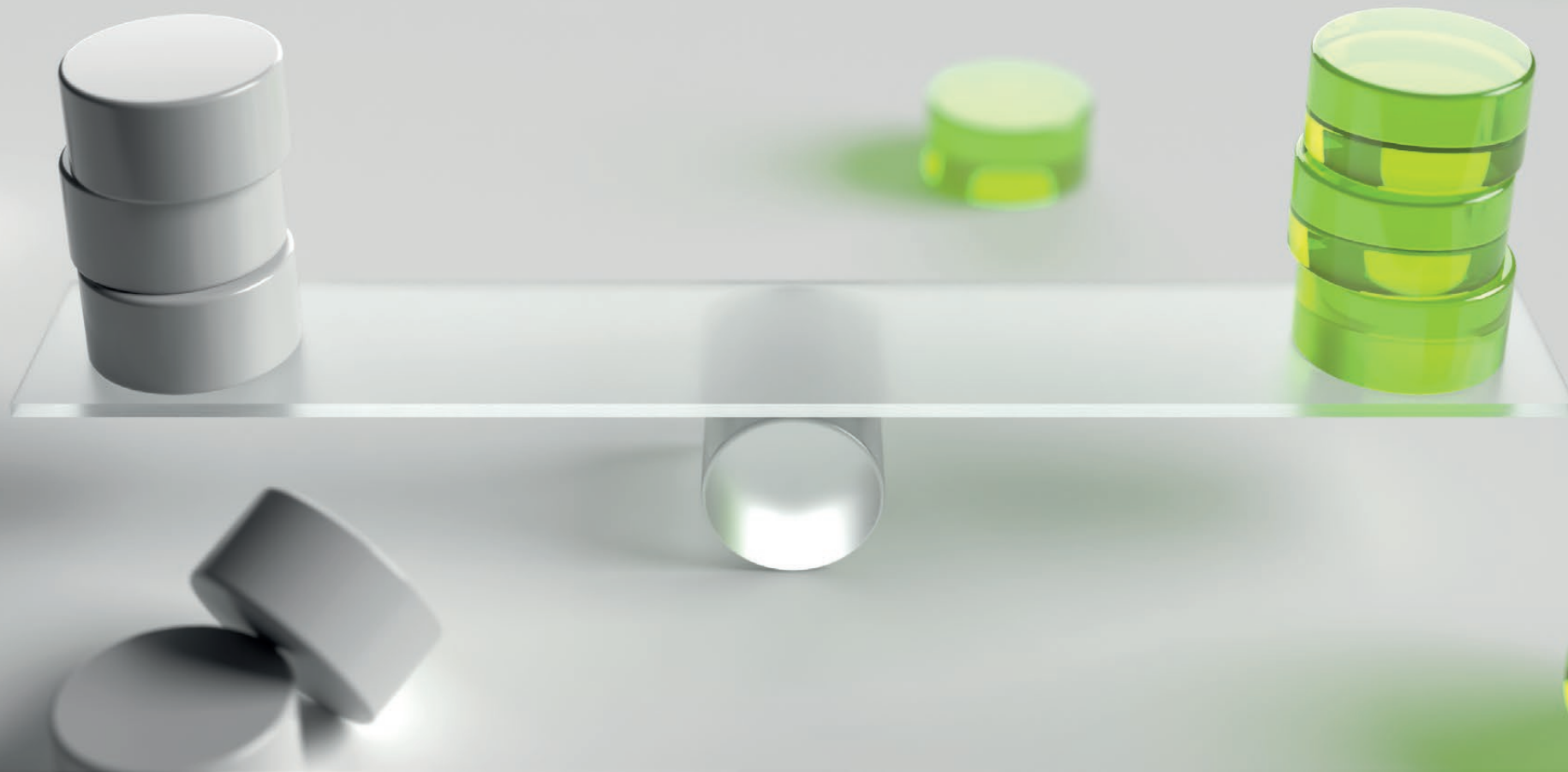
