

A photograph of three people in an office setting. A woman with dark hair in a braid, wearing a grey cardigan over a black and white polka-dot top, is sitting at a desk and looking towards the left. In the foreground, a man with glasses and a blue patterned shirt is wearing large white headphones and looking towards the left. Behind him, another person in a grey hoodie is partially visible. The background shows office windows with blinds. The image is overlaid with a green and red geometric design on the left side.

GENDER PAY GAP REPORT 2020-2021



INTRODUCTION

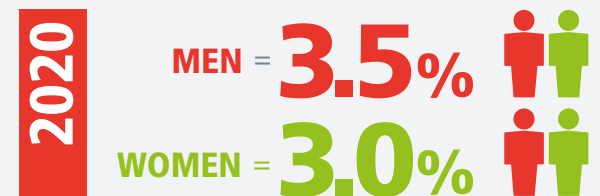
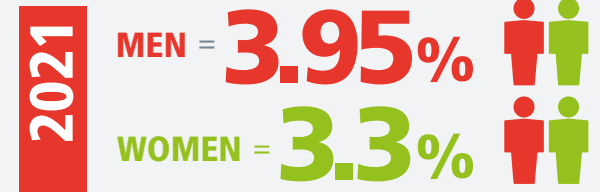
Welcome to our fourth Gender Pay Gap Report. This year's report covers our data for two years, in line with the Government's relaxation of annual reporting during the Covid pandemic.

I am proud to lead the team of extraordinary people at AWE, people who are themselves proud to contribute to such an important mission. We rely on being able to attract extremely talented and dedicated people; to achieve this we must offer a competitive and attractive proposition and ongoing development and inspiration. We continue to progress in improving our gender balance and in tackling the challenge of eliminating the gender pay gap.

I am determined that we shall continue to do everything that we can to underwrite equality and fairness as first principles and build on AWE's reputation as an inclusive organisation and a place where everyone is able to contribute their best.

Alison Atkinson, CEO of AWE

Proportion of
**MEN &
WOMEN**
AWE employees
who received
**BONUS
PAY**



 Number of **WOMEN** in senior posts

21.7%

 Pay between **MEN & WOMEN** AWE employees

2021 **17.9%** = Difference in **MEDIAN PAY**
13.1% = Difference in **MEAN PAY**

2020 **17.5%** = Difference in **MEDIAN PAY**
13% = Difference in **MEAN PAY**

FOREWORD



Our approach has always been to maintain a steady trajectory in reducing the gender pay gap, aiming for sustained but gradual improvement, recognising there are no quick fixes.

Attracting individuals with the unique skills that we need at AWE requires us to draw upon as wide a pool of recruitment talent as possible. Our focus on innovation, 'ground-up' employee engagement, a strong programme of wellbeing and support initiatives, professional and academic proactive career development and a flexible working environment, all form a key part of this.

We will continue to focus on achieving sustainable progress. We hope you find the report of interest.

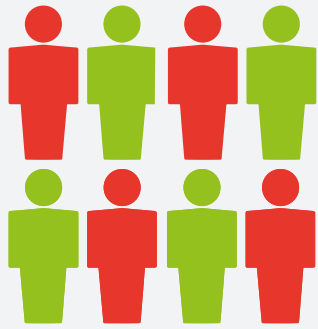
Tony Mather, Executive Director Security and Diversity and Inclusion Lead for AWE.



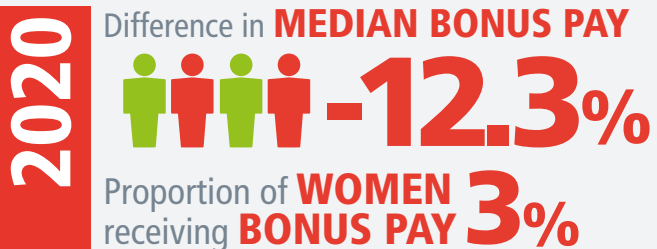
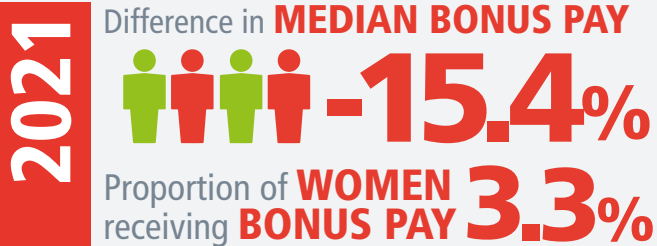
We continue to make progress in our gender pay gap since our last report in 2019, but there is still more to do. It's important to highlight the efforts of our own people in working hard across the business to enable, mentor and develop their colleagues - women and men - to be able to fulfil their potential.

