

A high-angle photograph of three business professionals (two women and one man) sitting around a white conference table. They are all wearing white button-down shirts. The woman on the left is using a laptop. The woman in the middle is looking at a notebook. The man on the right is smiling and looking towards the camera. The background shows a modern office environment with a window and a patterned carpet. The image is overlaid with a colorful geometric design on the left side, consisting of green, orange, and pink shapes.

# GENDER PAY GAP REPORT 2023



# INTRODUCTION

I am pleased to introduce our fifth Gender Pay Gap report. At AWE equity, diversity and inclusion (ED&I) is a strategic priority; our aim is to have a workforce that is diverse, represents the communities in which we operate, and creates a place where everyone feels included, valued and is treated fairly with equal opportunities. We have made good progress, some of which is highlighted in this report. However, given our legacy and the challenges of our industry, closing the gender pay gap remains a challenge, but one that we are committed to making further progress on.

Pleasingly our efforts to improve and show leadership were recognised in 2023 when we were awarded the prestigious Gold Award by the Employers Network for Equality & Inclusion (ENEI). This report features just some of the good work and initiatives we have implemented that led to this award. We are particularly proud of the growing membership of our Gender Balance Working Group and the great work the Group does in raising awareness both internally and externally to the organisation. We have also taken positive action to attract and retain female talent in our business especially in our early careers pipeline. Increasing the number of women in our business at all levels is key to reducing the gap. During the period, we have achieved an increase in the percentage of women overall in our business and within each of our pay quartiles. An outcome is that we've seen, in year, a small positive shift in the pay gap but we recognise it will take time to see the long-term impact

We are moving in the right direction but there is still much to do. At AWE, we are absolutely committed to making a sustainable change by ensuring we have a diverse and inclusive workplace. We know our success depends on the diverse thinking and experiences each one of our employees bring.

**Megan Hunt, Chief People Officer**



# GENDER PAY GAP EXPLAINED

## Gender pay gap

The gender pay gap is the difference between the average hourly earnings of men and women and is a view on the pay distributions within a company, not a comment on individuals' pay. It measures the difference between the average earnings (i.e. pay and allowances) of all male and female employees, regardless of their role or seniority. The Gender Pay Gap is different to equal pay and is measured using three criteria:

1. **Comparison between median hourly pay for all women and men within a business.**
2. **Comparison between mean hourly pay for all women and men.**
3. **Comparison between bonuses paid to women and to men.**

Put simply, 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 pay gap

The median pay gap is the difference in pay between the middle-ranking woman and the middle-ranking man. If you place all the men and women working at a company into two lines in order of pay, the median pay gap will be the difference in salary between the woman in the middle of her line and the man in the middle of his.

## Mean pay gap

This measure shows the difference in average hourly rate of salary between men and women. This is also affected by the different numbers of men and women in different roles.

## Pay gap vs equal pay

The gender pay gap and equal pay are often confused as being the same. The gender pay gap is different to equal pay, which is the legal requirement that men and women are paid equally for doing the same job under the Equality Act 2010; the gender pay gap reports on pay across all jobs.

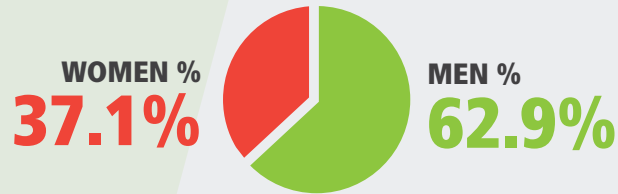
## Average hourly earnings

A gender pay gap looks at a company's workforce and measures the difference in its average hourly earnings between its male and female employees.

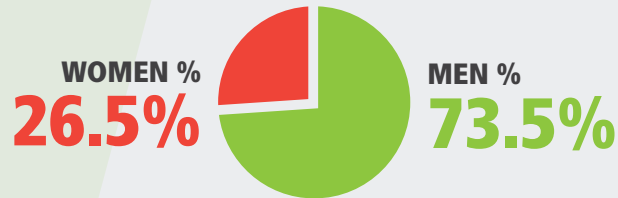
# PAY QUARTERS AT AWE

## APRIL 2023

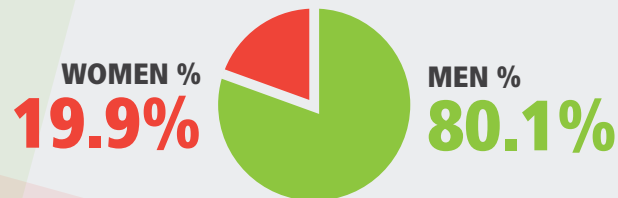
### LOWER HOURLY



### LOWER MIDDLE HOURLY



### UPPER MIDDLE HOURLY



### UPPER HOURLY



# THE FIGURES

Median pay gap – down from 18.6% in 2022 to 16.7% in 2023

Mean pay gap – down from 13% in 2022 to 12.6% in 2023\*

Mean hourly pay gap has increased in cash terms by 0.21p to £3.75 (up from £3.54 in 2022).

