

Our gender pay gap report 2023

Contents

Foreword

To address our gender pay gap Skanska's focus is to increase inclusion across our sites, projects, and offices.

We continue to work to embed inclusion throughout our operations, policies and procedures to attract, recruit, develop and retain women at all levels, and create a great place for all our employees to work.

Our strategy is underpinned by eight key performance indicators, to monitor the performance of inclusion and diversity across Skanska.

Over the past few years these have shown positive improvements in the number of women completing leadership programmes, declaration of protected characteristics and improved engagement scores.

This year we have invested in strengthening inclusive leadership across senior levels of Skanska. For the first time, 24 Project Directors have completed our nine-month inclusive leadership programme called Catalyst, spending time learning about the experiences of exclusion and honing their inclusive leadership skills through coaching.

This is complemented with the development and roll-out of active bystander workshops to empower our leaders to speak up when non-inclusive behaviour is exhibited. Our Active Bystander workshops have been completed by over 200 line managers.

Evaluation of the impact of both programmes has shown inclusion increasing across these teams. These formal programmes are further supported by our inclusion and diversity stand-ups – which give all our employees the opportunity to pause and discuss inclusion and the important role it plays in making Skanska a great place to work.

We have also launched the Develop Your Potential leadership programme, to support talented women and ethnic minority employees with their development and progression in the company.

The nature of gender pay gap reporting means that this report, and the data it is based on, uses the binary definitions of gender. However, we recognise that some employees may identify differently.

Our inclusion work spans everyone, and we continue to support all our colleagues to bring their whole selves to work.



I confirm this report is accurate and provides our gender pay analysis and declare our commitment towards closing the gap over the coming years.

A handwritten signature in black ink, appearing to read 'Harvey Francis'.

Harvey Francis
Executive Vice President, Skanska UK

What is the gender pay gap?

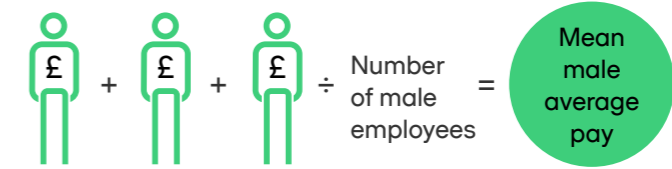
The gender pay gap is the difference between the average (mean) and mid-point (median) pay (base salary and allowances) of men and women in the whole organisation. It does not measure equal pay, which relates to what women and men are paid for the same jobs or work of equal value.

The quarter information shown on page six, gives the proportion of male and female employees in four pay groups, when all employees are placed in order of hourly pay from highest to lowest and split into four equal groups. It provides insight into how women and men are distributed across the organisation.

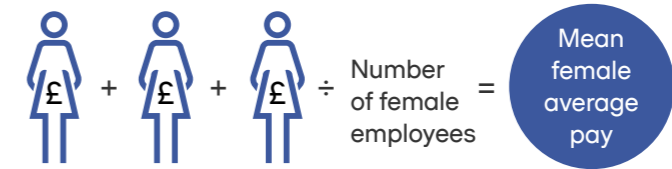
In terms of bonus information, the median and mean bonus pay gaps between men and women, and the proportion of men and women in the organisation who received a bonus payment in the 12 months to 5 April 2023 is included.

The gender pay gap figures in this report were calculated using the snapshot date of 5 April 2023.

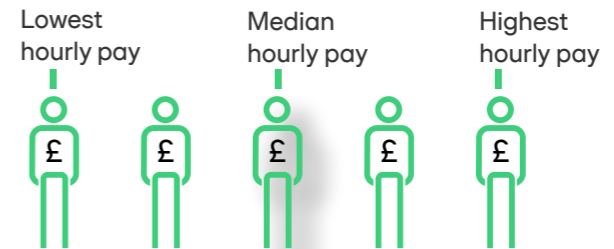
How we calculate the mean difference



The difference = Mean hourly pay gap



How we calculate the median difference



The difference = Median hourly pay gap



Our gender pay gap

The Gender Pay Gap regulations require companies to report their gender pay gap for all legal entities in the UK with more than 250 employees. For us, that means Skanska UK Plc. In this report, we also include the data for Skanska UK overall, which provides the pay gap figures for all our colleagues in all our legal entities.

On the next page you will see the information for both Skanska UK overall and Skanska UK Plc, and in the Appendix you can see our year-on-year gender pay gap figures since 2019.

For Skanska UK overall our median pay gap was 20.8%, a slight reduction from 20.9% in 2022 and our mean pay gap was 19.8% down from 21.6% in 2022.

