

Global EDI strategy 2025–2030



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# Introduction

This document sets out Arup's global approach to equity, diversity and inclusion (EDI). While EDI is not new to us as a firm, our focus and progress has been on regional activities and initiatives. As we consolidate our "One Arup" ethos, we become more interconnected in our ways of working and sharing expertise and experience. Creating a global strategy knits us together, embeds EDI further into our business, and builds consistency of outcomes and impact for our people and our clients and partners.

#### Our first global EDI strategy

We are setting out what we want to be true for all our people, for our culture, for our clients and partners, and for our communities. Our vision of an ever-evolving Arup is one where:

- There is universally equitable treatment
- Our people and leadership reflect the geographies we work in and the clients and communities we serve
- Our people feel safe to be themselves, to challenge us to be better and to innovate

By publishing *From EDI to Belonging*, we give greater visibility and amplification of our intent. We expect it to be delivered throughout the firm, we are being transparent and we are also enabling our people and our clients and partners to hold us to account. We are being more intentional and more joined up as we mature in our approach. Our people demand that we do so, our clients and partners expect it of us and our <u>EDI policy</u> is clear.

In creating this five-year strategy, we spoke to the leaders of our Connect Networks (employee resource groups [ERGs]), our regional EDI leaders, our Trustees and our Arup Group Board members and officers to better understand our EDI vision and articulate its significance to us at Arup.

#### Why belonging matters

Belonging is the extent to which people feel part of the larger whole — truly valued, respected and understood for their unique identities, backgrounds and contributions. It is an evolution of EDI where these principles become an important part of our business culture. Belonging does not move away from EDI; rather, it builds upon it.

Research consistently shows that when people feel they truly belong in the workplace, they are more committed to their firm, more engaged with their work and teams, and more innovative on their projects. The more people see themselves reflected and represented across the business, the more they feel that they belong and have something to contribute, and see a clear career path ahead.

We want our members to feel welcomed, safe, connected and part of our extraordinary collective. By fostering a sense of belonging, we aim to create an environment where everyone can thrive, bringing their best selves to work every day. This not only benefits individuals but is a strategic imperative as we work with our clients and communities to deliver sustainable development for all.

## Where we're starting from

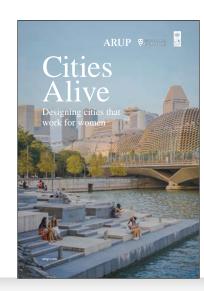
We have been working on equity, diversity and inclusion (EDI) in Arup for some time — it is not new to us. We refer to Ove Arup's 1970 Key Speech and our values as anchors for our EDI work: we are a humane organisation and we want to drive social usefulness. And the Arup business strategy commits us to creating a more sustainable future for the everyone.

We have adopted the UN (United Nations) Sustainable Development Goals which have explicit priorities around gender equity, reduced inequalities in countries, and sustainable cities and communities, all of which help us to shape a better world.

Our regional EDI communities of expertise reflect geographical priorities and practices, and have been delivering their plans — from Total Inclusion in our UKIMEA (UK, India, Middle East & Africa) region to a three-pillar action plan in the Americas and the region EDI strategy in Australasia. Our East Asia region hosts educational EDI programs and events, with an emphasis on gender equity. And our Europe region has been focusing their work on our Global Inclusion Commitments. We have leaders around the business who actively support EDI work as sponsors, champions, mentors and role models. We also have amazing cohorts of passionate, inspiring and dedicated members pushing Arup to be the best it can be.



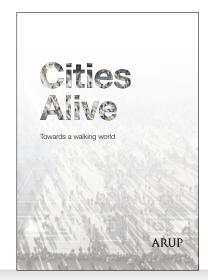
# Our work on designing inclusive cities



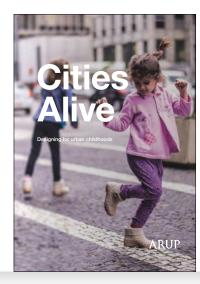
Designing cities for women



Designing cities for all ages



Designing accessible cities



Designing cities for children



Queering Public
Space



Queer Perspectives on Public Space



Racial Equity and the City



**Aural Diversity Toolkit** 



Social Equity Toolkits

We have enjoyed external recognition of our work both as we benchmark against other businesses and through different partnerships. For example, since 2021, we have earned a score of 100 on the Human Rights Campaign Foundation's Corporate Equality Index for our leadership in LGBTQIA+ workplace inclusion. We are also a member of the Valuable 500, a global collective of companies working together to end disability exclusion.

Our Connect Networks (ERGs) provide an important lens through which we can see our firm and understand how our policies and practices affect our members. These communities are formed around different identities and lived experiences — gender, race, culture, disability and our LGBTQIA+ communities. We have developed global guidance to help set up our Connect Networks for success and provide clarity and consistency to their roles and remits. In 2024, our Connect Women network is celebrating 15 years of existence.

We have established a cohort of rising leaders called Future Voices to work with our global leadership, providing a more diverse set of perspectives and insights on developing initiatives and programmes. Going forward, this cohort will deepen their working relationships with global leadership, including the Arup Group Board, building on their roles as trusted advisors whilst developing their own visibility and confidence to be our leaders of the future.

Our response to the murder of George Floyd saw us form working groups across our firm, which created Global Inclusion Commitments and regional action plans. For example, our Australasia region created a Race, Ethnicity, and Culture Action Plan, which was recently awarded Consult Australia's People First award.

