

# Gender Pay Report UK

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March 2019



# About Inmarsat

Inmarsat is the world leader in global, mobile satellite communications. It owns and operates the world's best global portfolio of satellite networks, specifically designed for customer mobility, and holds a multi-layered, global spectrum portfolio, covering L-band, Ka-band and S-band, enabling unparalleled breadth and diversity in the solutions it provides.

Inmarsat's long-established global distribution network includes not only the world's leading channel partners but also its own strong direct retail capabilities, enabling end-to-end customer service assurance. The company has an unrivalled track record of operating the world's most reliable global mobile satellite networks, sustaining business and mission critical safety & operational applications for 40 years.

It is also a major driving force behind technological innovation in mobile satellite communications, sustaining its leadership through a substantial investment and a powerful network of technology and manufacturing partners. Inmarsat operates across a diversified portfolio of sectors with the financial resources to fund its business strategy and holds leading positions in the maritime, government and aviation satcoms markets, operating consistently as a trusted, responsive and high quality partner to its customers across the globe.



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# Foreword

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Being a diverse and inclusive organisation is not just a nice to have, but a central tenet of our Inmarsat DNA. We want everyone at Inmarsat to be able to thrive, regardless of their gender, ethnicity, sexual orientation or social background.

We understand that the richness of experience, skills contribution and viewpoints is what powers our business and makes us stronger. We are immensely proud of the progress we've made to date and of our commitment to becoming a truly diverse organisation that reflects the global communities we serve.

Our second UK gender pay gap report shows a reduction in the pay gap between male and female employees at Inmarsat. The mean pay gap has reduced from 24.5% to 21.9% and the median pay gap has reduced from 24.4% to 22.8%. While we are pleased to report the progress made in the 12 months from April 2017 to April 2018, we know there is much still to do.

Like many other technology businesses, our gap reflects our challenge to attract men and women in equal numbers, in particular into engineering, business development and sales positions, and senior management. In fact, our analysis shows that if we had equal numbers of men and women at each organisational level, the gap would be reduced to 6.4%.

This 6.4% gap is itself a reflection of the types of roles men and women are doing within Inmarsat – we typically have more men than women in disciplines such as engineering and business development, which tend to be higher paid in the market than functional roles where we tend to have more women.

We want to address these differences, so we have developed a multi-year diversity and inclusion plan that will help rectify some of the imbalance.

Recognising the value of gender diversity for the company at the leadership level, we have set targets of at least 30% female representation among our Executive Team and our Extended Leadership Team. We are working to eliminate potential sources of bias across our people management practices.

This report also sets out how we are engaged in improving diversity and supporting an inclusive culture beyond gender.

We expect that as we make further progress towards achieving greater gender balance in our senior roles and technical roles, our gender pay gap will reduce. More importantly, we will be a stronger, more capable company through the diversity of our people.

A handwritten signature in dark ink, appearing to read 'Rupert Pearce', written in a cursive style.

Rupert Pearce  
Chief Executive Officer  
25 March 2019

# Gender pay at Inmarsat UK



# Our Gender Pay and progress so far

In 2018, when compared to the previous year, our gender pay data indicated a reduction of the gender pay gap in most metrics, confirming that our initiatives and efforts are on the right track. Although we are pleased with the progress, we recognise that closing our gap will take time, and we are determined and committed to achieving this.