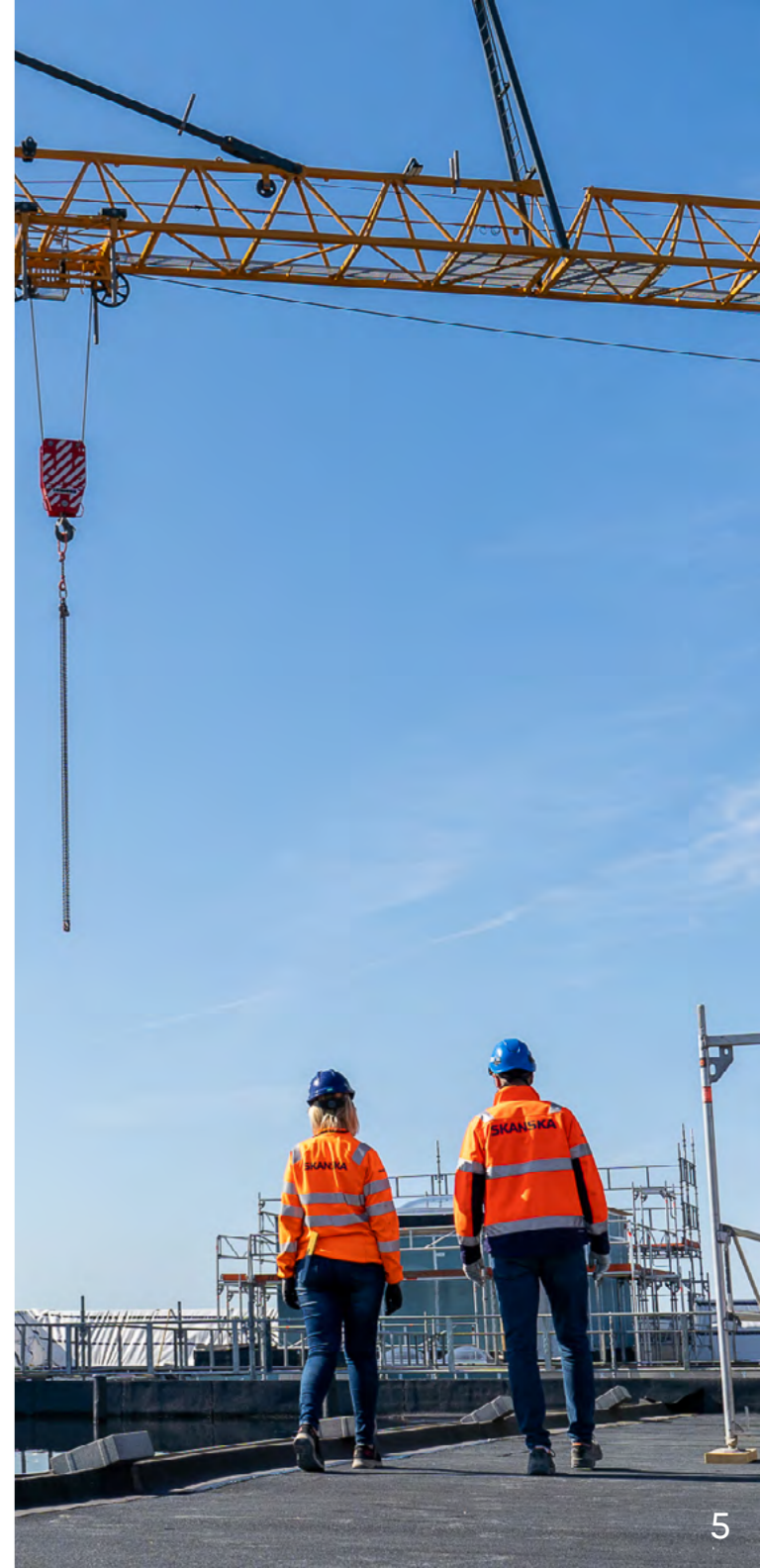
For Skanska UK Plc our median pay gap was 23.0%, down from 23.7% in 2022 and our mean pay gap was 21.1% a reduction from 23.3% in 2022.

Our bonus information in 2022 was unusual as it reflected a year where no corporate bonus was paid. For 2023 we see the proportion of men and women receiving a bonus and the bonus gap more in line with results seen in earlier years.

Looking at the pay quarter data we would ideally like to see the proportion of women in each quarter reflective of the overall gender split of our business. On the 5 April 2023 26.8% of our employees in Skanska UK overall were women.