## Regional recognition and awards



**Human Rights Campaign Foundation's Corporate Entity Index** 

Leader in LGBTQ+ Workplace Inclusion (Americas)



**Stonewall Workplace Equity Index** 

Top Employer (UKIMEA)



**Australian Workplace Equality Index** 

Bronze Employer (Australasia)



**British LGBTQ+ Awards** LGBTQ+ Network of the Year (UKIMEA)



**Disability Confident Scheme** 

Level 2 Disability Committed Employer (UKIMEA)



**Consult Australia** 

People First Award: Race, Ethnicity and Culture Action Plan (Australasia)

2023-24 CONSULT AUSTRALIA

**AWARDS FOR EXCELLENCE** 



**Digital Innovation Awards (internal)** 

Europe Region Office Accessibility and Inclusion Dashboards



Through our Welcome to Arup onboarding programme, we ensure that our approach to EDI is visible from induction. We have developed an inclusive leadership framework, which will inform the leadership capabilities we expect of all our leaders, and it will be woven through our leadership programmes, appraisals, promotions and talent planning.

We want to work as One Arup such that whoever and wherever you are in our business, you have a consistently positive experience throughout your career here. And we know we are not there yet.

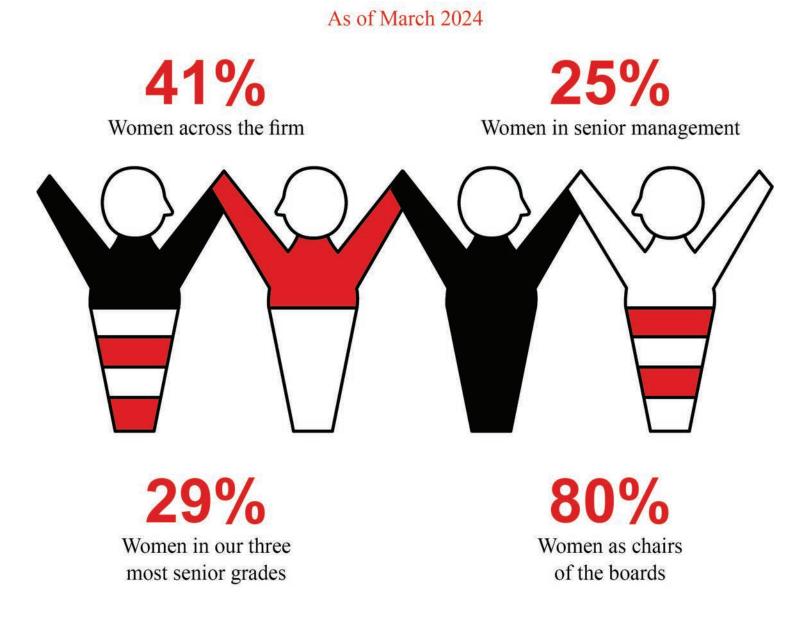
Our ambition is to move from EDI being seen as a niche activity, a nice-to-have, to a must-have where everyone belongs and contributes as we deliver sustainable, innovative solutions for our clients and partners, with diverse and inclusive teams.

We want everyone — regardless of age, disability, long-term illness / condition, sex, gender identity or expression, marriage / civil partnership, pregnancy or parental status, neurodivergence, mental health, race or ethnicity, size or stature, religion or belief, sexual orientation, socioeconomic background, discipline or employment type — to feel that Arup is a place where they truly belong.



#### Our data

Much of the data we hold globally refers to gender, as historically this is where we began our work on EDI and is the area where data is most universally available.



When we look at our data intersectionally, the number of women from racially marginalised groups on our boards is so small that we would not report on it. Similarly, we need better data — for example, about our disabled members, people from the LGBTQIA+ community, the languages that we speak (currently over 30), our nationalities, flexible working and different religious beliefs. Knowing our people better helps to create a sense of belonging. So, we have some work to do to gather this data, both in terms of respecting the legislation in different countries and in terms of working with our people to improve the levels of trust and sharing such that our reporting is more robust.

We do collect, analyse and, in some regions, report on diversity data like annual pay/promotion equity reviews and retention metrics. This enables us to keep track of how equitable our processes and outcomes are. During the course of this strategy, we will be enhancing our approach so that it consistently forms part of the management information that informs our decision making. Our new people management system will support a global approach to diversity data capture and reporting.

Alongside this, we have data from our Working at Arup engagement surveys and regional inclusion surveys. These serve to give us a snapshot of our culture and the levels of engagement of our people. This is a crucial source of data and one which we will make more of as we mature in our approach.

We have Regional Engagement Boards in the UK, and our Connect Networks provide us with perspectives from diverse lived experiences. However, the grassroots development and growth of these groups has resulted in a patchwork approach, such that some regions and identities are not represented. We are rich in anecdotal information — where there have been instances of us not challenging inappropriate behaviours adequately or being reactive. We know from our engagement surveys that our tolerance for poor behaviours is too high, and this needs to change.

Measurement will be core to our work. And just as we have targets for financial performance, carbon emissions, and health, safety and wellbeing, we will set targets for year-on-year increases such that we are truly representatives of our communities, in all areas regardless of grade — from apprentices and interns to our Board members.

# What we're going to do

Moving from EDI to belonging requires us to build the EDI knowledge, skills and confidence of all our people. It requires us to make systemic changes — based on evidence and measuring the impact of what we do, understanding the barriers to progress and by holding ourselves to account for our actions. It involves inclusive leadership that facilitates culture change, collaboration with our clients and working closely with communities.