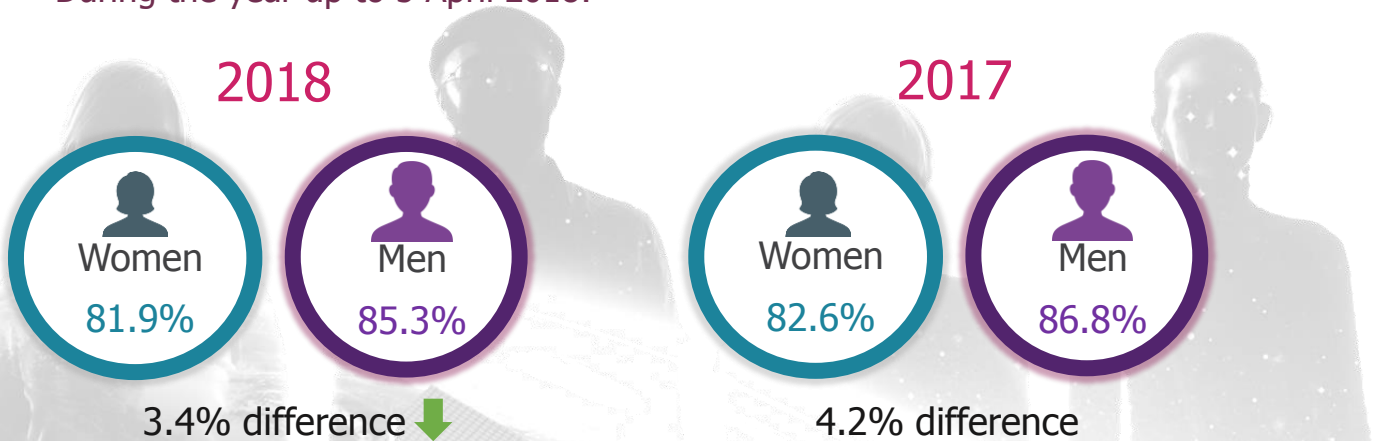
## Pay and bonus gap

Presented as the mean and median gap in hourly pay and bonus between men and women, as at 5 April 2018:

	2018		2017	
	Mean	Median	Mean	Median
Pay Gap	21.9% ↓	22.8% ↓	24.5%	24.4%
Bonus Gap	45.4% ↓	32.7% ↓	46.0%	40.0%

## Proportion of men and women receiving a bonus payment

During the year up to 5 April 2018:







Note: terms are explained in the Glossary of Terms in more detail

# Our Gender Pay and progress so far

...continued

## Proportion of men and women in each pay quartile

2018		Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
 Women		18.2%	21.2%	26.8%	48.0%
 Men		81.8%	78.8%	73.2%	52.0%

2017		Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
 Women		18.5%	23.3%	29.6%	52.9%
 Men		81.5%	76.7%	70.4%	47.1%



# Understanding the gap

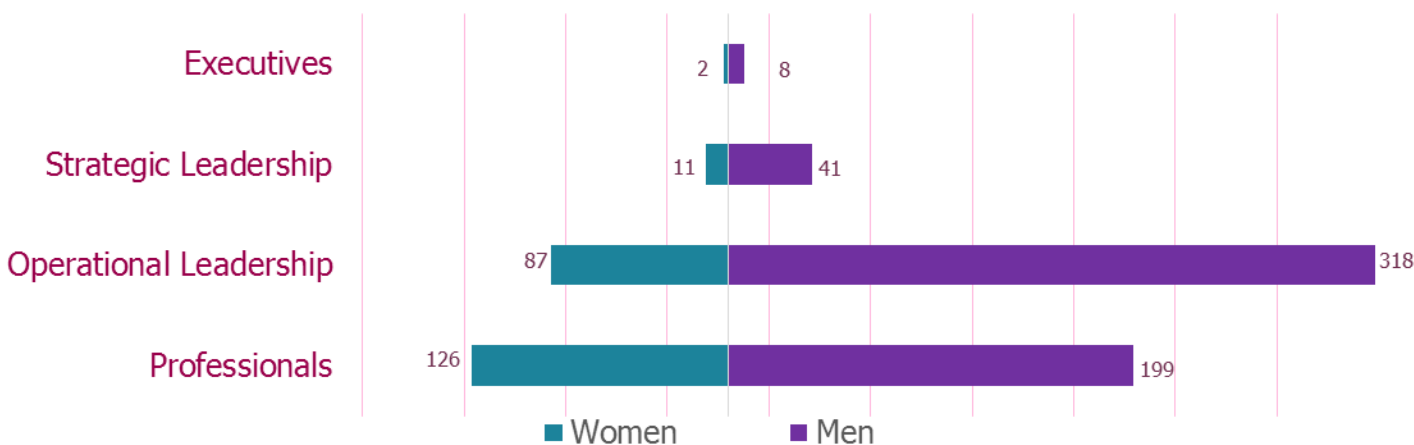
This year we continued to analyse our data to obtain valuable insights into the causes of our gender pay gap. It is important to remember that the gender pay gap is not the same as Equal Pay. Equal pay is about making sure that men and women who perform the same job are paid equally, whereas the gender pay gap looks at the pay differences between all men and women regardless of the work they do.