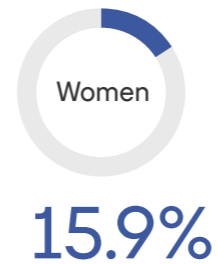
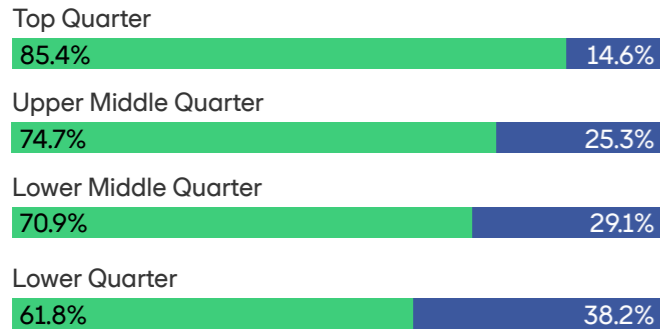
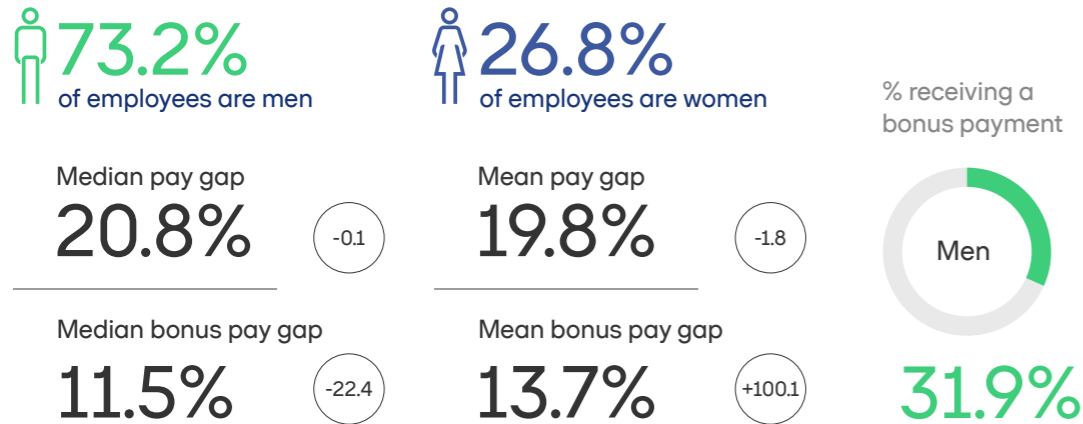
Women continue to be under-represented in the upper quartile at 14.6%, however this is an increase from 13.7% in 2022. In the upper middle quarter, the proportion of women continues to grow, and at 25.3% in 2023, is closer to the overall percentage of women in the organisation.

The Closing the gap section includes details on our inclusion and diversity strategy and how we are working to make Skanska UK an inclusive place to work and encouraging more women to the industry by building diverse talent pools.



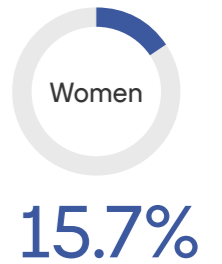
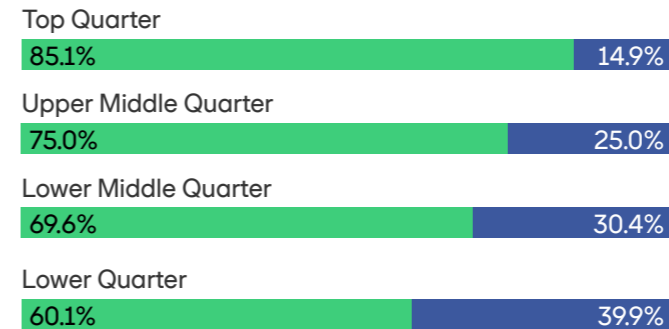
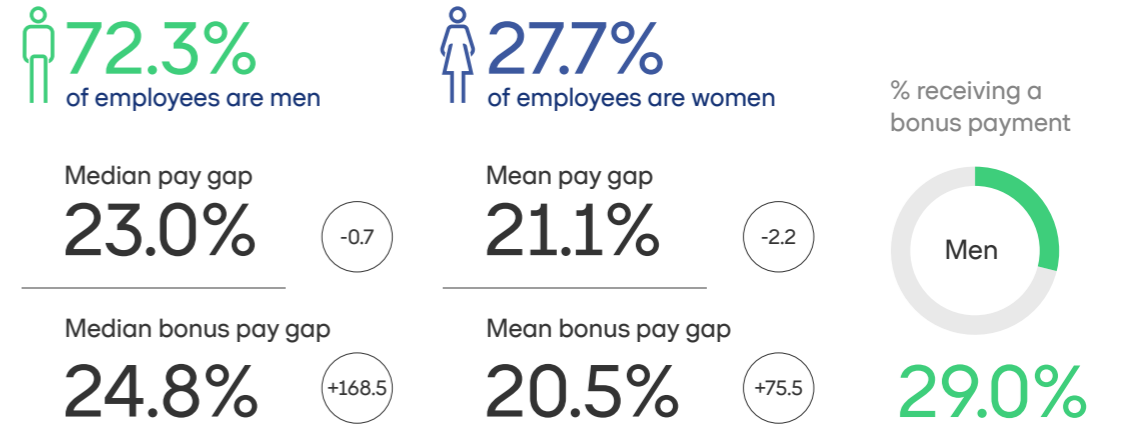
Skanska UK overall

