



**MBDA UK
GENDER PAY
GAP REPORT
2021**

Introduction

It is five years since we published our first gender pay gap report, and we have taken this opportunity to review our progress and reflect on the actions and initiatives we have undertaken to promote gender balance and equality in MBDA UK.

I'm pleased to share that our gender pay gap has been decreasing year after year, with our mean hourly pay gap now 16.1%, down from 21.3% in 2017. This is driven by the distribution of genders across our pay structure, where we have seen a steady increase in the percentage of women in the upper hourly pay quartiles.

This consistent improvement demonstrates that the actions we have taken have been effective and are taking us in the right direction. However, we recognise there is more work to do to achieve a better gender balance in our business, particularly at senior levels.

This report recognises how far we've come, but we're also looking to the future and setting new and ambitious goals. As founding signatories to the Women in Defence Charter, we have pledged our commitment to their 30 by 30 target, and we will play an active part in striving towards a minimum of 30% female representation at all levels across the defence sector by 2030.

I confirm the data published in this report is correct, in accordance with the Equality Act 2010 (Gender Pay Gap information) Regulations 2017.



Chris Allam
Managing Director UK



30% by
2030



“ A balanced workforce is good for government and good for business, good for customers and consumers, for profitability and workplace culture, for promoting prosperity and stability, and for showing everyone matters in building stronger and more peaceful communities. ”

Women in Defence Charter Strategy

INNOVATION



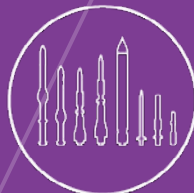
COMMITMENT



INTEGRITY



PASSION



TEAM SPIRIT



Gender pay gap reporting – methodology

What is gender pay gap reporting?

The gender pay gap shows the percentage difference in average pay and bonuses for all male and female employees. It does not take into consideration grades, skills or experience.

It is important to note that this is different to equal pay, which is a legal obligation to pay men and women equally for the same, similar or equivalent work under the Equality Act 2010.

At MBDA, we are committed to ensuring that our employees are paid fairly and have equal opportunity to reach their full potential, regardless of their gender.

Why do we do it?

Gender Pay Gap Reporting was introduced by the Government in 2017. It has helped to drive forward gender equality and representation, and ensure that all employees receive equal opportunities regardless of their gender.

At MBDA the Gender Pay Gap Report is an important tool to help us identify barriers to gender balance and to inform our ongoing action plan to address these challenges.

How is gender pay gap calculated?

We are legally required to report on our annual gender pay gap using six different measures:

Mean hourly pay gap:

The difference between the mean (average) hourly pay for all male and female employees on 5 April 2021.

Median hourly pay gap:

The difference between the median (mid-point) average hourly pay for male and female employees on 5 April 2021.

Hourly pay quartiles:

The percentage of male and females in each quartile (25%) of an employer's pay structure.

Mean bonus pay gap:

The difference between the mean (average) pay for all male and female employees in the 12 months to 5 April 2021.

Median bonus pay gap:

The difference between the median (midpoint) average pay for male and female employees in the 12 months to 5 April 2021.

Bonus proportions:

The percentage of male and female employees who receive a bonus in the 12 months to 5 April 2021.

Our gender pay gap 2021

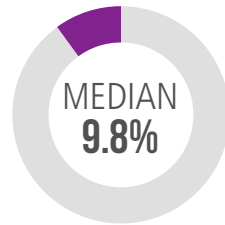
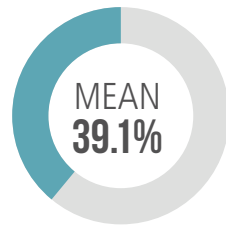
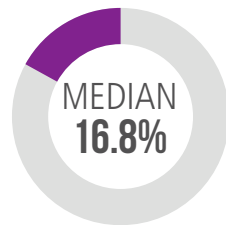
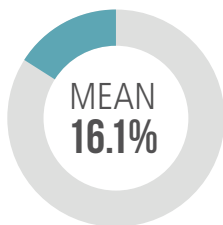
This year we have again seen progress in reducing our gender pay gap.

Our pay gap is driven by having a greater proportion of male employees in senior positions compared to females. This has resulted in higher average salaries and bonuses for male employees.

This was identified in our first gender pay gap report, and we are pleased to have continued to make progress in achieving a higher proportion of women in the business overall, but particularly in the upper quartiles of our pay structure, reflecting greater gender diversity at our Executive grades.

Hourly pay:

The difference in hourly pay on 5 April 2021 between male and female employees.



Bonus pay:

The difference in all bonus pay over a 12 month period between male and female employees.