#### Focus on four areas



1. Our people



2. Our culture



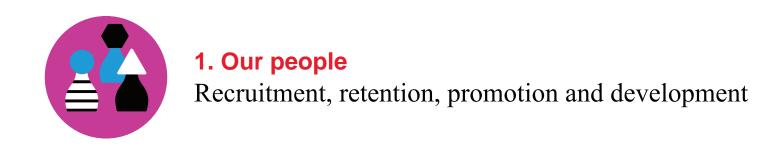
3. Our clients and partners



4. Our communities

Our ambitions in five years' time — our people better reflect the communities that we serve and the geographies that we work in, from global leadership to local teams; our boards are more diverse and inclusive; our people and our influence on the built environment are sustainable and safe; and we are actively addressing inequity in communities — and we are recognised for this progress.





Whether you're an apprentice, intern or engineer; a planner, software engineer or people specialist; a project manager, director/principal or board member; Trustee or Fellow, we want diverse representation at every level of our business — from gender, ethnicity and first languages to diversity of thought, experience and disciplines. We want our colleagues to have a better understanding of cultural differences and see them as additives as opposed to deficiencies. Our strength comes from how we respect, share and connect our diverse experiences, perspectives and ideas.

We will ensure that we integrate EDI throughout our career pathways, as we mitigate bias in our talent acquisition, learning and development, and talent management processes. For example, we will review our recruiting practices to ensure that we actively seek and attract candidates from a wide range of backgrounds. We will also require everyone involved in recruitment and hiring to undertake inclusive hiring training and embed EDI into our onboarding, as we do with health, safety and wellbeing.

Our regions will support and enable our Connect Networks, which we want to grow so that they are more representative and provide opportunities for colleagues to help support our ambitions. We also want to develop the engagement of our Connect Networks and our Future Voices at the board level so that we are accessing the widest spectrum of contributions possible.

#### **Connect Networks**

Our Connect Networks are employee-led groups designed to foster a sense of community, support and belonging among members who share certain characteristics, for example, gender. These networks play a crucial role by providing safe, open and supportive spaces for discussion and collaboration. They advocate for positive change within the firm, support organisational alignment with Arup's values and ensure that the voices of underrepresented groups are heard and valued.

Community building: They create a sense of belonging by building community and networks among members.

Visibility and awareness: By raising awareness and visibility of various groups, they promote a culture of inclusion and allyship.

Support and resources: They provide access to resources and support for members, enhancing their wellbeing and career progression.

Advocacy and impact: These networks bring a collective voice into regional and global EDI structures, advocating for impactful changes that benefit all employees.

Collaboration and learning: They foster a culture of learning and listening, encouraging collaboration across regions and networks.



"No matter how wonderful an organisation we can devise, its success depends on the people working in it — and for it."

Sir Ove Arup, The Key Speech



We will cultivate leadership and working environments that are palpably inclusive, where we lean into and reward inclusive behaviours and root out those behaviours which counter people being able to be themselves, do their best work and feel like they belong. We've created an Inclusive Leadership Framework based on leading global research, which outlines six core skills of inclusive leaders. This framework is being integrated into the capabilities expected of leaders at Arup — part of our ambition for our culture is that inclusive leadership is simply considered good leadership.



Creating diverse inclusive and safe teams and working environments requires both our physical and psychological safety, be it on site, in our offices or in situ with our clients and partners. Wherever we are, we want to feel safe, and if the conditions are not tenable to achieving this consistently, then we will make the necessary changes. We aim to create environments where members feel safe to speak up and their voices are heard and listened to.

Our Behaviour Charter strengthens our inclusive and collaborative culture by setting out how we work together. The charter is the common framework for how we work together — already translated into 11 languages, we want it to be a live framework, owned by all and enabling an inclusive culture that supports equity and diversity. We will build our skills and confidence to hold brave conversations with candour and clarity, particularly where our behaviour falls short of the standards that we have set and expect. We will equip our people with an understanding of EDI underpinned by our cultural humility which will foster a culture of continuous learning. For example, we will develop a better understanding around cultural differences in communication style and tone, including how dominant cultures influence the styles and voices we elevate. An open environment that embraces diverse experiences, perspectives and ideas is what drives our excellence.

We will review our reward frameworks and programmes, and work to identify and eradicate pay gaps based on gender, race/ethnicity or disability (where local regulations allow data collection). We will build allyship and provide bystander training so that our people know how to intervene if things go wrong. And we will build psychologically safe environments wherever you are in Arup. All these activities establish a climate where people can thrive, learn and deliver excellence for our clients and communities.

The Arup Beha As members of a Humane Org equity, have care for all and s	ganisation we strive to ensure
Respect	Equity
for all	for all
Responsible	Care
for all	for all
Candid	Kindness
with all	for all



Our values and alignment with the UN Sustainable Development Goals steer our partnerships — the spaces and systems we contribute to should be equitable and accessible for all.

