equality, Diversity & Inclusion Charter](#) for the U.K. railway industry.

### Supporting People Decisions – Annual Resource Planning

We have enhanced our approach to talent management and targeted the identification of internal high potential talent, including diverse talent, for focused development, which is reviewed by Executive Leadership and will be tracked year-on-year.

Diversity data, including gender and ethnicity, is an integral reporting criterion for our annual salary and bonus planning process to safeguard balancing equity of awards. Gender is a measured data-point in the promotions process, to check and mitigate bias and ensure fairness and equity - in our most recent promotions cycle 10.8% of female employees were promoted, versus 9.9% of males. As we expand the data held on our employees, ethnicity will also become a measured data-point in people decisions.

### ■ U.K. Board Gender Representation

We have increased the gender diversity of our U.K. Board.

UK Board gender representation



## Actions taken in 2020 to address the Gender and Ethnicity Pay Gap

### ■ Action Plan for Advancing Justice and Equality

Following the horrendous examples of deplorable racism and brutal injustices around the world in 2020, as a Jacobs community we engaged in **courageous conversations** and demonstrated our culture of caring across our company. We knew that it was more important than ever to act and do the right thing. Our black employee network Harambee, along with our Executive Leadership Team, developed an [Action Plan for Advancing Justice and Equality](#). This Action Plan is about achieving true equality for all of our employees – with an immediate priority of unleashing the opportunity for our black employees, to advance and to achieve their ultimate career goals at Jacobs.

It is also about doing our part as a global leader to educate and change the culture in our communities, starting as early as possible, to invest in young black students, to provide a vision of a future of opportunities that they can see themselves in. It is an opportunity for us as a global community to get this right. Once and for all.

### ■ Race at Work Charter

To support the Action Plan for Advancing Justice and Equality, in the U.K. we signed [BITC's Race at Work Charter](#), a campaign which drives action and supports employers to ensure that all BAME employees are represented at all levels.

### ■ Career development - diverse talent

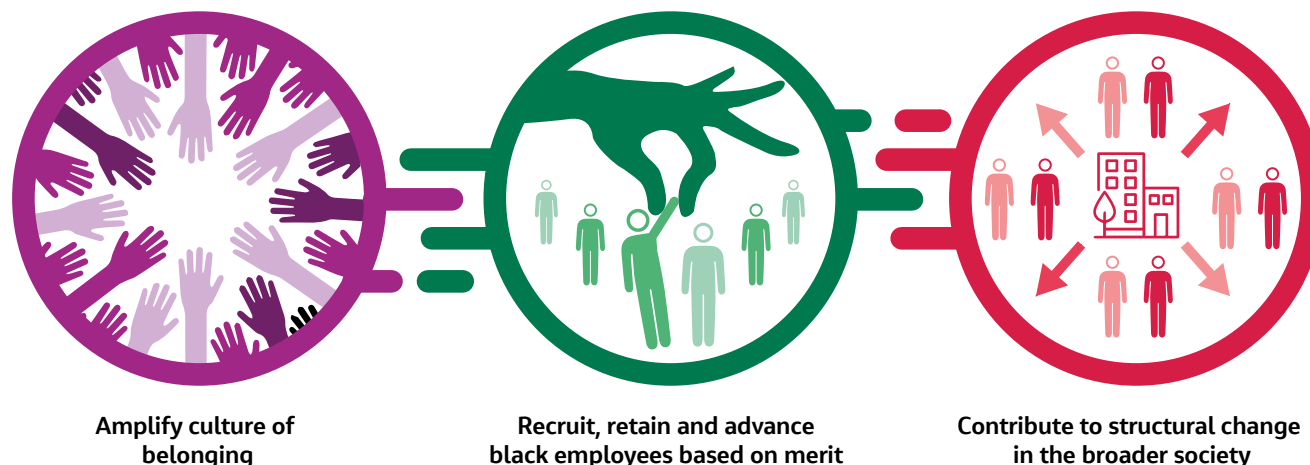
Our Europe, Middle East & Africa (EMEA) region **mentoring scheme**, established in collaboration with our Employee Networks, provides accelerated career development and learning while building networking opportunities. All senior leaders in the organisation participate in the mentoring programme and are required to prioritise diversity when mentoring employees and consciously seek to mentor people who are different to them.