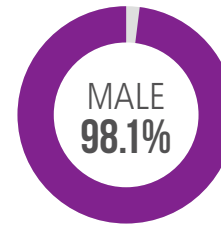
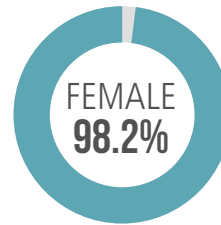
Hourly pay quartiles:

This shows where employees are by gender in the hourly pay quartiles

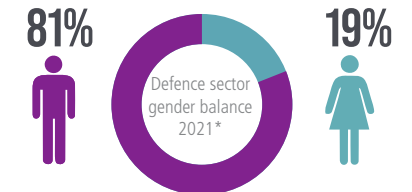
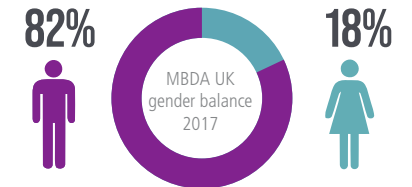
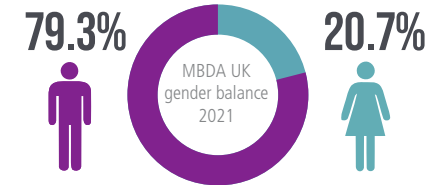
Quartile	Male	Female
Lower quartile	66.3%	33.4%
Lower middle quartile	79.7%	20.3%
Upper middle quartile	84.3%	15.7%
Upper quartile	88.4%	11.6%

Percentage of employees who received bonus pay:

Employees by gender who received a bonus in the 12 months to 5 April 2021.



MBDA female representation is at 20.7%, vs. 19% for the Defence Sector*



MBDA's female representation is slightly above the sector level of representation as well as the private area of the defence sector, which has 20% female representation.

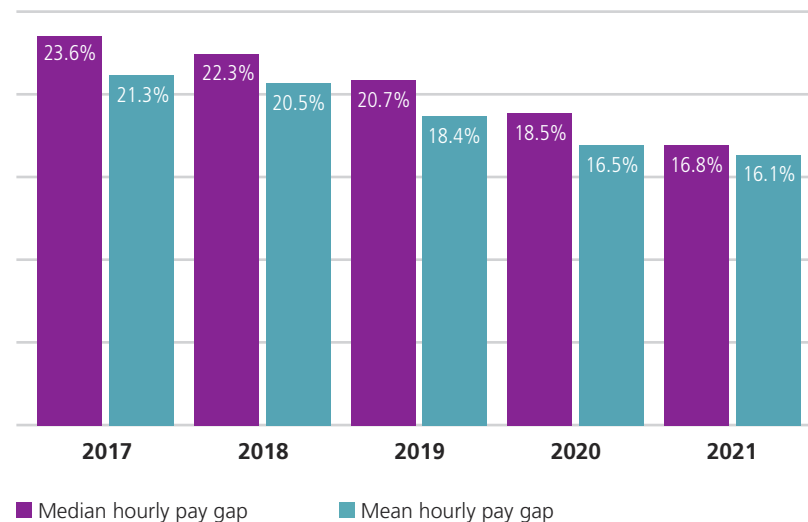
**Women in Defence – Gender Representation in the Defence Sector Report (September 2021)*

Our gender pay gap – five year review

Since our first report in 2017, we have made significant and consistent progress in reducing our gender pay gap, and we have seen steady improvement against all pay gap measures.

Over five years, our mean hourly pay gap has decreased from 21.3% to 16.1%, and our median hourly pay gap has decreased from 23.6% to 16.8%.

Gender pay gap | 5 year progression




We have also made progress increasing the proportion of females at higher levels, most significantly within the upper and upper middle quartiles of our pay structure.

The percentage of female employees in the upper middle quartile has increased from 11% to 15.7%, and in the upper quartile has increased from 9.7% to 11.6%.