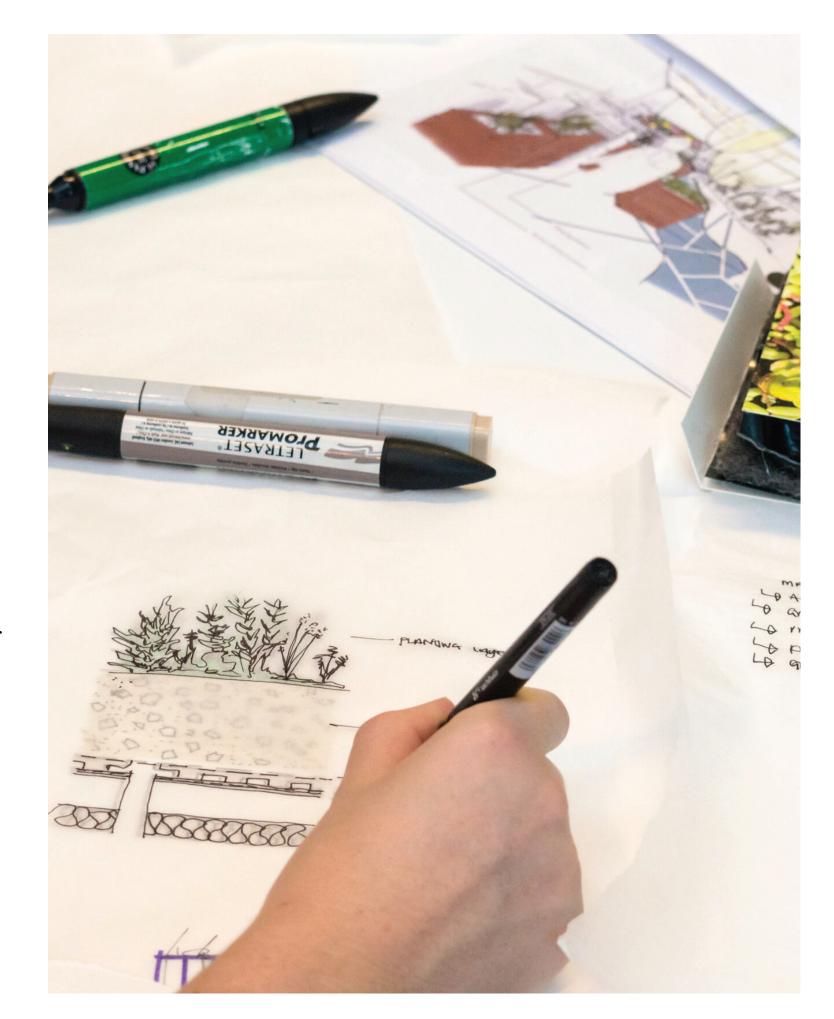
We will provide our clients and partners with the best teams, made up of diverse experience, expertise and thought, building on the sum of our parts to deliver remarkable outcomes. We will seek to collaborate with those clients and partners who share our ambitions, finding alignment in our values while respecting legal and cultural differences. We know that some are further along in delivering EDI than we are, just as some are beginning their EDI journeys. We also know that the journey to belonging takes different paths. We will use our influence to promote EDI and contribute to social value in our work, while we learn from and support our clients and partners, for example, as we build accessible transport infrastructures or help to make clean water more accessible.

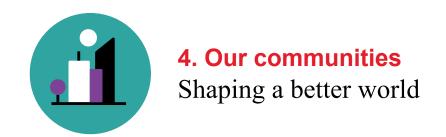
We recognize that our work in the built environment takes place in historical contexts of inequity and systemic discrimination that continue today. We must understand how the built environment has contributed to inequity so that we can deliver social value through sustainable development. We will look to work with our supply chain to support them to fulfil our EDI ambitions. Our procurement and supplier diversity should reflect local geographies, as well as the increasing diversity of our clients and partners. Our Behaviour Charter sets clear expectations of how we treat one another, and we will find opportunities to embed the charter into our project work as guidance for respectful and inclusive collaboration.

We can only meaningfully contribute to sustainable development if we work in partnership with others. Arup collaborates with globally influential bodies and institutions to push for step-change outcomes in issues like climate resilience, energy efficiency, the circular economy agenda and the push for greater infrastructure resilience. These partnerships address systemic challenges, creating connections between commercial experts, government representatives, policy makers, civil society and the wider public. In many different ways, they allow progressive ideas to gain credibility and momentum, moving our industry forward. We will seek opportunities to collaborate with, influence and learn from partners focused on improving EDI in our sector, in the built environment and in the wider societies within which we operate.

"Humanitarianism also implies a social conscience, a wish to do socially useful work, and to join hands with others fighting for the same values."

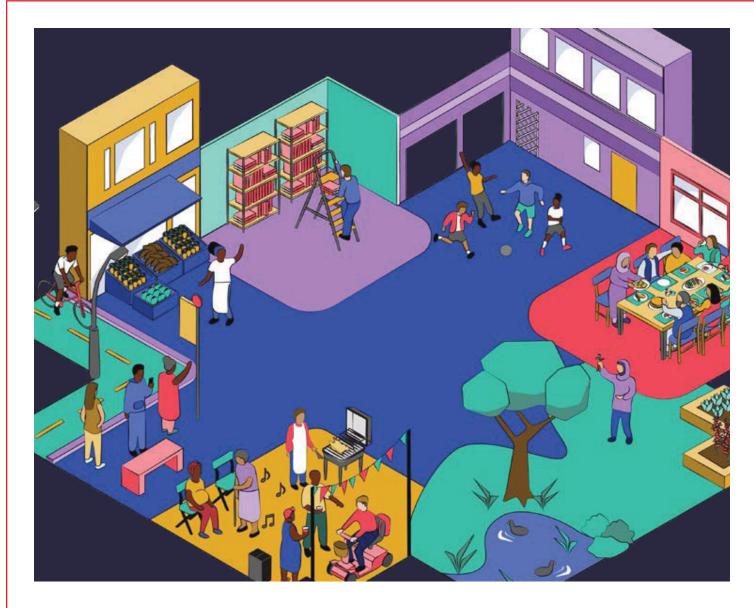
Sir Ove Arup, The Key Speech





As a firm, we are dedicated to sustainable development and to doing socially useful work that has meaning. Now, as we embark on critical change, we have opportunities to give our EDI work coherence and consistency, such that wherever we are, we are known for EDI — in the way we recruit, develop, promote and retain our people; in the ways that we interact with each other with respect, curiosity and cultural humility; and in the interactions with and solutions for our clients, partners and communities.