Our gender pay and bonus gap is mostly driven by the limited representation of women:

- > in the more senior levels of the organisation
- > in the roles and job families that are typically paid better in the UK market, such as engineering, product development, sales and business development.

As is the case with most companies within the technology/engineering sectors, we struggle to attract comparable numbers of men and women particularly in the STEM-related job families. The graph below illustrates our gender distribution.

## Our Workforce



To demonstrate the impact of our structural gender imbalance on the gender pay gap, last year we calculated what our gender pay gap would be if the gender proportion was equal at each organisational level. Our pay gap was reduced to 8.5%. This year we repeated this analysis and the gender pay gap reduced even further, to 6.4%. The 6.4% difference does not signify an equal pay issue but instead it reflects the fact that engineering, business development and sales functions, which are typically disproportionately male, are paid higher in the market than corporate functions at the same level.

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# Understanding the gap ...continued

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Other factors that contribute to our gap are related to:

- > The definition of pay: pay includes allowances for shifts and on-call duties. At Inmarsat the jobs that require such allowances are technical, field roles which are filled predominantly by men.
- > The timing: the difference in number of women and men receiving bonuses is due to bonus eligibility, which depends on when an employee starts, leaves or is absent. This year more women than men happened to join the company after our cut-off date for bonus eligibility.

## Monitoring processes and managerial decisions

As part of our ongoing commitment to safeguard the integrity and fairness of our policies, processes and structures to ensure equal opportunities for all, we continue to closely monitor their implementation:

- ✔ We test our annual pay progression and promotions for differences between men and women.
- ✔ We test our bonus awards for any systematic gender differences in the percentages of bonus payouts relative to their bonus opportunities.
- ✔ We have an internal job evaluation system which considers the scope and the breadth of each role irrespective of the jobholder. This means that our internal grades are not decided based on the person doing the job (in which case the system could be susceptible to biases) but based on the content of the job.
- ✔ We assess the performance and development of our employees through a systematic and collective calibration process, which applies to all our employees globally and aims to eliminate any individual biases



# Closing the gap



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# Taking action

## Our recent activities

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### Attract and recruit

- Adopted targets of 30% female representation in our Executive Team and Extended Leadership Team by 2020
- Attracting female graduates via partnership with TARGETJobs
- Introducing blind CVs
- Introducing hiring manager training
- Inclusion in Stonewall's 'Starting Out' guide for inclusive employers

### Develop

- Improving the mentoring database and encouraging women to sign up as mentors and mentees
- Identifying high potentials and accelerating careers
- Targeted development programmes, including one in collaboration with the Royal Academy of Dramatic Art

### Life at Inmarsat

- Launching our Women's and LGBT+ employee networks
- Partnering with Stonewall and the Business Disability Forum
- Creating a 'new parent' room in some of our larger locations
- Reviewing key policies that impact diversity with external experts
- Introducing a new talent management approach with calibration to avoid unconscious bias
- Showcasing internal role models
- Conducting a diversity and inclusion survey

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# Attracting and recruiting diverse talent

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We want to attract and recruit diverse talent from all backgrounds and ensure that our employer brand is appealing to candidates from all backgrounds. We strive to attract, engage and hire employees across all diversity classifications.

## Focused recruitment

We use TARGETJobs for graduate hiring and to support us in our desire to hire more female graduates. Our 2018 cohort of engineering graduates saw 40% female representation, the highest in the programme's history. We have sponsored the Best Diversity Strategy Award at the TARGETjobs National Graduate Recruitment Awards 2018. We have also been included in Stonewall's 2018 'Starting Out' guide as an inclusive employer to the LGBT community.

## Mitigating bias in recruitment

In 2018 we introduced training for all hiring managers, which included a module on mitigating bias. We have also piloted blind recruitment for our early careers populations, which excluded any personal details like gender or education from potential candidate CVs. We have set a target for 30% female representation in senior leadership by 2020.

## Inmarsat Strategy Challenge

Our annual programme promotes STEM education by inviting students from City and Islington College's Sixth Form College to develop satellite applications. Five students have been offered work experience opportunities after a successful final presentation.





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# Developing diverse talent

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We are offering equal opportunities for all employees to develop themselves, and accelerate the progression of under-represented talent to leadership roles. For women, this includes access to mentoring and tailored development.