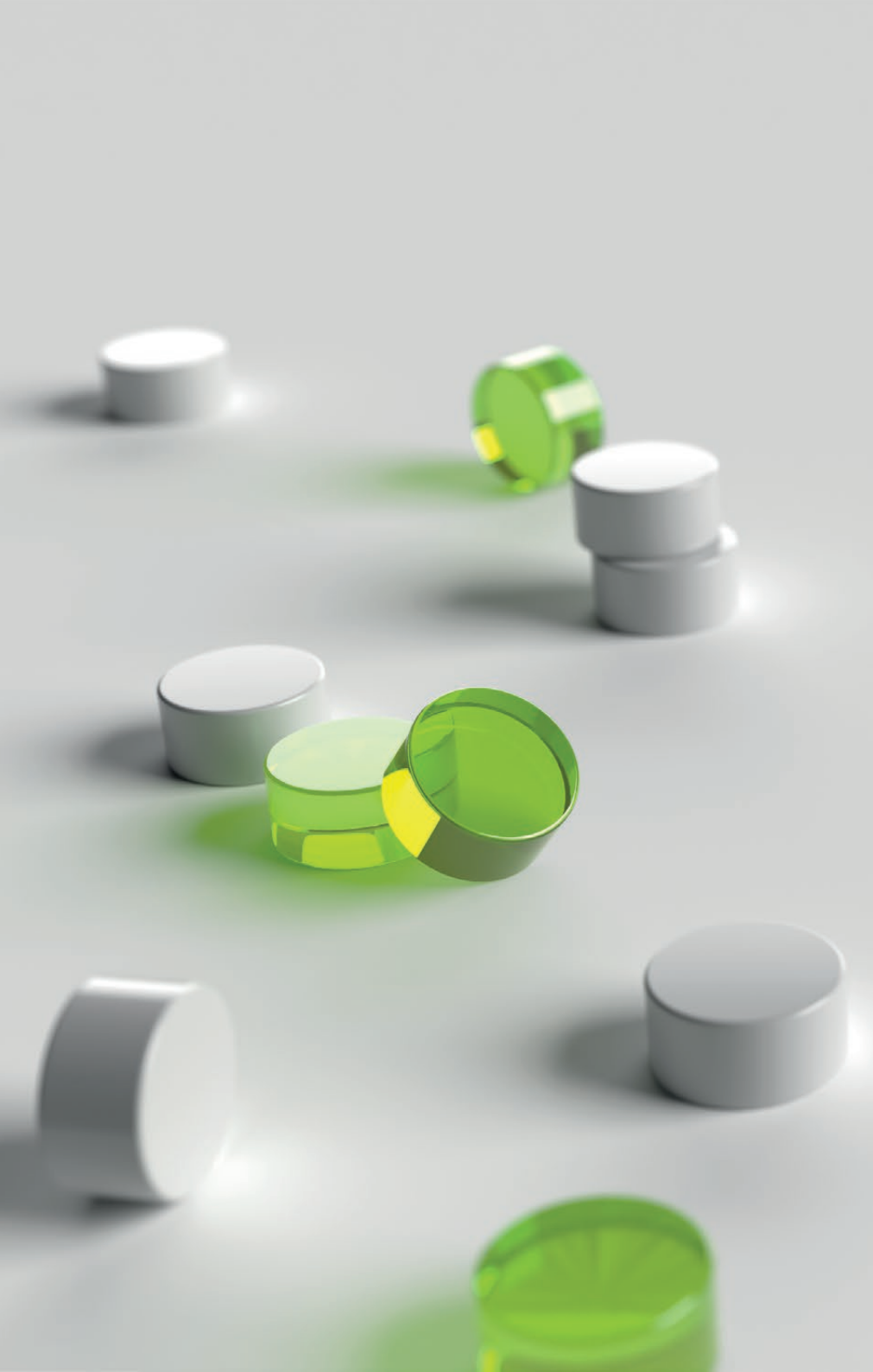