Median hourly pay gap has narrowed by 6p from £4.70 in 2022 to £4.64 in 2023

*\*The mean pay gap between men and women has widened in cash terms. However, the relative increases to the underlying hourly rates of pay have resulted in the mean percentage pay gap decreasing slightly.*

Quartile pay band distribution is calculated by ranking the hourly rate of all employees from the highest to the lowest paid, dividing this list into four equal parts and working out the percentage of men and women in each of the four parts. Over the last year we've seen the proportion of females increase in each of the quartiles compared to 2022 while the proportion of males has decreased in each of the quartiles over the same period.

## Bonuses

Gender pay gap reporting also requires us to look at the proportion of men and women who receive a bonus. For this reporting year, the mean bonus awards favour men. Due to the flat rate Company Performance Pay (CPP) payment made to all eligible employees outside of senior leaders in December 2022, there is zero difference in the median bonuses between men and women.

# EMPLOYEE HEADCOUNT

Compared to the same date in 2022, our headcount has increased from 6,200 to 6,582 and the proportion of women in the workforce has also increased to 24.8% while the proportion of men has decreased slightly to 75.2%.

## NUMBER OF MEN & WOMEN IN APRIL 2023

### MEN

4,947 

### WOMEN

 1,635

2023

YEAR ON YEAR

TOTAL POPULATION:

6,582

ABSOLUTE  
POPULATION  
GROWTH: 382

% POPULATION  
GROWTH: 6.16

% OF MEN: 75.2

% OF WOMEN: 24.8



2022

YEAR ON YEAR

TOTAL POPULATION:

6,200

NUMBER  
POPULATION  
GROWTH: -189

% POPULATION  
GROWTH: -3

% OF MEN: 75.8

% OF WOMEN: 24.2

## TOP 50 WOMEN IN ENGINEERING (WE50) WINNER



“Women are a very important part of the workforce and we need to encourage more women to enter science, technology, engineering and maths (STEM) subjects and STEM careers. It is important for all to understand that it is normal for women to be in engineering and science and visibility is key. For example, I encourage women who have been in the industry for many years to become Fellows, not for themselves but to be visible, and be someone other women can relate to and aspire to. AWE has an excellent recent history of women leaders in STEM – such as Alison Atkinson, Mandy Savage, Sian Butler and Marina Dawes.”

**Mary**

# CLOSING THE GAP

The figures show there has been a slight decrease year-on-year of our gender pay gap. This is a positive step in the right direction but know we still have more to do. We are constantly looking at how we can improve and make a bigger impact on the numbers.

## Policy and procedure review

Following an assessment, we updated our policies and procedures to further eliminate biases as well as promoting inclusivity. As part of our gender balance ambitions, we’re now advertising all roles as flexible by default – to demonstrate our commitment to women in the workplace – and only by exception for operational need, will non-flexible working be considered.

## Enhancing our family leave provision

We know how important it is for people to feel supported by their employer during key life events. We have improved our working family provision, so our people have the time they need during these important moments.

- We increased pay for primary carers, who now get 39 weeks full pay.
- We have doubled paternity leave, which can be taken as chosen over the entire first year of the new arrival.
- We have introduced 4 day working week, at full time pay, for the first 6 months returning from maternity or adoption leave.
- We have made our family policy eligibility to be inclusive for all employees, however they choose to grow their family.

## Since the introduction:

- Almost 100 employees have taken Paternity Leave, 95% are taking advantage of the additional leave and over 50% are taking leave flexibly.
- 60 employees are benefiting from increased maternity pay and 9 employees have returned from leave and are taking ‘returner’s leave’.

# CLOSING THE GAP

Throughout our industry there is a long term challenge to encourage women to consider a career within the nuclear sector. We continue to forge partnerships with support networks like Women in Nuclear and Women in Science and Engineering (WISE) to rectify this trend.

## STEM returners programme

To encourage more people into STEM careers, we have formed a new partnership with STEM Returners to support STEM professionals to return to work after a career break. Our second STEM Returners programme launched in October 2023 and we now aim to hire 30 professionals (increase from 12 previously), weighted towards Engineering & Science.

We are delighted to partner with STEM Returners on this vital scheme helping us to attract and welcome talented individuals back into the workforce.

## Growing our gender group membership

Our Gender Balance Working Group (GBWG) has seen membership double to 80 this year, following a change to its governance structure. There are now two co-Chairs, a secretary, and the group has leads for communications, events and 3 priority work streams.

