arqiva

Gender pay gap reporting

06 April 2019 – 05 April 2020

Introduction

Arqiva continues to place emphasis and commitment around diversity and inclusion. Our gender pay gap reporting is just one metric by which we track our progress This report shares not only the progress we are making, but also the wider actions we are taking as a business to ensure we create an inclusive environment in which our colleagues can thrive.

The April 2019 - March 2020 reporting period shows a mixed picture for Arqiva. Our mean gender pay gap is 14.8% demonstrating a 4.9% improvement on the previous period (19.69%). A mean gender pay gap of 14.8% is broadly in line with the national average. Our median gender pay gap is 21.6% in the period April 2019 – March 2020, an increase of 2.4% over the previous period (19.2%).

What sits behind these numbers is important and this report shares some of the activities that we have undertaken to bring about positive change. And, while we have seen an improvement in our mean gender pay gap, our median gender pay gap was impacted during this period.

The change in the median gender pay gap can largely be atrributed to a change in gender distribution; female representation reduced in our upper middle quartile and increased in the lower middle quartile.

More broadly, during this reporting period we have continued to take steps to develop our commitment to diversity and inclusion. We have created a strong network of diversity ambassadors to champion our people and to facilitate change across the business. Out of this network, other groups have been created such as the Women at Arqiva network, the Working Families network and the Neurodiversity network. These networks play an important role in encouraging openness and conversation about day to day working experiences. Importantly they enable us to surface the challenges we need to overcome and where opportunities exist for us to make lasting and tangible changes to developing inclusive working practices.

Our unconscious bias training was made available to everyone to highlight the potential impact our biases can have and the responsibility we must all take. Senior leaders were provided with bespoke training from the Employers Network for Equality and Inclusion (ENEI) and we ensured that diversity messaging was integrated across our learning offering.

We have changed the way we recruit our people. We have implemented a more inclusive recruitment process with inclusive guidelines to support our hiring managers in the approaches they take and the decisions they make. We are also actively seeking to access more diverse candidate pools through our partners at WISE (Women in Science and Engineering) and via our graduate and apprenticeship programmes.

Like most companies, we are on a journey to build a complete data picture, however the implementation of Oracle HCM has enabled us to identify patterns and trends about colleague demographics more broadly. With this information we have been able to maintain our signatory status with the Tech Talent Charter - a commitment to addressing diversity in the technology sector.

Since this data reporting period closed, we have continued to make progress towards becoming a more diverse organisation, particularly at senior level. We were joined in June 2020 by our Chief People Officer Vivian Leinster who has experience and passion for building inclusive cultures. Vivian's appointment, coupled with the strong advocacy of both our Executive Committee and our Board gives me confidence that we will see further progress when we next report.

Paul Donovan
Chief Executive Officer

Statutory declaration

I confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Paul Donovan
Chief Executive Officer

Vivial Leinster
Chief People Officer

What's the difference between the median and mean gender pay gap calculations?

The median gender pay gap is the difference between the midpoints of the hourly earnings of men and women in the sample; it takes all salaries/earnings in the sample, lines them up in order from lowest to highest, and picks the middle salary.

The mean gender pay gap is the difference between the average hourly earnings of men and women in the sample; it takes the total cost of salaries for each sample and then divides these figures by the number of people in each sample.

While both figures are relevent, the median is often seen as a more representative measure as it's not impacted by 'outliers' – the individuals that are at the extreme top or bottom of a salary range.

Our figures

Gender pay and bonus gap

The table shows our overall mean and median gender pay data as a snapshot on 05 April 2020.

Gender pay gap

Mean	Median
14.8%	21.6%

Gender bonus gap

Mean	Median
50.7%	24.6%

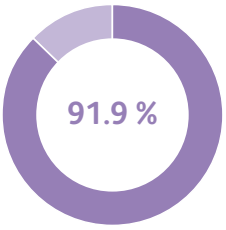
As outlined in the introductory section, this reporting period has seen a decrease in our mean gender pay gap and an increase in our median. Our mean gender pay gap is 14.8% and our median gender pay gap is 21.6% compared to 19.69% (mean) and 19.22% (median) of the previous reporting period.