Our global **Executive and Accelerated Leadership Development** programmes are gender balanced and fast track the growth and development of our high-potential talent with 31% and 58% female representation respectively.

In addition, we have actively enrolled female and BAME employees on our **Cranfield MBA** course and **McKinsey's Black Leadership Academy** to develop and enhance their capabilities and experience for growth into senior roles.

We are piloting the **'Men Advocating Real Change'** (MARC) Dialogue Teams programme across four regions, for company launch in 2021, which will provide a culture change for Jacobs and introduce the concept of effective gender partnership. The programme comprises of 60/40 gender split in participants in each team and it helps raise awareness on gender equality and creates active allies that will drive aspirational gender targets.

Our Action Plan for Advancing Justice and Equality includes three critical commitments:



## Additional support during pandemic

We recognise that the pandemic has had a disproportionate impact on some groups, and we have actively supported measures to mitigate the additional burden:

**Employee wellbeing** has been of paramount concern during the pandemic. We have taken several steps to safeguard our employees' physical and mental wellbeing including increasing the support available through our **Employee Assistance Programme**. We have also developed a free, globally accessible mental health check-in tool "[One Million Lives](#)" to help users assess their current mental health and provide them with suggestions and resources for personal growth and resilience.

### Supporting working parents, guardians and carers

**Bridge the Gap** is our returners programme, which actively supports parents back to work after a period of parental leave, through structured workshops, manager toolkits, coaching, and awareness campaigns. Since launching in 2019, over 200 U.K. based employees have accessed the programme, with 90 attending/ completing the 'returner' workshops.

Becoming a new parent during the pandemic brought additional challenges, including feelings of isolation;

therefore we expanded the programme to offer 'parent-to-parent buddying' providing informal support to employees preparing for, taking, or returning from parental leave. During COVID-19, we've hosted eight safe-space, drop-in sessions aimed at supporting employees returning to work virtually and launched a Microsoft Teams Channel to share lived experience and coping strategies.

We joined [Employers for Carers](#) to support employees who are caring for someone who is older, disabled or seriously ill.

**Combining work with home schooling** – To support our working parents and guardians, we developed a programme of STEM lessons that included making homemade slime to re-create mud flows, DIY lava lamps and exploring the importance of salt. We delivered over 40-hours of STEM lessons, reaching over 240 students. For older pupils, we implemented a tutoring programme for maths, science, history, geography, English, languages, computing, economics, delivering 530 hours of tutoring to 50+ students and provided welcomed support with our employees' children's schoolwork.

Our '**Work from Here**' initiative which embraces colleagues wishing to have alternative work schedules and locations in response to the pandemic gave input into the **Future of Work** strategy and provided a network for them to grow their career.

**Supporting Women** – Recognising the pandemic could increase feelings of isolation and incidence of physical and sexual violence and abuse against women, we participated in the **UNiTE campaign to End Violence Against Women**. The month-long campaign started with a video of our female employees committing to standing against gender-based violence. We signposted employees to local support, activities, resources and online discussions, including a session with our Employee Networks who joined together to cover the global, intersectional and cultural aspect of this human rights issue. We also hosted an **Executive Leadership Panel on Violence Against Women** to openly discuss the importance of the topic, why our organisation is taking a stand, and what we all can do to address the issue.





## Our Employee Networks

Our eight, global, intersectional Employee Networks each have Executive sponsorship and have been pivotal in supporting the advancement of our inclusion and diversity strategy. We work with all of our networks to inform our strategy with Women's Network, Harambee and OneWorld being key to advancing our ethnicity and gender goals.

**Jacobs Women's Network (JWN)** - Our JWN saw a significant increase in membership in 2020, largely due to the successful integration of Wood Nuclear's women's network, which has provided a solid foundation to build on their FY20 success. JWN continue to actively engage male allies at all levels in the company, and advance the women's workplace agenda, through the development of an action plan with clear measurable objectives on mentoring, inclusive interviewing, networking and external engagement on best practice to positively disrupt the gender pay gap.

