



inmarsat

The mobile satellite company

Gender Pay Report UK

March 2020



About Inmarsat

As the pioneer and world leader in mobile satellite communications, Inmarsat has been powering global connectivity for four decades.

Inmarsat was set up by the International Maritime Organization (IMO) in 1979 to provide a satellite communications network that would protect the lives of mariners anywhere at sea.

Today our satellite communication services are not only saving lives but empowering people and communities, enabling business and trade, and supporting humanitarian work in the most remote and challenging locations.

Our customers

Our customers range from governments and aid agencies to ship owners and airlines – what they share is a need to stay connected at all times, no matter where they are. Our wide range of mobile and fixed satellite communication solutions and partners' value-added applications deliver all the connectivity they need when they are beyond the reach of terrestrial networks.

Our satellites

Inmarsat owns and operates 14 satellites in geostationary orbit 35,786km (22,236 miles) above the Earth. Together they deliver our global maritime and aviation safety, L-band broadband, high-speed Ka-band, and European inflight Wi-Fi S-band services.

Foreword



At Inmarsat, we want to foster the richness of ideas, thoughts, opinions, perspectives, backgrounds and experiences to create value for our people and our business. To do this we are creating an inclusive working environment where everyone can bring their whole selves to work.

We need both diversity and inclusion to achieve this and have a strategy in place to make this happen. More diverse organisations drive better business. In terms of creativity and finding the right solutions to problems. 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 third UK gender pay gap report shows that our mean pay gap has remained the same at 21.9%, and the median pay gap has slightly increased from 22.8% to 23.2%. One reason for the increase in the median pay gap is due to the number of women employed at the entry-level positions during the period from April 2018 to April 2019. As with all our employees, they will have the opportunity to develop and grow into future leadership roles.

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. Our analysis shows that if we had equal numbers of men and women at each organisational level, the gap would be reduced to **8.9%**.

This 8.9% 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, product development, sales and business development, which tend to be higher paid in the market than functional roles where we tend to have more women. This continues to be an area of focus for us.

We have developed a number of actions to close the gap. A summary of these actions is shown on page 9, and pages 10 and 11 take you through our progress with our plans.

Recognising the value of gender diversity for the company at the leadership level, I am pleased to report that the Inmarsat Executive Team has seen an increase from of female representation from 25% in 2018 to 31% in 2019. The representation of women at the extended leadership level also increased, from 27% to 31% in 2019.

This report also highlights some key actions from our diversity and inclusion strategy, a plan to increase representation across all levels of our organisation and to support an inclusive culture beyond gender.

Over time, 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 increased diversity of our people.

A handwritten signature in black ink, appearing to read 'Rupert Pearce'.

Rupert Pearce
Chief Executive Officer
March 2020



Gender pay at Inmarsat UK

Our gender pay and progress so far

Our 2019 metrics indicate similar levels to previous years, particularly in relation to the gender pay gap. It is reassuring to maintain these levels whilst we are working through our initiatives to close the gap. Whilst we are reassured, we remain determined and committed to continue with our initiatives to close the gap. We recognise that this will only be achieved over time.

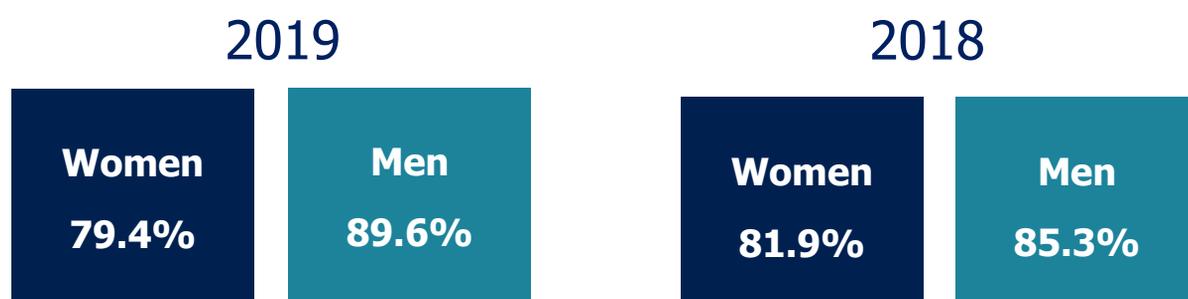
Pay and bonus gap

Presented as the mean and median gap in hourly pay and bonus between men and women, as at 5 April 2019:

	2019		2018	
	Mean	Median	Mean	Median
Pay Gap	21.9%	23.2%	21.9%	22.8%
Bonus Gap	43.8%	38.0%	45.4%	32.7%

Proportion of men and women receiving a bonus payment

During the year up to 5 April 2019, with 2018 figures for comparison:



The proportion of women receiving a bonus during the year to 5 April 2019 was lower than the proportion of men receiving a bonus. This was due to the significant increase in the number of women recruited after the Inmarsat cut off date for a bonus for the 2018 year. The cut off date to receive a bonus, for both men and women, was 1 October 2018.

