



argiva

Gender pay gap reporting

06 April 2018 – 05 April 2019

Introduction

The April 2018 – March 2019 reporting period has seen an overall increase in our gender pay gap. This year our mean gender pay gap is 19.69% and our median gender pay gap is 19.22% compared to 14.68% (mean) and 18.48% (median) during the previous reporting period.

Understanding what sits behind this increase is important. For the first time since we started reporting gender pay, payments for a Long Term Incentive Plan (LTIP) were included in our calculations. This type of recognition arrangement was not paid during the previous two reporting periods, and, because of the nature of the plan and the constitution of those in our senior team in 2015 (when the eligibility criteria were set) these payments were largely made to men. Had the LTIP not been part of our reporting we would have, in fact, seen a small improvement in our mean gender pay gap. The inclusion or otherwise of the LTIP has no impact on our median gender pay gap.

Our sector continues to be male dominated so placing emphasis on attracting and retaining female talent is important. During this reporting period we have continued to take positive action to redress the balance we see, not just within Arqiva but across the whole science, technology, engineering and maths (STEM) sector. We have continued to invest in awareness and education and the Employers Network for Equality and Inclusion (ENEI) have been working with our leaders to further develop a more inclusive leadership style. We welcomed 35 interns, graduates and apprentices, over 30% of which were female and we have started to use the Women in Science and Engineering (WISE) job boards to attract a more diverse pipeline of talent.

Most notably we have now appointed a Diversity and Inclusion Consultant who is enabling us to place much clearer emphasis on the actions that we must take. We have stepped up the pace with our wider involvement in WISE and a number of our women are supporting the 'My Skills, My Life' outreach programme. We have volunteer Diversity Ambassadors who are working with us across the business. We have introduced best practice recruitment guidelines and we are working with hiring managers to ensure that we have more diverse interview panels. A new Learning Community has also been established to give colleagues better access to information and tools about topics such as unconscious bias and inclusion.

It's worth remembering that while Gender Pay Gap Reporting enables us to take a snapshot of our progress, it's the actions that we take that will enable us to create a more diverse workforce. It's also important to us that we don't look at gender diversity in isolation but instead think more broadly about how we create an environment where difference is embraced and colleagues can work in inclusive and supportive ways. The recent introduction of Oracle HCM is enabling us to begin to capture and track information so that we can now look at wider elements of diversity too.

The impact of the LTIP is likely to continue to be an influencing factor when we report our next set of gender pay gap figures. Nevertheless, I am confident that the actions we have taken since this snapshot will mean that the underlying trend becomes positive when we next report. I look forward to reporting on our progress next year.

Calculations

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 relevant, 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.

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.



Simon Beresford-Wylie

Chief Executive Officer

Our figures

Gender pay and bonus gap

The table shows our overall mean and median gender pay data as a snapshot on 05 April 2019.

Gender pay gap

Mean	Median
19.69%	19.22%

Gender bonus gap

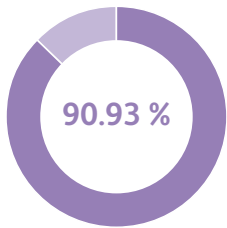
Mean	Median
56.30%	35.11%

As outlined in the introductory section, this reporting period has seen an overall increase in our gender pay gap. This year our mean gender pay gap is 19.69% and our median gender pay gap is 19.22% compared to 14.68% (mean) and 18.48% (median) of the previous reporting period. We can largely attribute this change to the payment of a Long Term Incentive Plan (LTIP). As you would expect, the impact of the LTIP has also made a significant difference to our gender bonus gap.

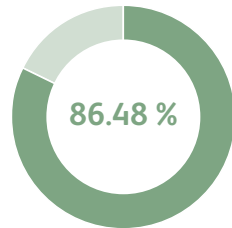
Proportion of colleagues receiving a bonus

These charts illustrate the difference between the number of men and women being paid a bonus for their performance between April 2018 and April 2019. The number of women receiving a bonus has improved by almost four percentage points during this period.

Men



Women

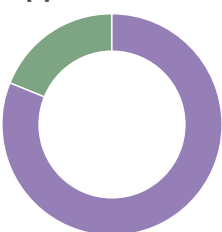


Eligibility to receive a bonus payment in any given year is based on being employed on or before 31 March as a new starter, or in service on 30 June. Because of the normal nature of staff turnover, these figures are always going to fluctuate and are not representative of eligibility relative to gender.

Pay quartiles

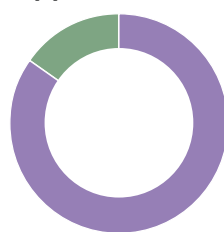
The information below illustrates the gender distribution at Arqiva across four equally sized quartiles, each containing just over 450 people.

Upper



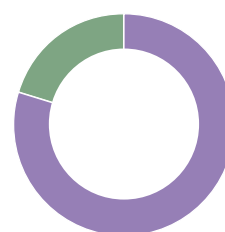
Men: 81.86%
Women: 18.14%

Upper Middle



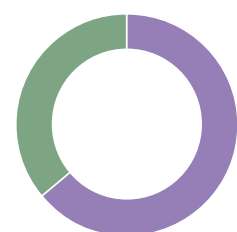
Men: 82.08%
Women: 17.92%

Lower Middle



Men: 79.60%
Women: 20.40%

Lower



Men: 64.30%
Women: 35.70%

Like many organisations in the science, technology, engineering and maths (STEM) sector, our pay quartiles demonstrate that we continue to be male dominated. This is simply a factor of our environment 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 our future talent pipeline.

While we have seen a small reduction in the number of women in our upper quarter, this still remains higher than our first report of 2017. Pleasingly we have seen an almost three percentage point increase in women in our upper middle quartile, building on the two percentage point increase we achieved in 2017.

arqiva

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