**Harambee Network** - Our Harambee Network has established an **EMEA Council** and developed a regional action plan for **Advancing Equality and Justice**, which aligns with our global action plan and has clear, measurable objectives to foster a company and community that embrace equality. Harambee members and allies were empowered and encouraged to 'Speak Up and Speak Out' about racial inequality and injustice through a series of **'Courageous Conversations'** which provided a safe space to share and be heard and included discussing issues relating to the lived

experience of the black community. Harambee held their inaugural EMEA **Harambee Summit**, themed Engaging and Empowering through Communication.

**ONEWorld** - Our OneWorld Network actively nurtures and supports our diverse employees and clients across all ethnicities and cultures. We have active chapters throughout Europe and are connected to members through regional and local virtual events. Since the beginning of the pandemic, OneWorld Europe initiated **"Let's Come Closer"**, a series of events where our colleagues introduce their personal culture, bringing people closer together through understanding cultural differences. Up to now we have introduced Greek, Pakistani, Spanish, English, Angolan, Australian and British-Chinese culture and we will continue throughout the year. The main focus for 2021 is Cultural Inclusion and Global Connectivity; as the network that embraces cultural inclusion, OneWorld is collaborating with our Global Integrated Delivery function to introduce [Globesmart](#), an online cultural awareness tool, and improve collaboration between multi-cultural teams.

Membership of our Employee Networks has grown exponentially over the past year and cross-network collaboration of events have remained central in supporting our employees during the pandemic.



*"It has been a really challenging year to run events with remote working, however we have adapted and found in some cases it's been more inclusive using online events. We have seen a real shift within our region, in recognising the critical role the Employee Networks have in shaping and implementing initiatives to reduce the pay gap. Looking to the future, we are excited about how we can continue to collaborate both physically and virtually as we accelerate cultural change in the organisation."*

**Tina Bowen & Stephanie Bywater, Co-Chair's U.K. & Ireland Women's Network**

*"It's been a tough year but Harambee (the employee network for the black talent in Jacobs) showed resilience in this COVID-19 pandemic. The injustices witnessed in the US in 2020 have brought an increased awareness of inequalities in the workplace and society as a whole. Since then, Harambee has more than doubled its employee membership and allyship. The network has delivered Courageous Conversations to thousands of employees at global and regional levels. We successfully held virtual U.K. Black History Month events and an EMEA summit, opened by our regional leadership and closed by the CEO. The Harambee members formed the Council currently spearheading Jacobs' Action Plan for Advancing Justice and Equality."*

**Tendayi Munyebvu, EMEA Chair - Harambee Network**

## Hiring and future talent

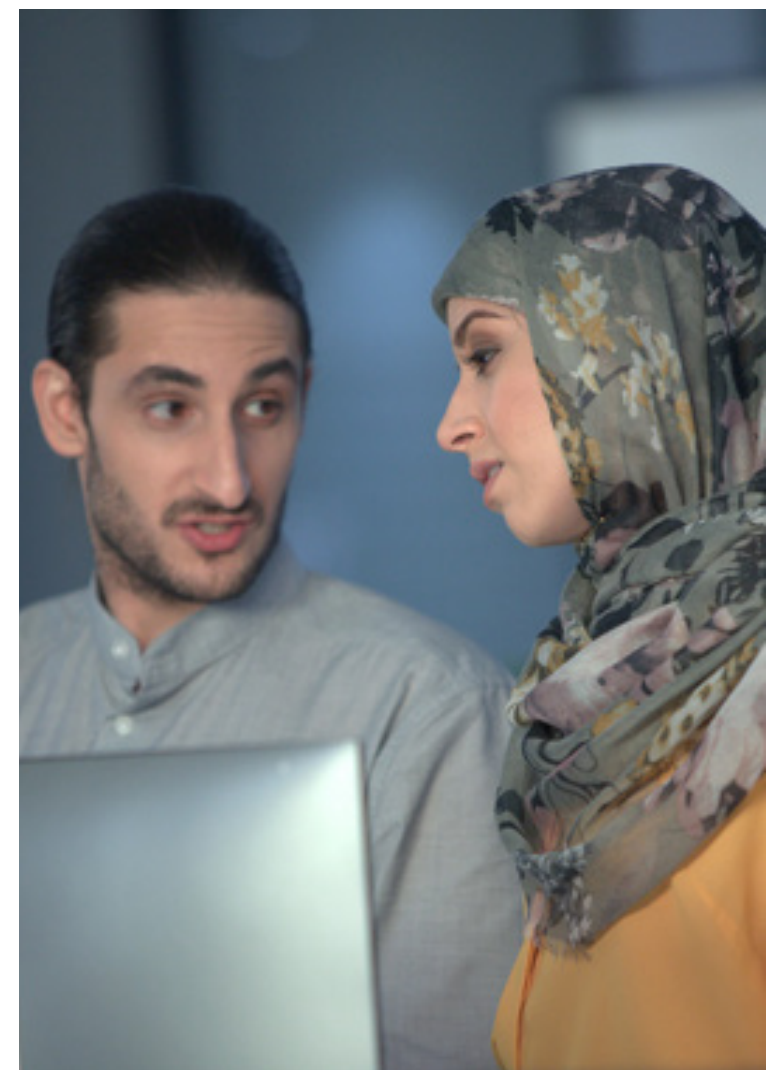
Our internal Talent Acquisition (TA) team partner with the business and stakeholders, including the Regional TogetherBeyond team, and take a pro-active approach to attract and recruit a diverse workforce with a strategic focus on increasing female and BAME talent. Driving this action is the Global TA Inclusion and Diversity Strategy, which includes initiatives such as:

