



# Gender Pay Gap report



NOVEMBER 2017





# Introduction

from Iain Coucher,  
AWE CEO

Talent is unrelated to gender, ethnicity, sexual orientation, social background or any other form of diversity.

Addressing instances of gender pay gaps is a moral and ethical issue. There may be reasons why, over time, these have emerged, but there can be no excuses for failing to deal with these in the present or future.

We, like all companies, must relentlessly focus on ensuring fairness and equality among our workforce. I and the rest of the directors of AWE are absolutely committed to doing this.



# Foreword

from Alison Atkinson, AWE  
Director of Capital Projects

As an organisation with more than 250 employees we are publishing our gender pay gap, annually, starting this year. At AWE we have a gender pay gap of 16.7%, just under the national comparison of 18.4%. However, it is still a gap, and we must address it.

In the following pages you will see the data split out in a number of different ways, and an explanation of what it means. AWE is an organisation with a proud history stretching back almost 70 years. We have a long-serving and skilled workforce and, like many other science, technology, engineering and mathematics (STEM) companies, the majority of roles were filled by men.

It's where we find ourselves today, and I think of this not as an excuse, but rather where we have come from.

To achieve our organisational goals we need to attract, retain and harness the skills of all our talented people, both women and men. One of the ways we are addressing the structural issues at AWE is by focusing on building an inclusive culture that celebrates diversity of thought, innovation and challenge, so that all of us may flourish.

To inform us on the best way to do this, in 2014 we were among the first companies to sign up to the Women In Science and Engineering (WISE) Ten Steps – a campaign designed to sustain the pipeline of female talent in STEM.

There should be no barriers to talent, and like many professional women I feel a responsibility to challenge those long entrenched barriers, conscious or



otherwise. To this end we have a goal of achieving 50:50 gender split of new hires by 2020 and diverse promotion boards. Since signing up to WISE Ten Steps we have made great progress in making sure we do the best to ensure women have the same opportunities to work at this great company.

My pledge is to drive our diversity and inclusion strategy. At AWE we are determined to deliver an evolving plan so that we can attract and sustain talent because, put simply, it is crucial for our future.

*"As CEO of AWE plc I am authorised to confirm that the information published in this report, in accordance with regulation 2 of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, is correct."*

CEO Iain Coucher



# Glossary

## Gender pay gap

The gender pay gap isn't about equal pay for men and women doing the same work. It's a 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. Put simply, the higher the percentage gap, the greater the disparity between men and women for the figures reported. These figures take into account both part-time and full-time employees.

## The median gender pay gap

This is the difference between the median (middle) value of hourly pay rates (when ordered 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.

## The 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 (when ordered 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.

## 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.

## 25% (quartile) pay distribution

The proportion of men and women in each 25% (quartile) of an employer's pay structure.

How is that worked out?

- Take all the hourly pay rates, ordered from lowest to highest, for all men and women in an organisation and divide them into four equal sections of 25%: lower, lower middle, upper middle and upper.
- Next, calculate the number of men and women within each 25% pay band as a percentage of all employees within that pay band.



**16.7%** = **DIFFERENCE IN**  
**MEDIAN**  
**PAY**

**12.9%** = **DIFFERENCE IN**  
**MEAN**  
**PAY**

“ *The national gender gap is*  
**18.4%\*\*** ”  
*= difference in median pay*

AT AWE THE GENDER SPLIT IS APPROX  
**80% MEN** AND **20% WOMEN**



\* AWE data is from April 2017 and includes employees, not IPs, contractors or secondees.

\*\* Office for National Statistics, Oct 2017, median hourly pay all industries and sectors.

Kerry and daughter Heidi



# Kerry

## Head of Profession for Electronics Engineering

“ I joined AWE as an apprentice 30 years ago and it continues to be a varied and rewarding partnership. I reflect on my career a bit like looking back through a passport.

I own it, there are lots of learning journeys and great experiences along the way. Being confident in my ability and knowing how I can focus my contribution at a particular period of time has been key to a work-life balance.

Working as a team with my husband and with AWE's support, I worked flexibly on reduced hours for 14 years across the schooling of our two children. We were able to flex the number and length of days to match the age and needs of the children, so I could continue to contribute at work and do the school run.

During that 14-year period, I had six challenging and diverse roles, two promotions and was recognised as one of only 500 female engineering Fellows by the Institution of Engineering and Technology.

I am very proud to be Head of Profession for Electronics Engineering. I feel I have an important responsibility to act as a role model for others and continue to ensure AWE provides a positive inclusive environment to attract, reward and retain the best talent. Finally, and most importantly, creating an environment to succeed through opportunity and nurturing talent at every level applies to raising a family and running a large team, I am passionate about both. The two came together when my daughter Heidi joined AWE last year on the apprenticeship scheme. This was a very proud moment and it reminded me that as parents we are the strongest influencing role models for our children. ”



**MEAN GENDER BONUS PAY GAP: -31.2% AND MEDIAN GENDER BONUS PAY GAP: -20%**

There is no national comparator for these figures.