On 5 April 2023 Skanska UK employed 3,509 colleagues across all our legal entities. These figures are not recorded on the UK government's gender pay gap service website, as these are the combined figures for all our employees across all legal entities.



Skanska UK Plc

On 5 April 2023 Skanska UK Plc employed 3,347 colleagues. These figures are reported on UK government's gender pay gap service website.



(X) Shows the percentage point change from our 2022 figures.

Closing the gap

We continue our journey to increase inclusion and diversity across Skanska. With a global focus on equity and equality, our leaders are expected to lead inclusively and to support teams to become more inclusive. We are investing resources into supporting this to ensure Skanska is a great place to work for all our employees.

Our current I&D strategy is underpinned by eight key performance indicators, providing insight to make informed decisions and deliver targeted interventions. Our efforts are focused in two ways; building diverse talent pools, and creating an inclusive workplace where everyone can thrive, recognising that to increase diversity and inclusion different actions are required.

Creating inclusive workplaces

Focusing on our desire for an inclusive workplace, we have continued to build on the outcomes of the work completed in 2021 where 180 members of Skanska shared their lived experience. This insight enabled us to develop clear actions each year, some of which are outlined below.

1. Upskilling in inclusive leadership

24 Project Directors completed Catalyst, our nine-month inclusive leadership programme for those with the greatest influence on culture across our sites. The positive results from the coaching and 360-feedback from teams is testament to the success of the programme, with improved feedback scores and team engagement across the duration of the programme.

Alongside Catalyst, 200 leaders and line managers completed Active Bystander workshops. This equips teams to identify, challenge and address non-inclusive behaviours, essential to creating the culture change required to increase inclusion.

2. Listening and learning from lived experiences

Skanska's co-mentoring programme, started in 2022, continued this year, with members of our employee-led networks paired with 18 members of our senior management teams, and six Commercial and Operations Directors. The aim is for both parties to listen and learn from each other's experiences, and to provide a safe space for inclusion conversations.

3. Inclusion conversations

During 2023, we hosted two inclusion stand-ups across the business, with over 3,000 people talking about inclusion in their teams for 30 minutes. Teams were given materials to learn about microaggressions; everyday non-inclusive behaviours which are often subtle, undetected and ignored. The purpose was to raise awareness of how teams can create a more inclusive environment by addressing these subtle remarks.

Closing the gap

4. Supporting women in all stages of their career

Following on from successful engagement around menopause, our Womxns network supported the development of a menopause guide for managers and individuals, signposting support available in the workplace and externally. This supports Skanska's ambition to enable people to bring their whole selves to work and open up conversations about wider health to drive inclusion.

5. Enhanced family benefits

Since we enhanced our family benefits in 2022, 49 people have taken enhanced maternity leave, and 86 people have taken enhanced paternity leave.

Building diverse talent pools

Skanska has specific initiatives in place to attract, recruit and develop diverse talent to ensure our workforce reflects the society within which we work.

1. Promoting inclusive recruitment

We're working hard to attract people from all backgrounds to work at Skanska, with all roles now being advertised on inclusive recruitment jobs board Vercida. Our job descriptions also go through a gender decoder, ensuring wording is gender neutral and inclusive, which is shown to increase the number of female applicants and so increase the number of women working at Skanska.

Women made up 21% of applications and 29% of hires across the year. In our emerging talent cohort, 32% of hires were female, an increase from 30% in 2022.

2. Developing potential

During 2023, we piloted a new, six-month development programme for women and ethnic minority future leaders, called Develop Your Potential. The programme aims to ensure employees from under represented groups get access to the development that will enable them to achieve their potential. In 2024 we intend to run this programme for three further cohorts.

