

Architectural Association Inc.

Gender Pay Gap Report

Architectural Association Inc. (AA) is required by law to publish an annual gender pay gap report.

This is its report for the snapshot date of 4 April 2021, when there were 207 male and 159 female full-pay employees.

- The mean gender pay gap for AA is 2.22%, i.e. pay for female gender is less than for male gender.
- The median gender pay gap for AA is 0.0%, i.e. no difference in pay for female and male genders.
- The mean gender bonus gap for AA is -3.92%, i.e. pay for the female gender is more than for the male gender.
- AA's median gender bonus gap is 0%, i.e. no difference in pay for female and male genders.
- The proportion of male employees in AA receiving a bonus is 26%, and the proportion of female employees receiving a bonus is 32%.

Pay quartiles by gender

| Band | Males | Females | Description |
|------|--------|---------|---|
| A | 56.52% | 43.48% | Includes all employees whose standard hourly rate places them at or below the lower quartile |
| B | 57.61% | 42.39% | Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median |
| C | 56.04% | 43.96% | Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile |
| D | 56.04% | 43.96% | Includes all employees whose standard hourly rate places them above the upper quartile |

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Causes of AA's gender pay gap

Under the law, men and women must receive equal pay for:

- the same or broadly similar work;
- work rated as equivalent under a job evaluation scheme; or
- work of equal value.

AA is committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above).

AA is therefore confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

This can be seen above in the table depicting pay quartiles by gender. This shows AA's workforce divided into four equal-sized groups based on hourly pay rates. Band A includes the lowest-paid 25% of employees (the lower quartile), and band D covering the highest-paid 25% (the upper quartile). Within AA, there are fewer females than males in all quartiles, i.e. 43.96% of the employees in band C & D, 42.39% of the employees in Band B, 43.48% in Band A compared with 56.04% in Band C & D, 57.61% in Band B and 56.52% in Band A are men respectively.

AA's mean gender bonus gap is -3.92%, i.e. more females paid than the male gender. The median gender bonus also shows no difference between male and female pay.

The proportion of men at AA who received a bonus in the 12 months up to 5 April 2021 was 26%, while for women this was 32%.

AA's gender pay gap comparison with economy

The mean gender pay gap for the whole economy (according to the April 2021 Office for National Statistics (ONS) Annual Survey of Hours and Earnings (ASHE) figures) is 7%. At 2.22%, AA's mean gender pay gap is, therefore, lower than for the whole economy.

AA's approach to addressing its gender pay gap

To date, the steps that AA has taken to promote gender diversity in all areas of its workforce include the following:

- an equal balance of genders are represented in the Senior Management Team
- job descriptions and recruitment adverts do not contain any conscious/unconscious gender bias related language
- HR has developed a range of Family Friendly Policies to enable staff to work around their childcare or other family-related commitments

I, Salah Mirza, Head of Finance & Strategic Development can confirm that the information in this statement is accurate.

Signed

Date

01 April 2022