The historic nature of our Long Term Incentive Programme means that the constitution of those eligible was set in 2016. Our senior team in 2016 was more representative than we saw during the last reporting period, this has meant that we have seen an improvement in both mean and median gender bonus gap data.

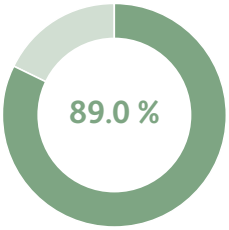
Proportion of colleagues receiving a bonus

These charts illustrate the difference between the number of men and women being paid a bonus for their performance between April 2019 and April 2020. The number of women receiving a bonus has improved again this year by 2.5 percentage points.

Men



Women

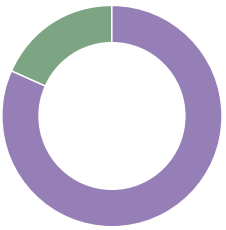


Eligibility to receive a bonus payment in any given year is based on being employed on or before 31 March as a new starter, or in service on 30 June. Because of the normal nature of staff turnover, these figures are always going to fluctuate and are not representative of eligibility relative to gender.

Pay quartiles

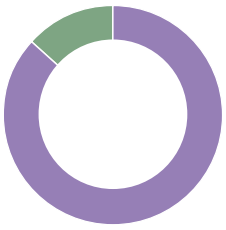
The information below illustrates the gender distribution at Arqiva across four equally sized quartiles, each containing a varied population spread of just over 400 people.

Upper



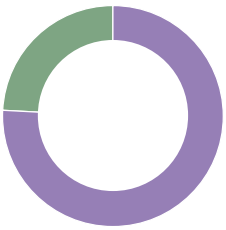
Men: 81.8%
Women: 18.2%

Upper Middle



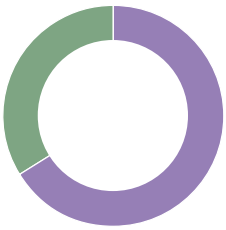
Men: 86.9%
Women: 13.1%

Lower Middle



Men: 75.9%
Women: 24.1%

Lower



Men: 66.3%
Women: 33.7%

Like many organisations in the science, technology, engineering and maths (STEM) sector, our pay quartiles demonstrate that we continue to be male dominated. In order for there to be little or no gender pay gap, there would need to be the same ratio of men to women in each quartile. This is simply a factor of our enviroment and we recognise that if we are to continue to close the gender pay gap then we need to not only have more women in senior positions, but we also need to invest in creating a more diverse future talent pipeline.

This year we have seen a small increase in the number of women in our upper quartile in comparison to last year, and although this was a small increase it is a continued increase from the previous year.

Looking forwards - our 2020/2021 plans

As we look towards the next reporting period we will continue to build our networks and to work with colleagues to build an inclusive environment where everyone can thrive.

We'll specifcally be working to improve the experience of colleagues when returning from maternity or parental leave as well as creating more focussed development opportunities for women throughout the business via the Women at Arqiva network.

Working with our industry expert partners we will be developing our 'Working Better Together' learning offering. 'Working Better Together' is a bespoke programme designed to develop what we have done so far and will see us moving from building awareness about unconscious bias to looking more closely at intent versus impact and how we support colleagues to have constructive and timely conversations in ways that help us to move forward.

We know that having flexible and agile working practices can help to enable a more diverse team when it comes to attracting and retaining talent. During the next period we'll be establishing a 'Future of Work' programme and actively working with colleagues in a range of ways to understand what 'flexible' means to them. We also intend to establish a number of pilots to trial new ways of working.

From a recruitment perspective we will be further developing our approaches and challenging ourselves to offer all roles as 'flexible'. We'll also be more proactively working towards all external 'long lists' being diverse.

Most importantly, as we plan our future and specifically a refreshed and more integrated organisational design, we will take every step we can to create opportunities to build more diverse and gender balanced teams across the business.

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Contact information

external.hr@arqiva.com

For press and media enquiries please contact
the press office: Press.Office@arqiva.com

Arqiva.com