3. Women in leadership

We monitor participation of women in other development programmes in Skanska, to ensure it is representative of our population. The number of women attending our programmes aimed at managers and leaders has increased in 3 out of 4 programmes. With more women participating in these programmes, over time we expect to see gender equality increase in our succession plans and in senior roles across Skanska.

Appendix:

Our year-on-year disclosures

Skanska UK Overall

	2019		2020		2021		2022		2023	
	male	female	male	female	male	female	male	female	male	female
Employee split (male/female %)	76.9%	23.1%	76.4%	23.6%	76.6%	23.4%	73.3%	26.7%	73.2%	26.8%
Median gender pay gap	16.0%		16.0%		12.6%		20.9%		20.8%	
Mean gender pay gap	19.4%		18.1%		15.3%		21.6%		19.8%	
Median bonus pay gap	52.8%		23.6%		3.6%		33.9%		11.5%	
Mean bonus pay gap	41.2%		11.9%		-9.0%		-86.4%		13.7%	
Male employees who received a bonus	16.0%		29.3%		28.7%		7.3%		31.9%	
Female employees who received a bonus	8.9%		15.3%		14.4%		1.0%		15.9%	

	male	female	male	female	male	female	male	female	male	female
Proportion of men and women in each pay band quarter										
Upper quarter	85.5%	14.5%	84.4%	15.6%	84.9%	15.1%	86.3%	13.7%	85.4%	14.6%
Upper middle quarter	78.9%	21.1%	78.8%	21.2%	76.7%	23.3%	76.4%	23.6%	74.7%	25.3%
Lower middle quarter	74.4%	25.6%	72.6%	27.4%	73.3%	26.7%	71.4%	28.6%	70.9%	29.1%
Lower quarter	67.8%	32.2%	68.4%	31.6%	71.2%	28.8%	61.6%	38.4%	61.8%	38.2%

Appendix:

Our year-on-year disclosures

Skanska UK Plc

	2019		2020		2021		2022		2023	
	male	female	male	female	male	female	male	female	male	female
Employee split (male/female %)	73.3%	26.7%	72.0%	28.0%	72.0%	28.0%	72.3%	27.7%	72.3%	27.7%
Median gender pay gap	22.8%		23.1%		23.9%		23.7%		23.0%	
Mean gender pay gap	25.8%		25.0%		23.2%		23.3%		21.1%	
Median bonus pay gap	43.0%		47.3%		27.2%		-143.7%		24.8%	
Mean bonus pay gap	49.6%		22.8%		6.8%		-55.0%		20.5%	
Male employees who received a bonus	15.0%		33.2%		34.1%		2.9%		29.0%	
Female employees who received a bonus	10.2%		17.3%		16.5%		0.9%		15.7%	

	male	female	male	female	male	female	male	female	male	female
Proportion of men and women in each pay band quarter										
Upper quarter	87.7%	12.3%	86.1%	13.9%	86.5%	13.5%	86.4%	13.6%	85.1%	14.9%
Upper middle quarter	77.9%	22.1%	76.6%	23.4%	76.9%	23.1%	76.7%	23.3%	75.0%	25.0%
Lower middle quarter	68.9%	31.1%	68.0%	32.0%	68.9%	31.1%	69.4%	30.6%	69.6%	30.4%
Lower quarter	60.5%	39.5%	58.7%	41.3%	58.7%	41.3%	59.6%	40.4%	60.1%	39.9%

Appendix:

Our year-on-year disclosures

Skanska Construction UK Ltd

	2019		2020		2021		2022		2023	
	male	female	male	female	male	female	male	female	male	female
Employee split (male/female %)	81.4%	18.6%	81.9%	18.1%	83.6%	16.4%	No longer reporting	No longer reporting		
Median gender pay gap	10.1%		12.7%		3.2%					
Mean gender pay gap	10.8%		11.3%		2.6%					
Median bonus pay gap	36.9%		-1.9%		-136.7%					
Mean bonus pay gap	13.1%		-5.4%		-51.8%					
Male employees who received a bonus	10.4%		17.7%		12.9%					
Female employees who received a bonus	5.5%		9.9%		6.9%					
Proportion of men and women in each pay band quarter	male	female	male	female	male	female				
Upper quarter	87.6%	12.4%	87.7%	12.3%	85.5%	14.5%				
Upper middle quarter	80.5%	19.5%	81.7%	18.3%	82.7%	17.3%				
Lower middle quarter	73.4%	26.6%	75.9%	24.1%	79.7%	20.3%				
Lower quarter	79.5%	20.5%	77.6%	22.4%	83.9%	16.1%				

Skanska UK
1 Hercules Way, Leavesden,
Watford WD25 7GS

Phone +44 (0)1923 776666
skanska.co.uk



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