Our members are citizens, and through our work in local communities we know that we contribute to shaping a better world, be it the sustainable development of local infrastructure; establishing safe, inclusive physical and digital spaces that are accessible and enhance community wellbeing; or working in environments where we are helping to reduce inequity. This work raises the bar for best practice and fulfils our ambition to create a fairer, more sustainable world for everyone. Our approach to health, safety and wellbeing (HSW) is one where we understand that HSW has different impacts on different communities, for example because of socio-economic factors and systemic inequity.



# **Racial Equity and the Built Environment**

As part of our <u>Cities Alive</u> series, we are publishing work on Racial Equity and the Built Environment — which seeks to equip us and our collaborators with the skills and knowledge to understand how our work can exacerbate inequity in the built environment, but also has the potential to mitigate it. This programme aims to help us change our practices, deliver social value through our projects and influence our clients and the industry.

# Inclusive and accessible design

Inclusive design aims to produce environments that are accessible and usable by everyone, whatever their ability, age, culture, faith, gender, family or economic status. Arup's inclusive and accessible design services span the entire project lifecycle from accessibility design reviews and audits, through to EDI assessments and accessibility guideline development. We also offer design training, to help the next generation adopt inclusion and accessibility across their work.

Implementation of this global EDI strategy will include equipping our members to integrate inclusive design best practices into our projects as we codesign accessible and inclusive solutions with our collaborators and communities.

## **Community Engagement: Our pro bono programme**

Our global <u>Community Engagement</u> programme enables us to use our skills, expertise, networks and time to ensure we fulfil our sustainable development commitments to leave no one behind. It enables us to reach communities where our commercial projects might not take us and to serve those with the greatest unmet needs. Through these projects, we contribute towards a future where all individuals and communities live in a safer, more resilient, and inclusive world with equal access to opportunity, economic prosperity, resilient infrastructure and a better quality of life for all.



Little Island, Hudson River Park, New York, USA

# Sustainable development and social value

Arup is a global collective dedicated to sustainable development. And EDI is a fundamental to this work. Ensuring that diverse groups, cultures and practices thrive, and closing inequity gaps improves the quality of life for everyone. A truly diverse and inclusive workforce and an approach that focuses on belonging will deliver outcomes that could never be delivered without it.

At Arup we believe that every project in the built and natural environment should tangibly improve the lives of users and communities — from accessibility for all to educational and job opportunities to historical injustices that should be addressed and overcome. Clients and communities' goals can and should overlap, and we can work to create long-term social value and equity as part of any scheme, right from the start.

We co-create solutions with communities to ensure that projects, policies and strategies are designed and implemented to ensure positive quality of life outcomes for those involved. Building strong relationships with community-based organisations is critical to achieving equity and justice goals that overcome past harms in the built environment.

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#### Success means...

Our success will be based on what our people say about working at Arup. We want them to say they feel safe, that they feel that they belong, that they can do their best work, that there are no institutional barriers to their progression and that their leaders are inclusive. We will in turn attract the sharpest talent from around the globe, as we become known for our culture of belonging.

We will see better representation of local communities in leadership positions in our regions. And alongside what our people say, we will see our attrition rates reduce because people want to stay, and when they do leave it's not for negative reasons. We want zero tolerance of unjust discrimination.

We want our clients and partners to recognise us for doing work in this area. To know that they have access to working with excellent diverse teams. To feel the difference in how we collaborate: that we are even more innovative and creative because of the teams we pull together. That they initially notice our diversity and inclusion, and it becomes business as usual — such that they then notice when it is missing and challenge us.

We want the links with HSW, Community Engagement and sustainability to be well understood by our people and our collaborators. And we want the projects that we deliver across our communities to help to further EDI and belonging, from transportation equity to tailored co-design with people whose lives are most affected by our work.

Our measures will tell us that we are changing, and our people will have confidence that our systems are bias free. And even if an outcome is not what they wanted, they will have been treated equitably, with dignity and respect. More transparent and equitable decision-making will build trust and facilitate better business outcomes. We know, too, that as we change, we may see an increase in the reporting of poor behaviours or the adoption of formalised processes because people have confidence that it will be addressed.

Being a genuinely global businesses rather than a business that can be perceived as dominantly "Westernised" in its sensibilities will be a great measure of success, including the languages that we use, how our commercial considerations are informed and the ways our respective cultures shape our interactions.

#### **One Arup**

Arup is a collective of 18,500 designers, advisors and experts working across 140 countries. *From EDI to Belonging* is designed to bring a consistent experience of EDI and belonging across our membership, aligning with our longstanding values as a firm. We are committed to respecting local nuances, from cultural differences to government requirements, recognising the unique contexts in which we operate. Achieving this will require deep curiosity and cultural humility as we navigate the complexities of being a truly integrated global firm.