Gender balance report 2021.





AKT II has always had an appreciation and understanding of the skills and talents of geographic, cultural and gender diversity in the people it employs. This diversity not only culturally enriches our workplace but also provides an openness to embrace a variety of approaches which we have no doubt contributes to the very success of our business, the projects we work on and our reputation as design-led and innovative engineers.

The inception of reporting requirements for the gender pay gap was an important milestone to bring into focus the commitments to equality, diversity and inclusion. For those unfamiliar, the gender pay gap shows the difference in the average pay between all men and women in an organisation regardless of their role or seniority and is based upon aggregate data. It is important to note that the gender pay gap should not be confused with equal pay and is not the difference in pay between men and women carrying out similar roles. At present, the required reporting is binary and is yet to recognise a broader gender identity spectrum.

As a company which operates within the construction industry, unfortunately, gender diversity has always been the area where being representative has been challenging

as the industry has a legacy of attracting significantly more men than women. However, we feel diversity has always been a part of our cultural DNA.

We work hard to attract and retain the best people and ensure we reap the benefits of social, ethnic and gender diversity.

The global pandemic brought about unprecedented change to many companies within the engineering and construction sector, and the effects will be felt for years to come. As we look forward, it is more important than ever that we remain focused on closing the gender pay gap and achieving gender balance.

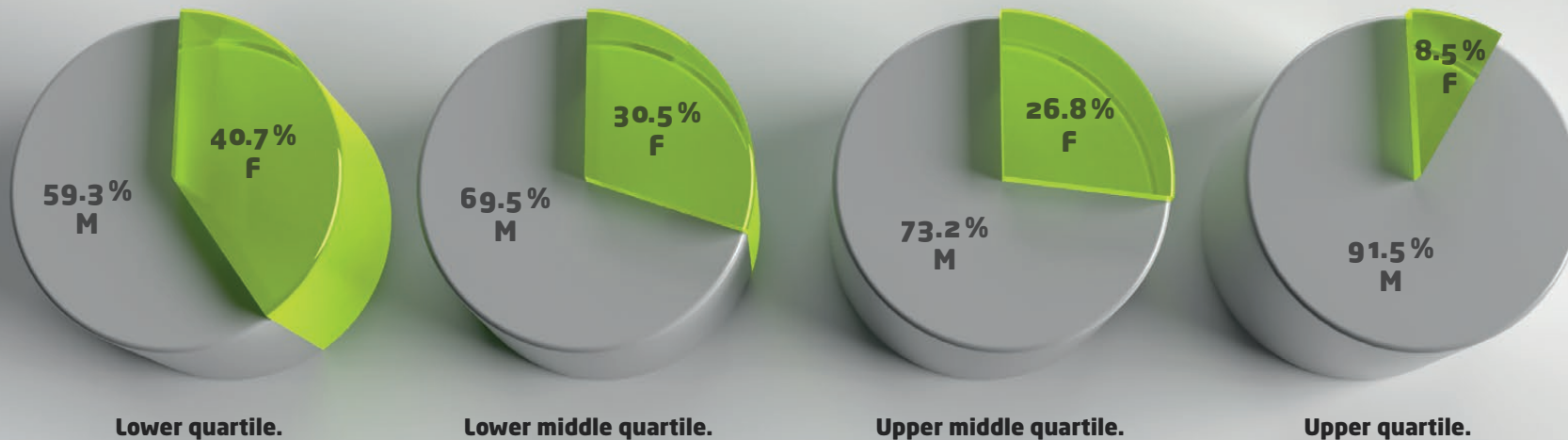
Gender pay gap figures 2021.

AKT II employs more men than women in the UK. Like most companies in the engineering and construction sector, our gender pay gap is largely a reflection of the disproportionate ratio of men to women in our business, particularly within our senior population. The figures in this section show the proportion of men and women within each quartile, our mean and median pay gap, and our bonus figures at the snapshot date of 5 April 2021, calculated in accordance with the statutory method.