- Updated job descriptions to be more inclusive and appealing to a diverse talent pool e.g. highlighting accessibility commitments, flexible and agile working options, and our partnership with [VERCIDA](#).
- Enhanced training for hiring managers on inclusive hiring practice has been developed and will be rolled out in the region in FY21.
- TA actively encourages hiring managers to have diverse selection panels to improve candidate experience and reduce bias in hiring decisions.
- Rolled out a hiring manager Toolkit to mitigate bias during the shortlisting, assessment and selection process.
- We seek to have a diverse balanced shortlist for all roles, particularly at the early careers level.
- We have an established network of passionate TA ambassadors to regularly update and deliver I&D focused training to the wider TA community.

- Collecting and providing consistent and reliable diversity hiring data, to facilitate the measurement of conversion from application stage through to hire. This will help us to identify areas to focus our hiring strategy.
- Promoting our commitment to inclusion and diversity through social media – developing relevant inclusion and diversity content to share on social media showcasing our culture in action.
- Employee Network TA Subcommittee – dedicated TA liaisons to ensure effective collaboration with our networks.
- Utilisation of a diversity decoding tool [TalVista](#) to optimise job descriptions and wider communications by reducing language bias.

Whilst FY20 was a challenging year for hiring globally, our TA team continued with actions to increase the attraction of female talent to Jacobs which is demonstrated by an increase in female hires (36%), a reduction in voluntary attrition (6.6%) against industry average (12%) and an increase in female representation on our Board (27%) and Executive leadership (50%).

As we expand the data held on our employees, ethnicity will also become a measured data point in talent attraction and retention.



## What's next - how we are driving an inclusive culture?

Over the last 12 months, the workplace has shifted significantly and as we continue to navigate and adapt to the future of work, we know that the needs and expectations of our employees, clients and communities in which we serve have also changed. An inclusive culture requires us to have diverse talent from different backgrounds, and lived experience, to drive innovation and creative solutions. Our people are our greatest strength, continuously **'challenging today to reinvent tomorrow'** and this is why we are focused on building a culture that is genuinely inclusive, where they can bring their whole selves to work, have a sense of workplace belonging and can thrive. We are committed to taking action to ensure long-term sustainable change in gender and race equality:

- **Enhance Senior Level Accountability through Inclusive leadership** - To see meaningful and sustainable change in the gender and ethnicity pay gap we believe employees must look inward to challenge conscious and unconscious biases.

All our employees will be required to complete **Allyship** training to enable them to actively promote and advance the culture of inclusion through intentional, positive, and conscious efforts that benefit our intersectional and diverse workforce.

All employees are required to have an I&D related priority as part of their annual performance plan,

whilst senior leaders are set aspirational inclusion and diversity goals; which is tied to compensation to maintain accountability for positive action.