# Together we will build:

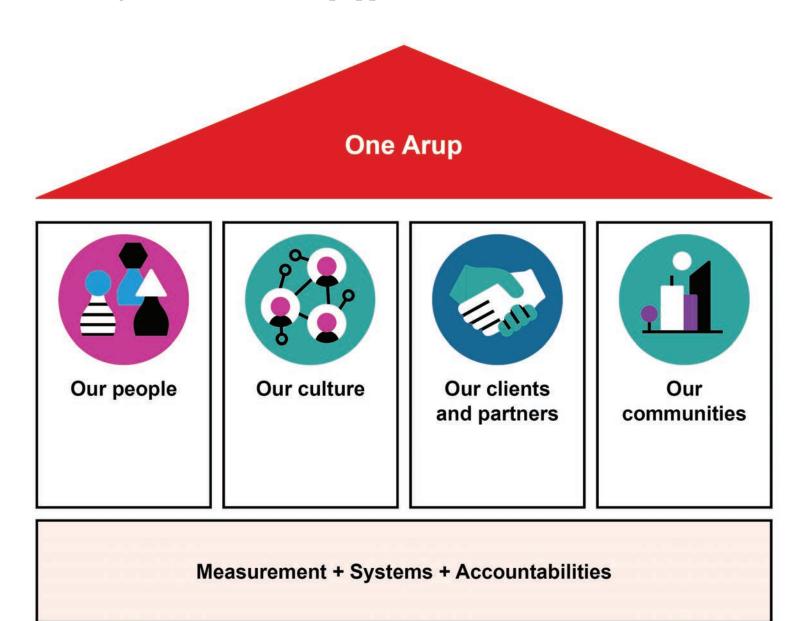
- A culture where there is more belonging
- Leadership that is more inclusive
- Projects that exemplify and integrate EDI and deliver for our clients and partners



# How: Three essentials

There are three essentials to our approach:

- Measurement having the data and evidence to inform our work
- Having systems in place that are free from, if not mitigated for, bias
- Building in accountability at the right points, whilst making sure that we are equipped to deliver



#### Measurement

We will be improving the data that we collect and the ways in which we use it. Our new people system will enable us to understand our demographics through an intersectional lens, as well as trends in recruitment, appraisals, promotions, retention, mobility and opportunities. And we will see where the blockages are.

Research on confirmation bias shows that people generally consider themselves to be inclusive. We will establish clear mechanisms for listening to and integrating both quantitative and qualitative feedback from our underrepresented members to identify barriers and opportunities to improve inclusion and belonging.

Diversity targets provide a tangible way to track our progress with clear, measurable goals. We have met our initial gender target of 40% women, 40% men, 20% any gender (40/40/20) across our membership, and we are now working toward 40/40/20 in our three most senior grades. As we develop a better understanding of the diversity of our global membership, we will set targets to improve representation across our regions, businesses and markets. We also note that demographic data are just one metric among many — qualitative metrics such as surveys and member stories help us capture the full scope of our progress and impact.

#### **Systems**

These measures will support systemic change. For example, research shows that in feedback processes, Black employees get 26% more unactionable feedback than non-Black employees — often through managers' lack of cultural humility and fear of difference. This leads to an underrepresentation of people from marginalised groups in leadership positions, and we at Arup are no different. So, our systems and practices — from recruiting and development to promotions and succession planning — need to be reviewed for bias and amended so that they are more equitable and transparent, giving greater confidence in the outcomes.

#### **Accountabilities**

We will introduce EDI objectives for our leaders, which will form part of their development plans and appraisals. These can range from engagement with Connect Networks through to taking inclusive hiring training to establishing diverse teams and integrating EDI into their work.

And where we identify people discriminating, behaving poorly or manipulating the system, we hold them to account. So, if a team is homogenous or opportunities on projects are not shared, we are better placed to challenge, and our tolerance for poor behaviour reduces.

Regular reporting on the delivery of this strategy is part of our accountability. We expect to produce a dashboard so that our progress and challenges are clear to all and so our leadership can use it to inform their decision making. And like HSW we will have targets for performance and to measure our progress.

# Who: Shared ownership

To progress from EDI to belonging, we are all accountable and we need different teams in our firm to be accountable for specific elements of our strategy. Here are some examples:

- Our Procurement team oversees supplier diversity, and while the EDI team will contribute to how we enable more work with small, medium and/or disadvantaged enterprises and local providers, our Procurement team will lead.
- Our Ventures team look at the diversity of their initiatives.
- Our People teams will deliver support around our behaviours whilst communities of expertise will review our people processes.
- Our HSW team, who are building our safety culture, will lead on psychological safety.
- Our digital and communications teams will be accountable for the accessibility of our software and our website for our disabled members and clients.
- Our project leaders and teams will develop their knowledge and skills around inclusive design and social equity in the built environment.
- Our clients and partners also have an essential role, as we seek to collaborate to address systemic challenges and advance EDI in our sector and communities.

A consistent integrated approach across the business will help us with measurement and sustained systemic changes. Where local solutions are more effective, we will enable and support regional nuances.



<sup>\*</sup>currently only in the UKIMEA region

# Why now?

#### **Our business imperatives**

In our recent annual report, we said, "An equitable, diverse, and inclusive Arup is essential for the successful future of our firm" and in alignment with our values. This alignment with our values means that we will place more emphasis on EDI and belonging throughout our business.

# We are shaping a better world

We are an ever-evolving business, and we want to move to be truly global. We are more than a firm that is based in the United Kingdom, and we must ensure that our aims and values unite us in a common shared experience of the firm, wherever we are, rather than values and practices perceived as culturally specific and exclusionary. We are a humane organisation that puts our people's individual safety and wellbeing first. This requires cultural humility, where we all reflect on the perspectives that we bring, are open to continually learning about different cultures and ways of being, and respect each other as colleagues and human beings first and foremost. We want to better harness and draw on the diversity of expertise and experience that we have as One Arup, for our clients and to change the world.

