

ightarrow 2021 UK Gender Pay Gap Report: ICF Consulting Services Ltd.





Introduction

At ICF, we apply our passion for meaningful work with intellectual rigour to help solve the leading issues of our day for our clients. We know that our problem-solving capabilities and perspectives are enhanced when we build a diverse and inclusive workplace that enables everyone at ICF to thrive. One that is rooted in collaboration, mutual respect, open communication, and opportunity for growth.

We have multiple business entities across the UK and one of them—ICF Consulting Services Ltd. now meets the employee headcount threshold for reporting its gender pay gap data. We welcome the opportunity to share our progress in this important area. Being transparent in the way we report our progress aligns with our values, prompting us to challenge our assumptions and embrace differences within our workforce. We confirm the data in this UK Gender Pay Gap report is accurate, in accordance with the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Our median gender pay gap for ICF Consulting Services Ltd. is currently 2.4%, which is materially lower than our peers in the professional, scientific, and technical sector (19.9%)¹. However, our mean pay gap for ICF Consulting Services Ltd. of 18.1% highlights areas we must continue to address. And we are committed to addressing them with actions that support not only this particular business entity, but for our operations across Europe and Asia and around the world.

Recognizing that pay gaps are generally driven by workforce representation, we will continue to focus on creating opportunities that support more women into senior roles. We are more successful when people of different backgrounds, experiences, and points of view come together to find solutions. And so, we will continue to actively create opportunities for open, honest discourse and ensure we are driving tangible actions to embrace, celebrate, and grow our diversity.

Caryn McGarry Chief Human Resources Officer Tobias Schaefer Senior Vice President, Europe and Asia

¹ Office of National Statistics (ONS) 2021 Gender Pay Gap review

Data within this report

This report includes the following required UK Gender Pay Gap disclosures: (1) gender pay gap, (2) distribution of staff across pay quartiles, and (3) gender bonus gap.

Definitions and measurement

Gender pay gap measures the difference between the earnings of women and men across the business entity, regardless of the work they do. This is expressed in mean and median earnings, based on equivalent hourly rates, and is shown as a percentage of men's earnings. This includes base pay, allowances, and any other bonus and incentive pay paid in April 2021. Our gender pay gap was calculated using the methods set out in the UK Gender Pay Gap reporting legislation:

- The **mean** gender pay gap is calculated by adding up the total pay of employees and dividing by the number of employees. The calculation is completed separately for men and women and the means are compared.
- The **median** gender pay gap is the middle number of a ranking of pay from lowest to highest and gives us the best view of 'typical' pay. The calculation is completed separately for men and women and the medians are compared.

To calculate representation of **gender across pay quartiles**, we list and rank all the female and male hourly pay rates by size and then divide them into four equal groups, from the lowest paid quartile to the highest paid quartile. We then look at the proportion of females and males in each quartile.

Gender bonus gap is the difference in incentive pay received by women and men in the 12 months prior to 5 April 2021.

Note about equal pay and gender identity

It is important to understand that equal pay is not the same as the gender pay gap, and the two concepts should not be confused. Equal pay requires that women and men carrying out the same or similar work in the same employment must receive the same pay. Equal pay data is not included in this UK Gender Pay Gap report. However, we regularly examine our employee compensation to ensure we maintain pay equity. And we have not identified any meaningful pay disparity across gender and race for comparable individuals in the same roles.

It is also important to note that the UK Gender Pay Gap legislative requirements are binary in regard to gender (female compared to male). Whilst we are reporting our statistics in accordance with the legislation, at ICF, we recognise and support all gender identities.

2021 Gender Pay Gap Results: ICF Consulting Services Ltd.

Mean and median gender pay gaps

2021	
Median gender pay gap	2.4%
Mean gender pay gap	18.1%

Lower representation of women in the most senior roles (senior director and vice president) drives the disparity between the mean and median gender pay gaps for ICF Consulting Services Ltd. Average salaries in the middle of the organisation are much closer as shown by the narrower median gender pay gap.

Proportion of men and women by pay quartile

Overall, ICF Consulting Services Ltd.'s workforce is 53% female and 47% male, and distributed across the following pay quartiles:

	2021	
	Female	Male
Upper quarter	43%	57%
Upper middle quartile	58%	42%
Lower middle quartile	58%	42%
Lower quartile	51%	49%

The lower quartile is most balanced. Female employees are highly represented in the two middle quartiles. And there are more male than female employees among the top 25% of earners, which increases the mean gender pay gap.

Mean and median gender bonus gaps

2021	
Median gender bonus gap	59.9%
Mean gender bonus gap	56.2%

ICF Consulting Services Ltd. offers a limited range of cash bonus schemes to only the most senior roles to compete for specific talent in the marketplace, where cash bonuses are common elements of remuneration packages. Within the 12 months preceding 5 April 2021, 9% of women and 17% of men received a cash bonus payment. Similar to gender pay gaps, lower female representation in the most senior roles heavily skews the gender bonus gaps.

Our action plan

We continue to focus on increasing female representation at the most senior levels in the company by ensuring there is equal opportunity, particularly given our diverse pipeline of talent.

Career development

All employees, including those with ICF Consulting Services Ltd., are encouraged to participate in our Mentor Connect program and establish mentoring relationships through our Employee Community Networks. We recently introduced more criteria to our mentor matching process to share preferences for mentors with similar demographic and other areas of diversity. We are also striving to be more communicative and transparent about career growth and development. Across all of ICF, we are seeing a positive impact from these initiatives and in 2021, 53% of our promotions to management levels were women.

Recruitment

Our recruiting strategy and process is designed to support a fair and equitable hiring process. Across all of ICF, including ICF Consulting Services Ltd., our recruiters receive training on inclusive hiring and unconscious bias in hiring. They are supported with a range of tools, including an inclusive language guide, diverse community outreach tips, and a candidate sourcing toolkit.

We use technology and demographic data to increase our reach into underrepresented and minority communities. We continue to optimise our data-driven campus strategy to help us look broader and further. And we continue to utilise data to ensure we are monitoring diversity in our hiring process.



Education

We launched a company-wide learning journey in 2020 with a heavy focus on eliminating bias at all levels. And our work continues today, using a cohort of diversity and inclusion learning champions and a 'train-the-trainer' model for facilitating diversity and inclusion discussions throughout our various projects and businesses to build an inclusive workforce.

All employees, including those with ICF Consulting Services Ltd., are exploring topics such as allyship, microaggressions, and calling out bias in 2022. And managers are focusing on inclusive performance management and managing bias throughout the employment relationship.

Partnership

We believe in collaboration, mutual respect, open communication, and most importantly, opportunity for growth. We constantly seek inclusive opportunities to collaborate with experts and organisations with diverse perspectives—and who are just as driven as we are to make a difference. Our president and chief executive officer, John Wasson, is part of the CEO Action for Diversity. This public pledge and commitment help us foster an environment where we encourage complex, and difficult, conversations about diversity and inclusion.

"Our commitment to inclusion requires continued focus. We learn from our experiences and each other."

- Demola Sholagbade, vice president of diversity and inclusion



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About ICF

ICF (NASDAQ:ICFI) is a global consulting services company approximately 8,000 full-time and part-time employees, but we are not your typical consultants. At ICF, business analysts and policy specialists work together with digital strategists, data scientists and creatives. We combine unmatched industry expertise with cutting-edge engagement capabilities to help organizations solve their most complex challenges. Since 1969, public and private sector clients have worked with ICF to navigate change and shape the future. Learn more at icf.com.