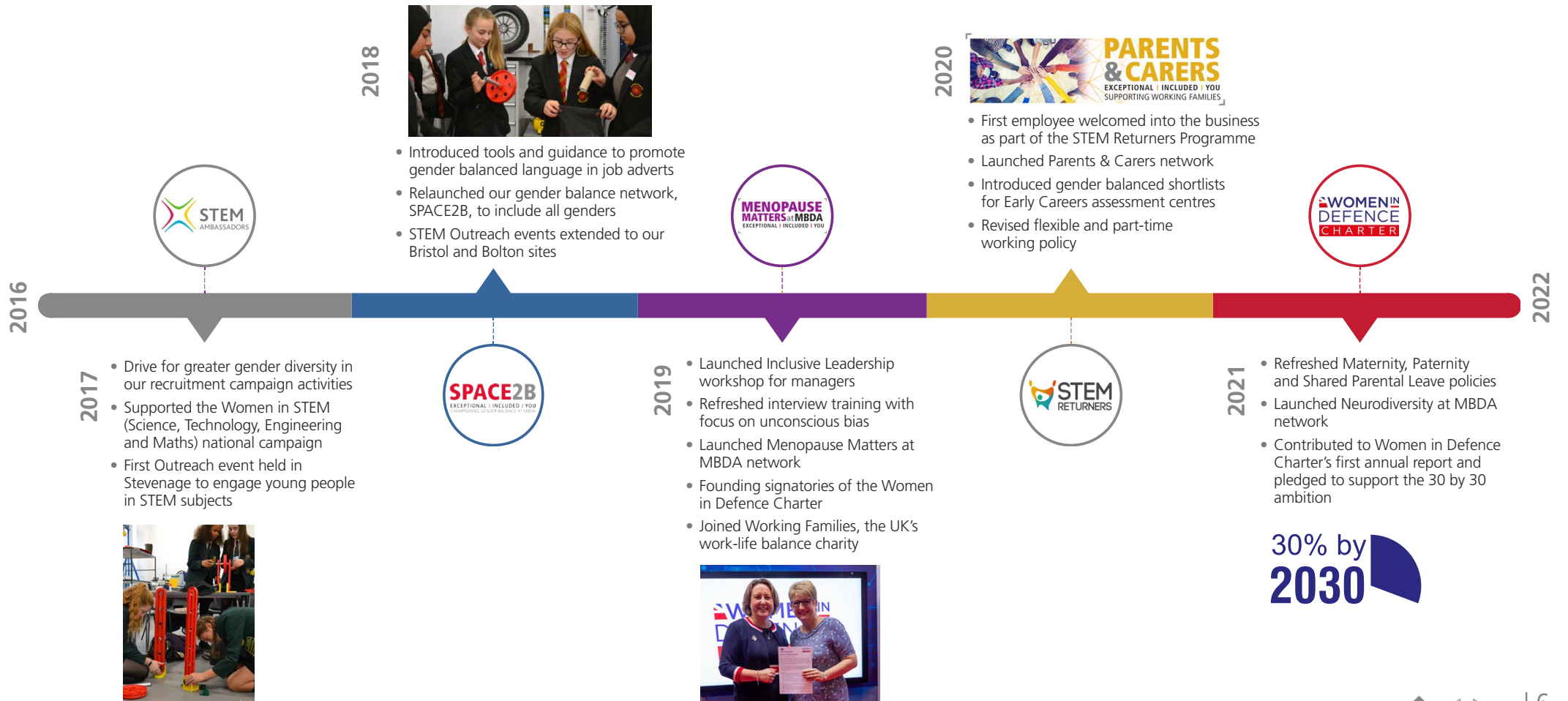
This is due to dedicated efforts to engage with our existing female employees, to connect with talented candidates from a wide range of backgrounds, and improvements in both our recruitment and development processes.

These initiatives, described in more detail in the following pages, have enabled us to attract more females to the organisation, retain our valued female workforce and increase opportunities for career mobility.

 **Female hourly pay quartile | 5 year progression**

Quartile	2021	2020	2019	2018	2017
Lower quartile	33.4%	32.7%	31.9%	32.6%	33.7%
Lower middle quartile	20.3%	20.6%	19.7%	18.5%	17.3%
Upper middle quartile	15.7%	15.4%	13.5%	11.0%	11.0%
Upper quartile	11.6%	11.8%	10.9%	9.7%	9.7%

Key successes from the last five years



Ongoing initiatives to address our gender pay gap

Building a culture of inclusion

We believe that a culture of inclusion benefits everyone, and so in 2019 we launched our Building an Inclusive Environment workshop, delivered by external specialists Pearn Kandola. This action-oriented workshop is aimed at people managers and leaders of all levels, and promotes open discussion about how to build and maintain an inclusive culture and diverse relationships, and ensuring we take decisions that are fair and equitable, so everyone has the opportunity to reach their full potential.

Family friendly

Family leave matters to employees of all genders, and we believe in supporting our employees through these significant life changes. We offer enhanced family leave provisions, including up to 26 weeks of enhanced maternity, adoption and shared parental leave, as well as enhanced paternity leave and have introduced neonatal care leave. We've been in partnership with Working Families, a leading work/life balance organisation, for over three years and regularly benchmark and review our provisions.

Our Parents & Carers employee network also provides a forum for our employees to share their experiences, seek support or advice and further develop a family-friendly culture at MBDA UK.