#### We want to attract and retain the best talent

Our reputation for excellence is one that we hold dear. And to enhance our firm and attract the talent who give us the edge, we want to be explicit about our commitment to EDI and what we want to achieve. And we do this against a backdrop of economic downturns and increasingly divided societies. Research also reminds us that the majority of Gen Zers and millennials say that an organization's societal impact is an important factor when considering an employer. They believe they have the power to drive change within their organizations, particularly when it comes to diversity, equity, inclusion, wellness and social impact.

# It's good for business

Research shows that businesses that address EDI intentionally and in a structured way benefit from better engagement with their people, because they feel that their opinions are genuinely sought after and their contributions are valued; and we know that our decision-making is enhanced because of the diversity of contributions; and we know that we attract wider talent because people see themselves reflected in the business.

# Arup's Aims (from Ove Arup's 1970 Key Speech)

- 1. Quality of work
- 2. Total architecture
- 3. Humane organisation
- 4. Straight and honourable dealings
- 5. Social usefulness
- 6. Reasonable prosperity of members

#### **Board actions and investment**

In July 2023 we established an EDI Year of Action plan in response to strong feedback from our membership, led by our Connect Networks, that we move beyond words to tangible action. This strategy is one of the outcomes of the EDI Year of Action alongside establishing global sponsorship and leadership of EDI. Our leaders on the Joint Board have also formed an EDI Working Group to influence the diversity of our existing Board of Trustees, Arup Group Board and Fellows, and exemplify the inclusive leadership that we want firm-wide. This entails our Joint Board members leading by example, through improving their own inclusive leadership skills and behaviours, engaging with our Connect Networks and continuous learning about how other Boards approach EDI — all of which is part of us moving from EDI to belonging.

# We want to tell our story about EDI

As we build our One Arup approach, ours is a story of a humane organisation that boasts an extraordinary collective of talent. We will be even better when we comprehensively address the institutional barriers and behaviours that result in some people having less access to opportunities because of sexism, misogyny, racism, homophobia, transphobia, xenophobia, Islamophobia, anti-Semitism, ageism, ablism, neurotypicalism and socio-economic exclusion. Ours is a story where in delivering sustainable development and improving access to resources, we are delivering social value and redressing historical and existing imbalances. And by being more joined up we can learn and share our experiences.

#### **Our challenges**

Externally, we know that EDI can mean different things in different countries. And the last couple of years have been particularly hostile to EDI, with US court decisions on affirmative action and the UK government talking about defunding such work in the public sector. The hostility is also a backlash to the perceived gains and disbenefits — assumptions that if we appoint women, men miss out, or that levelling the inequity experienced by people from historically marginalised groups means that historically advantaged groups lose. This is simplistic and at best a misunderstanding.

Given these challenges, we will continue to prioritise EDI and belonging because it is the right thing to do for our values and our people, as well as our global clients and communities. We will find common ground based on our shared values for all to be included within the firm while balancing it out against nuances or differences in the societies in which we operate. We will work hard to nest our EDI strategy into our business approach and our member experience, by continually reinforcing our values and purpose.

Communities are not safe if a section of that community experiences discrimination and exclusion.

We must also consider the global economic downturn and commercial considerations. Creating sustainable, safe and accessible work environments can feel costly in the short-term, but research shows that incivility and poor behaviour in the workplace has lasting financial implications for business, including decreased productivity and quality of work, as well as the cost of replacing those who leave. Having teams made up of diverse talent from around the world is an investment worth making if we want to have the best innovative solutions. We know that if we are inclusive by design, the long-term benefits are sustainable.

We want our leaders to be on the same page, as they experience and promote the benefits of diverse teams. There can also be tensions between local, geographical, regional drivers and global priorities, which can provide opportunities to practice curiosity and cultural humility.

Collectively, we have an intellectual appreciation of EDI — rarely will you hear our people saying they don't understand EDI. Although, we are aware that some of the majority (White or UK or male) can feel left out or left behind, and some have expressed a concern that in implementing EDI there is potential to diminish standards. But because of our emphasis on excellence and our emphasis on inclusion, we are confident that that won't be the case. We will avoid creating harmful outcomes — like tokenism or people making subjective decisions — whilst delivering bespoke programmes that focus on particular communities, for example development programmes and mentoring.

We need to reduce the dissonance, where leadership and our policies say one thing, whilst some of the behaviours and experiences reflect the opposite — this makes colleagues ill-at-ease, can reduce engagement and can cause attrition, which is why our systems need reviewing for bias in application and outcome.

# What's next?

#### **Collective action**

Implementing our Global EDI Strategy will require a collective effort and programme of work.

- We'll need to work together to align regional efforts, work that has already begun in some regions.
- We'll build a better understanding of the data we hold and implement plans to more consistently collect, track and report on equity metrics.
- We'll partner with communities of expertise across the business to embed EDI into our systems, processes and project work.
- We'll develop inclusive leadership skills across the firm as we integrate them into our expectations of leaders.
- We'll establish cross-disciplinary working groups, including working with our Connect Networks, as we develop and deliver solutions and initiatives.
- We'll regularly report on progress.