The reasons for any pay gap are multiple and complex. As required by mandatory reporting, the pie charts illustrate the gender distribution across AKT II in four equal-size quartiles. It is evident that we have a larger percentage of males in more senior roles, which is a trend mirrored across our industry and is an area where we wish to inspire positive change. In looking at analysis since our first gender balance report, our pay gap numbers have remained relatively static, which demonstrates significant change takes

time and investment of which we are strongly committed to achieving. What we are proud of is our increased female representation in our business at all levels since the inception of reporting, and a key statistic for us is that our women's representation in leadership roles has increased by 9%.

Quartile gender split.



Gender pay gap figures 2021.

Our bonus gap is higher than our pay gap as we have more men in leadership roles with bonus related to base remuneration.

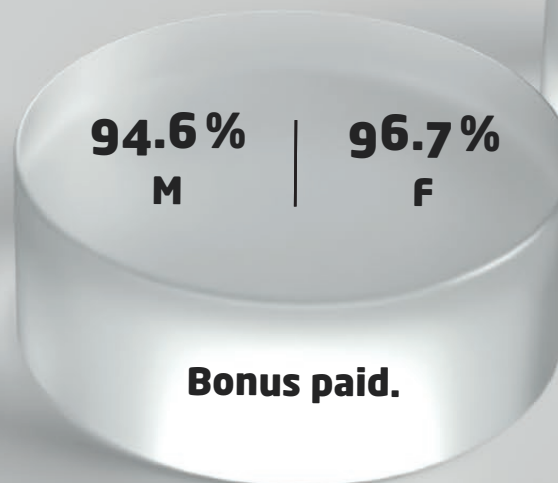
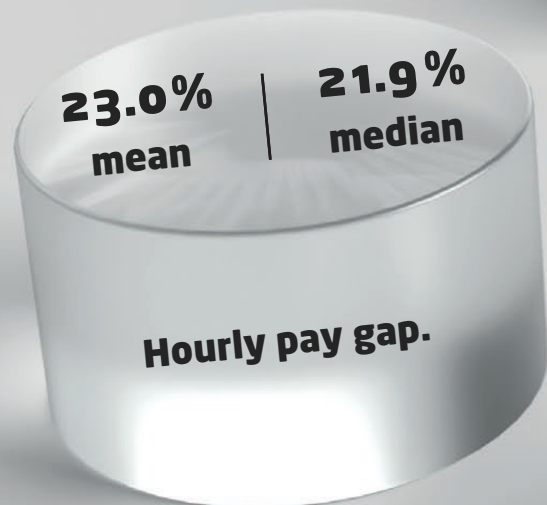
Definition of mean and median.

Mean:

The mean gender pay gap is the difference between the average hourly rate of pay of women compared with men in a company. This is expressed as a proportion of men's hourly rate of pay.

Median:

The median gender pay gap is determined by ordering the individual hourly rates of pay for all men and women from the lowest to the highest and then calculating the difference between the middle number in the male and female range for each entity. This is expressed as a proportion of the men's median hourly rate of pay.



Analysis of the figures / the bigger picture.

On analysis our pay gap is not an equal pay issue, men and women are paid equally for doing equivalent jobs across AKT II. Salaries are generally based on level of experience and are reviewed annually based on detailed metrics including experience and performance. For example, the starting salary for all graduates joining AKT II is the same.

In 2021 our mean pay gap has remained at 23% whilst our median pay gap has decreased by 1% this year taking it from 23% in 2020 to 22%.

These results point towards some progress, however there is more work to be done especially at more senior grades, and this will continue to be a priority over the next 12 months and beyond.

We believe that a pay gap arises for the following reasons: firstly, we have more men than women across our practice (73% men overall) and secondly we have more men at senior level (91%), where pay is higher. Based on the method of calculation a higher proportion of men in senior positions will naturally give rise to a pay gap, but this does not mean there is a gender pay gap on equivalent jobs as the name suggests.