## Mentoring

In 2017, Inmarsat launched a mentoring programme and toolkit. Mentoring supports formal training and plays a valuable role in talent and career development, and encourages cross-functional awareness, co-operation and knowledge sharing.

In 2018, the company's women's network improved our mentoring offering for women by creating a global online database and are using this to support women to sign up as both mentors and mentees. They are also delivering peer-mentoring for women returning to work after maternity leave.

## Targeted support for female talent

In the spring of 2017 we launched our 'Executive Presence for Women' programme, run in conjunction with the Royal Academy of Dramatic Art (RADA).

In 2018 we have expanded the programme and introduced 'Impact and Influence' to support mid-level female talent and their progression into senior leadership.

Participant feedback remains outstanding and we will continue the programme in 2019, and review global options.



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# Life at Inmarsat

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We are creating an inclusive working environment, enabling all of our employees to bring their whole selves to work.

## Women at Inmarsat (WIN)

Our women's employee network had a successful launch in 2018 and implemented a global board to lead its activities. They have created a vibrant community and championed female role models.

To celebrate International Women's Day we hosted a clothing drive for Dress for Success across eight global offices. Non-executive director Pip McCrostie joined CEO Rupert Pearce in a company-wide panel discussion on gender parity.

## LGBT+ at Inmarsat

We also launched our LGBT+ employee network in 2018. This involved introducing an ally framework for those who support equality with a belief in its inherent value.

## Family-friendly policies

We have removed the need for a qualifying length of service from our enhanced maternity and paternity policies and refreshed our approach to flexible working.

## High performance culture

In 2018 we held training sessions for employees around the world to introduce a number of key concepts around Inmarsat's high performance culture. More than 90% of employees have now attended these sessions, and they have which has reinvigorated our corporate culture and how we operate. Among the key components of our High Performance Culture are collaboration, understanding our own filters and appreciating and being curious about different perspectives.

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# Glossary of terms

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## Bonus pay gap

The difference in bonus pay (mean and median) between men and women expressed as a percentage of male bonus pay.

## Mean pay gap

The difference in the average hourly pay between men and women expressed as a percentage of the male average.

## Pay quartile

A pay quartile describes the division of hourly pay data into four defined intervals after ranking them.

## Job evaluation

A methodology whereby predefined criteria are used to measure all roles across an organisation and to assess their internal relativities.

## Median pay gap

The same percentage as the mean pay gap but calculated from the median pay, that is the middle point of each gender population such that half the population is paid more and half is paid less.

## STEM

Acronym for science, technology, engineering and mathematics.





# Gender Pay at Inmarsat UK – Inmarsat Global Ltd



# Inmarsat Global Ltd

As per the UK government's requirement, companies with more than one legal entity need to report on gender pay figures for each entity with 250 or more employees. In the UK we only have one legal entity which meets that criteria, Inmarsat Global Ltd. In the interests of openness and transparency this report contains data on all of our UK employees. The data for Inmarsat Global Ltd is broken out separately below to satisfy reporting requirements.

## Pay and bonus gap

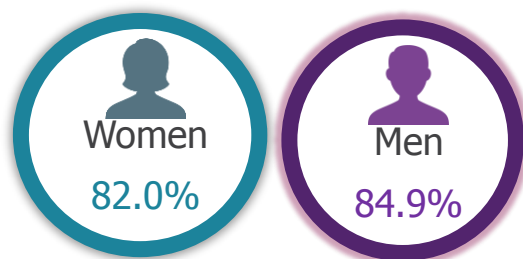
Presented as the mean and median gap in hourly pay and bonus between men and women, as at 5 April 2018.

	Mean	Median
Pay Gap	20.1%	24.5%
Bonus Gap	24.6%	31.5%

## Proportion of men and women

### (i) Receiving a bonus payment

During the year up to 5 April 2018.



### (ii) In each pay quartile

	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Women	18.2%	21.8%	26.9%	48.2%
Men	81.8%	78.2%	73.1%	51.8%

#### Declaration:

We confirm that the information provided in this report is accurate.

Natasha Dillon  
Chief People Officer

Alison Horrocks  
Chief Corporate Affairs Officer  
& Company Secretary