Sydney office, Australia

# Appendix

#### **Key terms**

### Belonging

The extent to which people feel part of the larger whole — truly valued, respected and understood for their unique identities, backgrounds and contributions

## Equity

Ensuring practices, processes and policies are designed to promote fair treatment for all

### Diversity

Strengthening the organization by increasing the representation of historically underrepresented groups

#### Inclusion

Creating a culture that individuals trust as respectful and accountable — both within our workplaces and as we engage with clients and communities in the built environment

# Cultural humility

Recognising that everyone is a shaped by their culture and background in different ways, including yourself

Actively learning about your own cultural background, while also learning about and respecting the cultures and customs of others

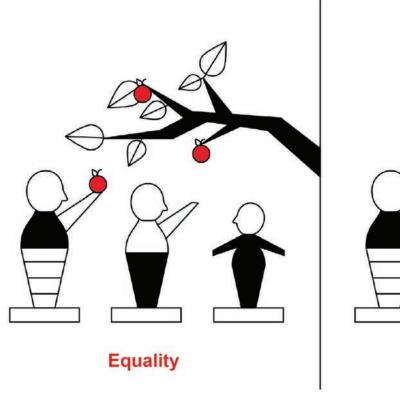
# Psychological safety

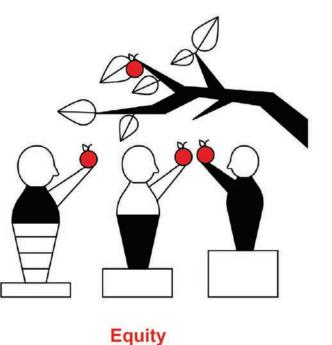
A shared belief held by members of a team that it's okay to take risks, to express their ideas and concerns, to speak up with questions, and to admit mistakes — all without fear of negative consequences. Inclusive leadership is essential to cultivating psychological safety on teams and projects.

#### Unconscious bias

Unconscious bias refers to the automatic and unintentional judgments or stereotypes we make about people based on their race, gender, age or other characteristics, without even realizing it. These biases can adversely affect decision-making in the workplace by leading to unfair treatment, missed opportunities for diverse talent and an overall less inclusive work environment.

While it's impossible to eliminate unconscious bias entirely, as it's a fundamental part of how humans navigate the world, it is essential to raise awareness about these biases and their impact on decision-making. Research shows that by bringing these biases to light and integrating tools and practices that mitigate their influence, we can create a more equitable workplace where decisions are more objective and inclusive.





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### **Understanding regional terminology: Race and ethnicity**

The language we use to describe race and ethnicity varies around the world. While the terms may differ, the core issue remains the same: people have been historically marginalized due to perceived differences based on socially constructed racial and/or ethnic identities. Here are some common terms used to describe these groups:

- People of color: A broad term used mainly in the United
   States to refer to non-white individuals, highlighting
   solidarity among different racial groups.
- BIPOC: Stands for Black, Indigenous and People of Color. It emphasizes the unique experiences of Black and Indigenous people, while also including other people of color.
- Global Ethnic Majority: A term that acknowledges that people who are considered minorities in certain countries are actually part of the global majority.
- Racialised: Used in countries like Canada and the UK, this term highlights that race is a social construct imposed on certain groups. It describes the process by which race becomes a defining factor in people's lives, often leading to unequal treatment.

## Other regional terms include:

- Visible Minorities: Commonly used in Canada to refer to non-white, non-Indigenous people.
- Minority Ethnic: Used in the UK to describe people who belong to ethnic groups that are smaller in number compared to the majority population.
- Culturally and Linguistically Diverse (CALD): often used in Australia to describe individuals from non-Anglo-Celtic backgrounds. This term highlights cultural and linguistic differences rather than focusing solely on race.

- Ethnic Minorities: In East and Southeast Asia, the terminology often focuses on ethnic and national origins rather than broad racial categories like "people of color" or "BIPOC."

It's also important to recognize that whiteness is a socially constructed category, and its definition varies regionally and historically. What is considered "white" in one country or era might differ in another. This construct often signifies a position of social and economic privilege, and understanding its fluid nature helps us better grasp the complexities of racial and ethnic identities.

## Pay gaps and pay equity

The term pay gap typically refers to the difference in average earnings between groups such as men and women, or different demographic categories. It highlights trends in compensation disparities along factors such as gender, race or disability. The pay gap is often expressed as a percentage, representing how much less (or more) one group earns compared to another.

Pay equity (adjusted pay gap), on the other hand, focuses on ensuring fairness in compensation for work of equal value. It goes beyond the simple comparison of average earnings and seeks to eliminate wage discrimination. Adjusted pay gap calculations take into account factors like job roles, responsibilities, qualifications, and experience to determine whether individuals are compensated fairly for similar work, regardless of demographic differences.

Ensuring that pay differences are not based on gender, ethnicity or other protected characteristics is a key aspect of our reward management. In everything we do, we ask how it contributes to a more equitable, just and inclusive society and sustainable world. During the annual pay review, data is available to leaders to support equitable decision-making. Our established governance ensures pay decisions are always reviewed by wider leadership.

#### What's the difference?

- Scope: Pay gap examines broad average earnings disparities between groups. Pay equity delves into the fairness of pay for similar work.
- Goal: Eliminating pay gaps aims for equal representation at all organizational levels. Achieving pay equity ensures fairness in compensation practices.
- Historical context: Pay gaps are influenced by historical demographic trends in professions, such as the underrepresentation of certain groups in higherpaying fields due to historical barriers and biases.
- Complexity: Addressing pay gaps involves tackling systemic issues rooted in societal norms and historical inequalities, making it a complex challenge that requires strategic and nuanced approaches.

Many countries where we operate require pay gap reporting, and calculation methods vary. We will work to develop an integrated approach to understanding our pay gaps at Arup, while respecting local legislation.



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