The gender pay gap is an indication of gender distribution across AKT II. However, we are also aware that the gender split across AKT II is distorted by several factors such as the higher proportion of men in senior management roles and the relatively high proportion of women in non-technical roles where there are fewer senior positions available.

The pandemic, in our view, negatively impacted our efforts to address the shortfalls in our pipeline and placed a pause on many of our key initiatives. We are hopeful that we can now continue to reinstate our wider programmes which will holistically support our key objective to bring greater overall diversity to our practice.

Our bonus gap has slightly reduced year-on-year and the bonus gap is larger than the pay gap because roles in leadership grades have a higher bonus allocation. We have a larger proportion of men than women in these grades. Our bonus period is based on our financial year January to December and will not cover new starters between January and April.

Looking ahead, our focus is to ensure we bring all talent right through our organisation by better retaining female employees within the business and better supporting their development into senior positions.

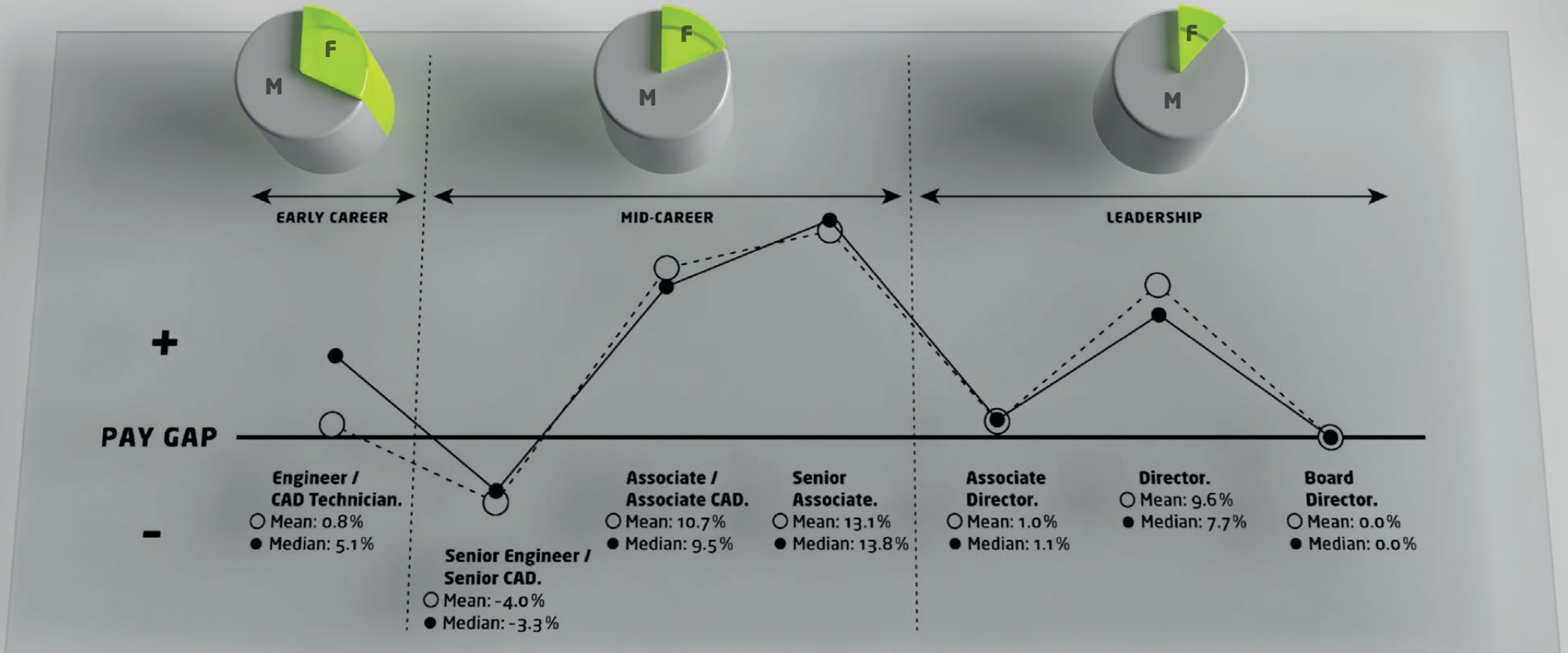
Historically, more males have been drawn to careers in science, technology, engineering and mathematics (STEM) industries, so it is not surprising that the findings of our report echo the greater gender pay gap found across the engineering sector. We firmly believe that education is fundamental to enhancing not only gender diversity, but wider diversity as a whole.