We must carry on working in tandem, on the one hand ensuring that AWE is the kind of organisation that offers not only unique professional career opportunities, but also that it is home to a flexible and inclusive working environment that focuses on talent, not on gender.

Megan Hunt, Executive Director, Human Resources for AWE.



BONUS PAY
between
MEN & WOMEN
AWE employees



OVERVIEW

There are no material differences year on year to our overall gender pay gap.

There is a slight increase in AWE's Median Gender Pay Gap (from 17.5% in 2020 to 17.9% in 2021) AWE's average Gender Pay Gap has increased by 0.1% in 2021 (from 13% in 2020 to 13.1%). In monetary terms, this equates to an increase of £0.06 per hour (i.e. from an hourly median of £4.30 per hour to £4.36 per hour). The Mean gap has widened by one pence, to £3.37 per hour, from £3.36 per hour.

The total population of men and women at AWE has increased, with a slightly higher proportion of women than men compared to the previous year. Both mean and median bonus awards continue to favour women. Regarding bonuses, the positive variance for women reflects the good balance of gender at both Executive Team level and the percentage of women in senior posts (D grade) has risen to 21.7% (from 19.9% in 2019).

- AWE's Median Gender Pay Gap increased to 17.9% in 2021, up 0.4% (equivalent to 0.06p) from a median difference of 17.5% in 2020.
- AWE's average Gender Pay Gap increased to 13.1% in 2021, up 0.1% (equivalent to 0.01p) from 13% in 2020.
- This widening of the gap in monetary terms is an increase of £0.06p from an hourly median of £4.30ph to £4.36ph. The Mean gap has widened by 1p to £3.37ph from 3.36ph

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The reporting period is 5 Apr 20 to 4 Apr 21, and reflects Leadership pay, bonus and incentive awards paid in June 2020 and Executive awards paid in April 2021 - this is consistent with previous years.

Overall, the AWE data show the effect of our ongoing, long-term initiatives to address the gender balance within the organisation. AWE. The impact of good practice across recruitment, promotion, monitoring of pay and development opportunities is having an impact and we will continue to ensure that everyone at AWE, regardless of gender, is valued and rewarded for the work they do.



CASE STUDY

Stacey, Product Realisation Team Lead

Stacey has been with AWE for 20 years and is a project team lead. It was important to her to join an organisation that offers opportunities to move into different areas of the business so that she could advance her career in a variety of challenging roles.

As chair of AWE's gender balance group, she believes that a diverse organisation allows people to celebrate their differences and make the most of what they bring as individuals. "I think we all recognise that being part of a varied team opens up a wider pool of ideas, solutions and approaches to working together and solving problems."

"It is also important that people have role models in an organisation to demonstrate that we can all reach our potential. Mentoring and career development, especially for people mid-career or who want a change in their career, is something we're working to support."



CASE STUDY

Cleo Howie, Wellbeing Manager

Cleo, a Fellow of the Royal Society for Public Health, is part of the human resources team and joined AWE two years ago. She leads the implementation and management of health and wellbeing initiatives within the organisation's overall wellbeing strategy.

She enjoys the challenges of her role and the scope to introduce initiatives that she knows will make a difference. She explains: "I was impressed that in 2021 AWE was named again as one of the top 25 Best Big Companies to work for. This says to me that AWE does more than just talk about looking after its people but really takes action, genuinely cares about its people and recognises that a healthy, happy and committed workforce is vital to success. I'm also fascinated by the variety of departments, skills and expertise AWE employees have, all coming together to fulfil what we do. This means we have a unique mix of people and personalities."

She believes that everyone should feel comfortable about being themselves at work: "Feeling comfortable at work as an individual makes people feel more confident, creative and productive. Employee-led working groups mean that everyone has a voice and I am impressed by how committed AWE is to developing its people."



CASE STUDY

Lewis Shutler, Graduate Engineer

Lewis joined AWE in 2019 after graduating from university with a MEng in Aeronautics and Astronautics Engineering. He is currently working in applied engineering as an analyst and enjoying a working environment in which he is challenged and learning every day.