***"A bigger membership and stronger structure helps us make meaningful changes, from how we write job adverts to supporting career progression."***

- Co-chair Phil

Events have included a Women in Engineering Expo to mark International Women in Engineering Day and marking October's Ada Lovelace Day with a landmark schools outreach event to attract girls into STEM careers.

## Listening to our people

Listening to our people is vital to understand what we are doing well and where we can improve.

We invited 500 female employees who were new to the organisation to take part in a short survey and participate in focus groups so we could better understand their onboarding experiences. This feedback is being used to improve our processes and put further initiatives in place.

For example, some feedback suggested promoting opportunities at AWE in a wider, more diverse range of job boards. Subsequently, we now post vacancies on sites including Working Mums, WISE and Mummyjobs. We are also building on our current work with Armed Forces recruitment partners to run female focussed events looking to reach service wives.



# CLOSING THE GAP

## Our goal to promote STEM subjects

You'll see from our earlier figures that AWE is a male-dominated organisation (currently 75.2% men: 24.8% women). This is a legacy position, reflecting the dominance of men in industrial roles, and the continuing challenge in wider society to encourage more women to pursue STEM careers.

As an organisation, we support colleagues to take part in the national STEM Ambassador scheme and provide three days special leave to all our people. The STEM Ambassador programme aims to engage and inspire children and young people aged 5-19 years in the world of STEM. Ambassadors are volunteers from all around the organisation who work with children and young people in a variety of settings to deliver all sorts of activities including careers talks, practical demonstrations, project support and speed networking.

We are focused on inspiring the next generation of STEM talent in our local area. Through a varied programme of activities, we work with pupils of all ages from primary school through to sixth form as part of our drive to support skills development. We also work closely with local and national educational charities to support young people develop a whole range of skills. For the first time this year, we used Government data to target schools with under represented groups, like female students in STEM, with the aim to drive social mobility.





# CLOSING THE GAP

## A commitment to improving equality of opportunity

We were awarded the prestigious Employers Network for Equality & Inclusion (enei) Gold Award in 2023, putting AWE in the top 10% in the country for Equality, Diversity and Inclusion. We are very proud of the achievement, but we know we have more progress to make.

## CASE STUDY



"I chose to start my career in AWE as I wanted to continue research outside of university and thought that the physics graduate scheme would be a great place for me to start, especially given the flexibility of different placements in different teams.

During my graduate scheme I moved between three different teams in Physics. I noticed a low percentage of women in these teams in comparison to my experience at university, where our Earth Science course was almost 50% female. One of my friends was part of the GBWG and invited me along to a meeting where we chatted about shared experiences in the workplace, especially being a woman in a male dominated field. From then on, I was keen to get involved in discussions and help to organise events such as International Women's Day.

The Gender Balance Working Group has been running large events such as International Women in Engineering Day, where we highlighted women's work in engineering by holding an expo with different engineering groups from across the company.

This year we will be participating in external conferences, to learn from other companies' best practice within ED&I. Over the last year we have had increased engagement from Executive sponsors within AWE, and they are pushing the ED&I groups to think bigger and bolder in making a lasting culture change. Having this support from executives will provide more tangible commitments to ED&I and lead to a more diverse and inclusive workforce."

**Bethany, Co-Chair**

# WORKING WITH EXTERNAL ORGANISATIONS

We collaborate with external organisations and communities:



## Employers Network for Equality and Inclusion (ENEI)

- Since 2018, we've been a member of ENEI and are proud to have received a Gold Award in the 2023 Talent Inclusion and Diversity Evaluation (TIDE).



MOVING AHEAD

## Moving Ahead 30% club

- We work with Moving Ahead to support our ambition to have better gender balance in our Leadership and Executive teams and to reach our 30% ambition.



## Stonewall Diversity Champion

- The Diversity Champions programme is the leading employers' programme for ensuring all LGBT staff are accepted without exception in the workplace.



## Women in Defence

- We are a charter signatory of Women in Defence which reflects the ambition to see women represented and succeeding at all levels across defence enterprise.



## Women's Engineering Society (WES)

- We are a partner of WES and have a number of employees signed up as professional members getting benefits including networking with fellow engineers, career support materials and activities, skills development opportunities and STEM outreach opportunities.



## Women in Nuclear (WiN)

- We support the work of Women in Nuclear (WiN) and their mission of addressing the nuclear industry's gender imbalance. We have supported key mentoring roles within WiN and are a signatory on its Charter to show our commitment to diversity in the sector.



## Women into Science and Engineering (WISE)

- We are one of first signatories of WISE Ten Steps



## Working Families

- Working Families is the UK's national charity for working parents and carers. We work with them to support our employees with caring responsibilities.