AKT II will also carry out more detailed analysis of its data between the periods 2018 to 2022 to assess its progress in achieving greater gender balance. The analysis will also identify further areas in which we need to drive a greater focus to ensure this topic remains integral to achieving our overall future success in continuing to be an employer of choice.



Analysis of the figures / the bigger picture.

We are confident that men and women are paid equally for doing equivalent roles within AKT II. This is represented by further analysis, breaking the data down into specific employee groups and job levels.



What we are doing to improve diversity / the future.

It is clear from our pay gap figures that to close the gap we need to address our gender balance across the firm at all grades and seek to ensure there is no opportunity gap for all staff. Our approach to addressing this has always been to attract and develop our staff, naturally leading to retention. We believe, in terms of attracting female staff, we are making good progress. AKT II's managing director is firmly committed to increasing diversity and representation, and this is one of the primary objectives in his strategy for the business. Our figures show percentages of female staff progressively increasing across the office through the different career points. For instance, proportion of women staff in their mid-career has increased from 16% in 2020 to 19% in 2021 and the proportion of women in the early career stages has remained at 32%, which is positive progress and double the industry norm, but we understand there is progress to be made at a senior management level.

Our aim now is to continue what we are doing and to manage and support the naturally changing workforce. For this we will continue to drive our Diversity Forum which focuses on the following three key streams:

Attracting our people.

We continue to strive for a balanced, diverse workforce at every career entry point. We believe that education is fundamental to instigate change and will achieve this by proactively engaging with the next generations through their formative years, at school and higher education level. As such, through great commitment from our staff, we actively support organisations such as the Access project as well as engaging with local schools and industry to raise awareness of STEM subjects. We've continued to increase our intake of female graduates year-on-year at a rate which far exceeds the average proportion of female engineering undergraduates in the UK (16%).

AKT II has also set up a formal diversity group which now seeks to steer the company direction with positive and affirmative actions. We acknowledge that we're not all the same, and that's our greatest strength, and different opinions enhance our ability to deliver for our clients and our staff. This group has engaged an external specialist consultancy who are guiding the business further in ensuring we can continue to meet our diversity objectives and remain an employer of choice.

Developing our people.

We continue to take promotion and progression decisions that are based on merit. We acknowledge that the firm has seen good growth, and formalising existing processes to ensure all staff receive the right support and career opportunities is our priority. Recent

developments have included strengthening our training and development opportunities through the introduction of our core training matrix which identifies an overall training scheme for all staff that is comprised of core training for all staff as well as role-specific training. We also actively support and encourage staff to achieve their potential and have restructured our business to give a variety of career progression options for both technical and non-technical roles. We are also growing our mentoring programmes for senior women and promoting female role models across our business and industry. We are planning to introduce 360 evaluations for all our senior staff, to help them become more inclusive leaders, recognise knowledge gaps, and identify areas of development.

Change is naturally progressive and as such will take time. However, at AKT II we are committed to adapting and moving at a pace that enables us to close the gap whilst ensuring we continue to attract and develop the widest range of talent available and ensure a strong, culturally diverse workforce for the future.



Retaining our people.

The average age at AKT II is 34.1 years, and as such we place a great importance to a family-friendly culture to support all of our working parents. We have broadened our flexible working, with a key example of this being an ongoing commitment to encourage shared parental leave and extended paid maternity leave.