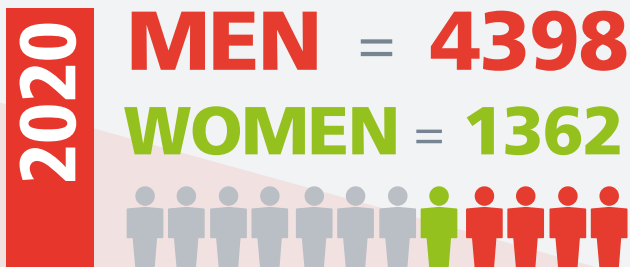
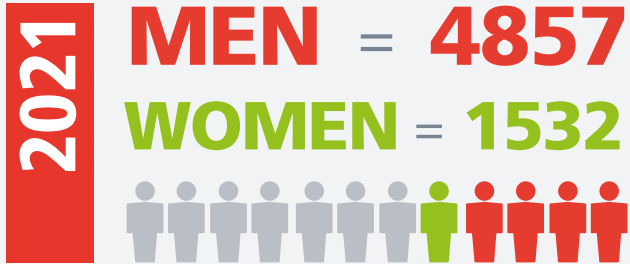
He applied to AWE because of its unique mission and the unique, world-class engineering that it undertakes. "I get the chance here to work with people who've already achieved incredible things in their careers. From day one, we're expected to contribute our own ideas and innovations and the buzz and intellectual reward is huge."

He is also a firm believer that STEM careers offer enormous opportunities, which should be open to everyone.

"STEM careers – engineering, technology, science and IT development - are vital in shaping the world in which we all live. In order for this to happen in a way that is beneficial to us all, we need to generate ideas and solutions between people in all walks of life. Only by making careers in the STEM field accessible to everyone will this be achievable."



DIFFERENCE in incumbents analysed within **AWE**



WHAT ARE WE DOING?

FLEXIBLE

Any of our staff can ask to work flexibly, to help them manage other commitments. As an organisation, we are embracing further opportunities for remote working.

INSPIRATIONAL

Our popular outreach programme partners our young graduates with local schools and colleges to inspire more young women to study STEM subjects

GENDER PARITY

Our goal is to achieve a 50:50 gender split across new hires. We are actively working towards this with specific initiatives, such as:

- Ensuring that all of our job adverts use gender-balanced and inclusive language
- Partnering with external organisations to share learning and best practice
- Ensuring that our recruitment ads are featured across diverse communities
- Understanding what drew recent applicants to a career at AWE and what we could improve
- Ensuring that all of our recruitment activity, such as our Future Careers campaign, is gender-balanced and attractive to all audiences
- Supporting hiring managers with advice and expertise, including a toolkit focusing on how to ensure a transparent and diversity and inclusion-friendly recruitment process.

CAREER OPPORTUNITIES

We support professional development and advancement for all our people. We're also identifying and tackling anything that could hinder this process

WISE SUPPORT

We support the valuable WISE Ten Steps campaign and will continue to work with WISE to encourage more women into STEM roles

GLOSSARY

Gender pay gap

The gender pay gap is the difference between the average hourly earnings of men and women. It is not about equal pay for men and women doing the same work.

It is measured using three criteria - comparison between median hourly pay for all women and men within a business; between mean hourly pay for all women and men and between bonuses paid to men and to women. The higher the percentage gap, the greater the disparity between men and women for the figures reported. These figures include both part-time and full-time employees.

Median gender pay gap

This is the difference between the median (mid-point) value of hourly pay rates (from lowest to highest) for all men in an organisation and the median value of hourly pay rates for all women; expressed as a percentage of the median hourly rate for men.

Mean gender pay gap

This is the difference between the mean (average) hourly pay rate for all men in an organisation and the mean hourly pay rate for all women; expressed as a percentage of the mean hourly rate for men.

The median bonus pay gap

This is the difference between the median (middle) value of bonuses (from lowest to highest) for all men in an organisation and the median value of bonuses for all women; as a percentage of the median bonus for men. A negative figure indicates a balance in favour of women.

The mean bonus pay gap

This is the difference between the mean (average) value of bonuses for all men in an organisation and the mean value of bonuses for all women; expressed as a percentage of the mean bonus for men.

GLOSSARY

25% (quartile) pay distribution

The proportion of men and women in each 25% (quartile) of an employer's pay structure. This is worked out by taking all hourly pay rates (from lowest to highest) for all men and women in an organisation and dividing them into four equal sections of 25%: lower; lower middle; upper middle and upper.

The number of men and women, within each 25% pay band (as a percentage of all employees within that pay band) is then calculated.

STEM

Science, technology, engineering, mathematics

WISE

Women in Science and Engineering. WISE enables and energises people in business, industry and education to increase the participation, contribution and success of women in STEM. [Click here for more information.](#)



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