Ongoing initiatives to address our gender pay gap



Dynamic working

Like many organisations, the pandemic brought many challenges, but also acted as a catalyst to adopt new ways of working. Many employees now benefit from greater flexibility and empowerment in where and when they work as a result of our new Dynamic Working Framework.

Welcoming STEM returners

We're in the second year of our partnership with STEM Returners and looking to maximise the potential of this important and valuable scheme. We're opening up more opportunities for those who have been out of the workforce or who have taken a break from a STEM (Science, Technology, Engineering and Maths) career for a prolonged period of time, and provide personalised support to help our returners settle in and get up to speed quickly.



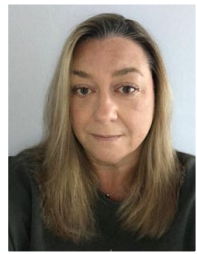
Ongoing initiatives to address our gender pay gap

Committed to inclusive recruitment

We will always seek to hire the best person for the job, and we recognise that unconscious bias can be a barrier to a fair and equal hiring process. To ensure we have the best practices in place, we've worked with external specialists to conduct a thorough review of how we attract and recruit people into our business and implemented a range of changes, including screening all our job adverts for biased language, regular training for our hiring managers, and more active engagement on social media to help candidates find out more about life and careers at MBDA.

Throughout the pandemic, a challenging time across the country, we were fortunate that our people could continue to work. Like a lot of businesses that continued to operate, we quickly found alternative methods to keep our recruitment processes going by implementing virtual interviews and assessments. This has enabled us to offer greater flexibility to candidates throughout the recruitment process in support of our new Dynamic Working framework.





In 2021, MBDA UK's gender balance network SPACE2B welcomed two new chairs, Claire Lisher and Liz Carr, and a new Executive Sponsor, Matt Beaumont. Under their stewardship, SPACE2B has recently rebranded as GEN-EQ.

SPACE2B was MBDA's first employee network. Founded in 2012, it was created to provide a dedicated space for women to connect, and to share thoughts and ideas on gender-related topics. Since then it has evolved significantly, and in 2018 it opened up its membership to include employees of all genders, working together towards gender balance and equality.

SPACE2B continues to grow and to listen to its members, adapting to the changing needs of our business and our people. The new name GEN-EQ reflects the new direction of the network – to support and promote GENDER EQUALITY at MBDA – and recognises the value of emotional intelligence (EQ) in the workplace.

GEN-EQ champions an inclusive working environment where diverse styles, skills and approaches are valued and recognised. It encourages its members to play an active part in driving cultural change, and focusses on raising awareness, sharing knowledge and experiences and promoting mutual understanding and respect.



MBDA UK's Menopause Matters network was launched in 2019 by their chair Sophie Purvis, and has since expanded its committee. In 2021 the network also welcomed a new Executive Sponsor, Greg Bull.

"MBDA is a company that I am proud to be part of and I believe we will continue to be successful if we nurture diversity and maximise the benefits of inclusion across our work culture, productivity and talent retention.

Ensuring that menopause is well understood and that those who are experiencing symptoms are supported is important to us as a business. As the sponsor of the Menopause Matters community, I am passionate about championing this key gender issue at all levels across MBDA and have been fortunate enough to learn a lot from the community members since taking up this role.

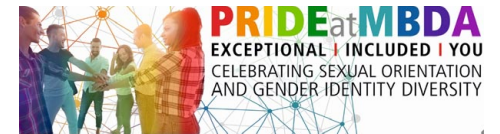
Whether it is offering a safe space for people to share their experiences, raising awareness or helping to break down stigma, the community is empowering those experiencing menopause to thrive."

Greg Bull
Digital Transformation and Improvement Director and Executive Sponsor for Menopause Matters at MBDA

Everyone is welcome

At MBDA, we are committed to supporting diversity in our workforce, ensuring that everyone's contribution is valued, and that every voice is heard.

We have a wide range of employee led networks, as well as social and charitable clubs and communities.

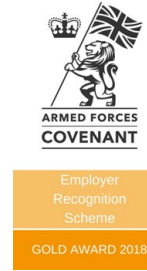




INVESTORS IN PEOPLE®
We invest in people Gold

INVESTORS IN PEOPLE®
We invest in wellbeing Gold

INVESTORS IN PEOPLE®
We invest in apprentices Gold



Contact us

MBDA UK Careers: <https://www.mbdacareers.co.uk> MBDA Group: <http://www.mbda-systems.com>

Government gender pay gap service: <https://gender-pay-gap.service.gov.uk>