We are also improving our approach to working culture and flexibility, which caters to all our staff and to allow all staff returning from extended leave to resettle and continue their development to realise their full potential.

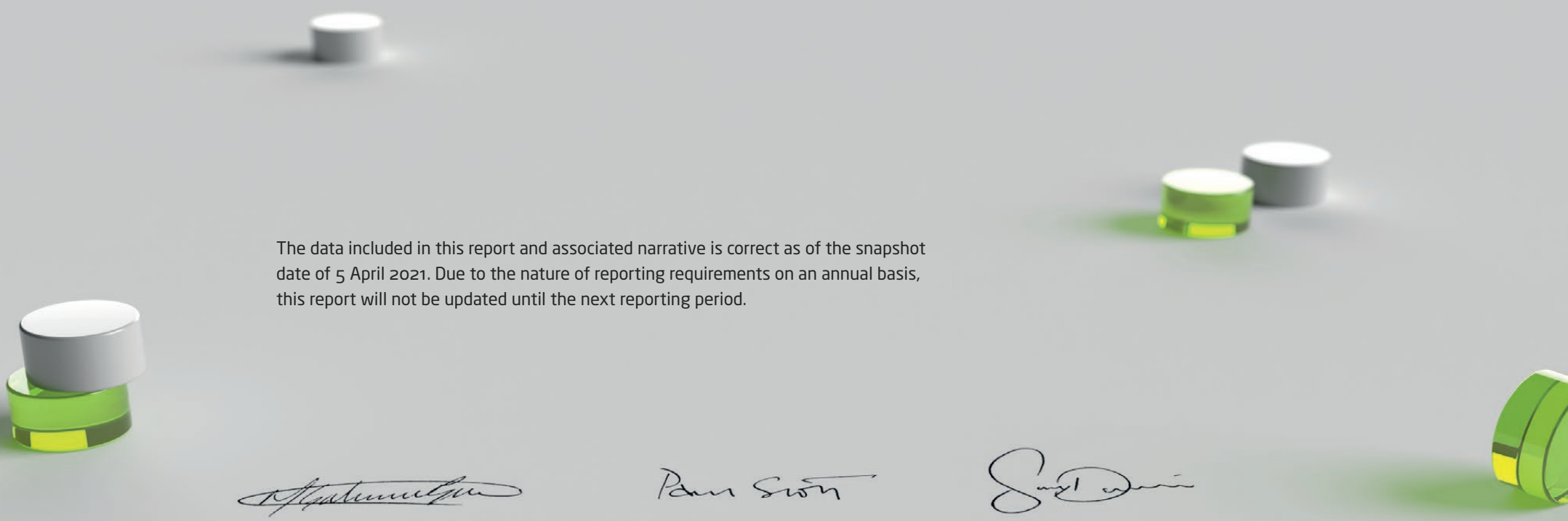
Following the pandemic, we have implemented a hybrid working model based upon staff feedback, which has allowed our staff to benefit from a greater work-life balance. The pandemic was difficult for many of our staff who were away from families

without the ability to travel. We reflected upon this and have introduced the ability for our staff to work abroad for up to one month a year, which allows them to spend more time with their families in their home country.

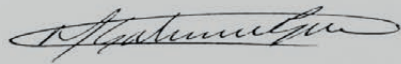
We have also administered our second businesswide employee survey through Great Place To Work, to allow us to continue to monitor our progress, shape future developments and succeed in our efforts to create and maintain an excellent workplace for all.

Ultimately, our goal is for everyone in our business to have a positive experience of working here, to be supported in reaching their own career goals and to feel valued for who they are and the skills they bring to our practice.

“Our 2021 gender pay gap does not necessarily follow the trends of change you might expect to enhance inclusion and equality and greater female representation, but we are building a strong foundation to deliver active changes for the longer term.”



The data included in this report and associated narrative is correct as of the snapshot date of 5 April 2021. Due to the nature of reporting requirements on an annual basis, this report will not be updated until the next reporting period.



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