- **Pay Equity Review** - We are committed to ensuring our employees are compensated fairly and equitably based on the role they perform relative to our Global Career Structure and salary scales. In the U.K., we undertake a minimum of two pay equity reviews each year relative to gender and going forward, as more employees share their ethnicity data, we will also include ethnicity in the pay equity review. If the reviews highlight any inequity in pay by gender or ethnicity we commit to taking appropriate action.
- **Build a culture of mentoring** - Our diverse mentoring scheme accelerates career development and learning whilst building networking opportunities; Senior Leaders (Vice President and above) are required to sponsor and mentor two diverse employees (one of whom must be BAME).

In addition, we will embed our diverse mentoring scheme to accelerate career development, learning and networking opportunities for BAME employees.

- **Culture Survey** - We have administered a global survey to listen to our employee's voices and ensure we have cultural alignment to foster high performance and stay ahead of emerging trends. Business leaders will receive aggregated feedback

and actionable insights to empower them to make better-informed and more robust business decisions to ensure that we have a company where everyone is engaged and productive.

- **Accreditation** - We are delighted to have achieved [Clear Assured Silver Standard](#) showing our ongoing commitment to creating a truly inclusive culture; we aspire to achieve Gold Standard by the start of FY22.
- **Aspirational Goals** - Senior Leaders will be measured against I&D priorities and diversity data will form part of our business review process as we work towards our aspirational gender goals to create a **40-40-20 gender balanced workforce** around the globe (40% women, 40% men, 20% open to any gender including trans and non-binary) over the next 5 years. As we improve our employee data collection globally, we will use this data to inform broader goals.
- **Leadership development** - Actively prioritise development opportunities for diverse groups through inclusion on our global **Executive and Accelerated Leadership Development programmes**, and **Cranfield MBA** to fast track the growth of our diverse, high potential talent. In the U.K., all black employees within certain career grade ranges will be offered a place on **McKinsey's Black Leadership Academy**.

## Reporting Tables 5 April 2020 for England, Wales and Scotland

### Statutory disclosure required for gender pay gap reporting purposes

	JACOBS U.K. LIMITED		JACOBS CLEAN ENERGY LIMITED		JACOBS FIELD SERVICES LIMITED		CH2M HILL UNITED KINGDOM		HALCROW GROUP LIMITED	
	Mean	Median	Mean	Median	Mean	Median	Mean	Median	Mean	Median
Difference in hourly rate of pay	24.7	25.7	20.4	21.5	-5.6	3.2	29.9	26.5	18.5	17.4
Difference in bonus pay	45.6	25.0	14.4	36.2	-48.6	-25.0	72.8	55.3	66.9	48.4
Proportion of male employees who received a bonus	22.8		20.6		1.5		17.0		17.5	
Proportion of female employees who received a bonus	24.8		23.0		10.6		23.5		21.9	
Proportion of males & females in each Quartile Pay Band	Males	Females	Males	Females	Males	Females	Males	Females	Males	Females
Lower Quartile	57.8	42.2	57.3	42.7	89.7	10.3	50.0	50.0	64.2	35.8
Lower Middle Quartile	62.5	37.5	76.4	23.6	95.3	4.7	70.0	30.0	66.3	33.7
Upper Middle Quartile	76.0	24.0	81.0	19.0	96.6	3.4	81.4	18.6	76.9	23.1
Upper Quartile	86.5	13.5	84.5	15.5	90.2	9.8	91.7	8.3	84.4	15.6

NOTE: ALL FIGURES SHOWN ARE PERCENTAGE VALUES.

**Declaration:** Jacobs confirms that the information and data provided in this report is accurate and in line with mandatory requirements.

At Jacobs, we're challenging today to reinvent tomorrow by solving the world's most critical problems for thriving cities, resilient environments, mission-critical outcomes, operational advancement, scientific discovery and cutting-edge manufacturing, turning abstract ideas into realities that transform the world for good. With \$14 billion in revenue and a talent force of more than 55,000, Jacobs provides a full spectrum of professional services including consulting, technical, scientific and project delivery for the government and private sector.

# Jacobs

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