The mean and median bonus pay gap figures are negative because the gaps are in favour of women – meaning their bonuses are higher although fewer women receive a bonus.

“ *As with other similar industries, a large proportion of our workforce may choose to retire in the next 10-15 years. It's essential that we can attract from the broadest pool of talent, so we have the best people to build on the achievements of colleagues here today.* ”

*Director of HR – Kathryn Marshall*

# Gareth

## Early Careers Team Lead

“ I recently went to a workshop on the theme of ‘Leading Diversity in a Changing World’.

I thought it would be all about gender balance and positive action. But I was in for a surprise. There was a lot more to it – three areas in particular were covered that I hadn’t considered in any depth. They were neurodiversity, different age groups in the workplace and the effect of the built environment on diversity.

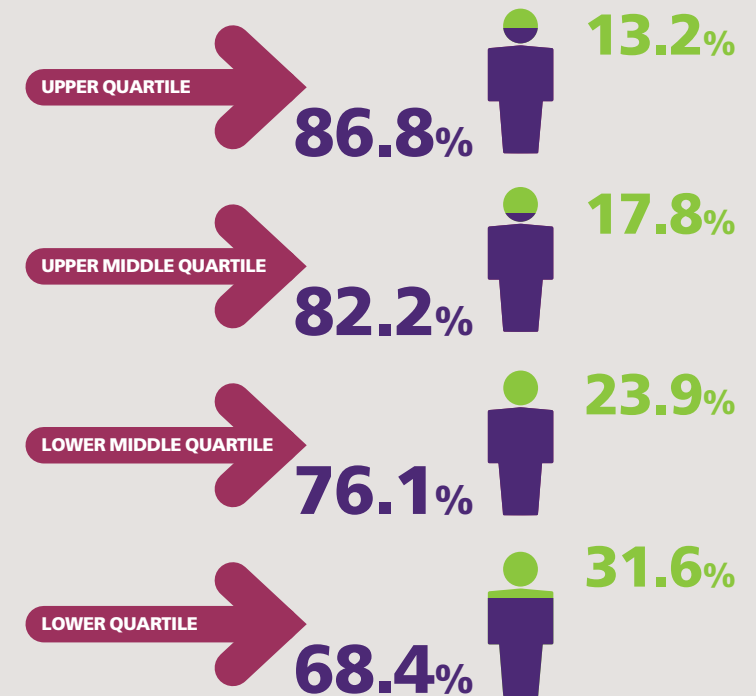
It was brilliant, incredibly interesting. I can see now that we need to think of diversity as something with lots of parts that need fixing. Gender balance is only one of them. And, of course, it’s not just about getting more women into STEM careers.

Sometimes the shoe’s on the other foot – like trying to get more men into HR. It’s not just an AWE problem, it’s a global problem. But we’re part of the jigsaw. I think as a society, we’ve created problems for ourselves that we need to tackle. Within AWE, it’s not just for leaders, everyone needs to be aware. We all have a part to play.

Given my role, I think it’s vital I have a good grasp of this. I’m well placed to make a difference – and that’s what I’m setting out to do. ”



# PROPORTION OF MEN & WOMEN EMPLOYEES IN EACH QUARTILE OF THE TOTAL PAY DISTRIBUTION



There is no national comparator for these figures.



# Ashleigh

## Mechanical Maintenance Apprentice

“ In my final year of GCSEs I knew that college was not the next step for me. I wanted to leave school and do something that was interesting and hands on; a place where I could get experience in the working world.

I had come across AWE through TeenTech, where engineering companies showcase what they do, when I was 13. Due to my inspiring experience of the company, I decided that an AWE apprenticeship was definitely the best step for me.

I found the AWE website and navigated my way through the apprenticeship opportunities. The thought of going into an industry that I have no experience of was daunting! I applied anyway.

The trade I decided to apply for was mechanical maintenance. Why? Because I think it is fascinating finding out what's really behind all the machines we use.

My first year I spent working on lathes and mills, where I learnt how to machine a variety of components. Now I am working on maintenance tasks, my next being stripping and assembling a pillar drill.

Not only do you complete engineering tasks, you have the opportunity to get involved in a variety of outreach activities to further develop your people skills. The outreach events have made me a more confident person and also allowed me to network with people out and around the site. ”



## Our action plan

We support flexible working and all staff can apply for this

Through regular outreach activities, AWE aims to inspire more young women to study STEM-related subjects

Our long-term goal is to achieve a 50:50 gender split of new hires



We are committed to progressing on the WISE Ten Steps campaign and we will continue to work with WISE to encourage more women into STEM roles

We will continue to support career progression across all sectors at AWE and identify and address barriers where we find them



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