Our gender pay and progress so far

...continued

Proportion of men and women in each pay quartile

We are pleased to see improvements in the percentage of women in each of the quartiles as at 5 April 2019.

2019	Quartiles			
	Upper Quartile	Upper Middle	Lower Middle	Lower Quartile
Women	20.3% ↑	23.5% ↑	30.3% ↑	51.1% ↑
Men	79.7%	76.5%	69.7%	78.9%

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

2017	Quartiles			
	Upper Quartile	Upper Middle	Lower Middle	Lower Quartile
Women	18.0%	22.4%	30.6%	54.1%
Men	82.0%	77.6%	69.4%	45.9%



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

Understanding the gap

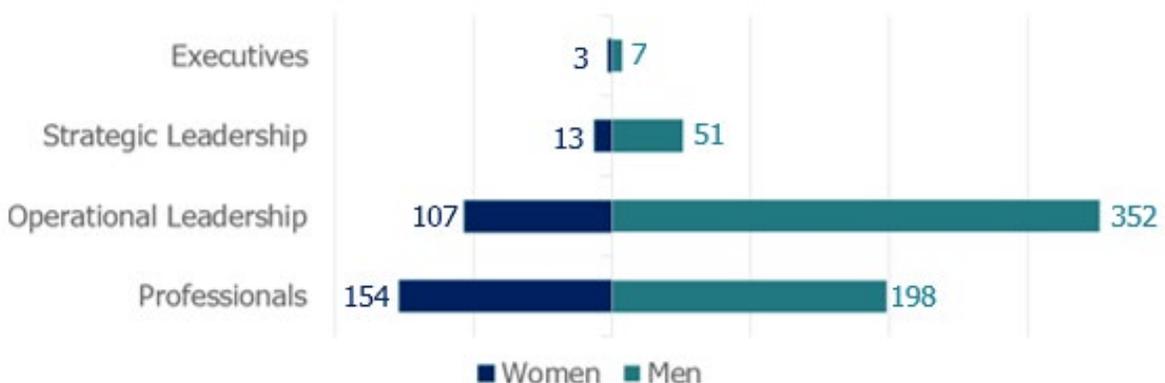
As with previous years, we have undertaken a detailed analysis of our data to obtain valuable insights into the causes of our gender pay gap. We analyse the data many different ways to look for information that will help shape our diversity and inclusion initiatives. We test whether the actions being taken are producing the results we expect and keep in mind the need to develop and change as required.

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 UK Workforce as at 5 April 2019



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.

Understanding the gap

...continued

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:

Pay and Bonus

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.

Job Evaluation

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.

Performance and Development

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

Taking action - Our recent activities

Attract and Recruit

- ✓ Adopted targets of 30% female representation in our Executive Team and Extended Leadership Team
- ✓ Attracting female graduates via partnership with TARGETJobs
- ✓ Introduced hiring manager training
- ✓ Inclusion of Stonewall's 'Starting Out' guide
- ✓ Signed the Social Mobility Pledge

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

- ✓ Successful Women's and LGBT+ employee networks
- ✓ Partnered with Stonewall and Business Disability Forum
- ✓ Created a 'new parent' room in some of our locations
- ✓ Introducing a new talent management approach with calibration to avoid unconscious bias
- ✓ Showcasing internal role models
- ✓ Conducting a diversity and inclusion survey



Attracting and developing diverse talent

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. There was an almost gender equal graduate intake in 2019 (60/40), resulting from initiatives like our STEM engagement sessions and our TARGETJobs partnership.

We have also been included in Stonewall's 2018/19 'Starting Out' guide as an inclusive employer to the LGBT community.



Training our hiring managers

We improved the ability of over 80% of our hiring managers to interview at Inmarsat and, with that, will reduce interference of bias in the recruitment process. In 2020 we will also be further developing our hiring skills training to include material on unconscious bias.

Target of 30% in our Executive and Leadership Team

In June 2019, we reached 31% female representation in both our Executive Team and our Extended Leadership Team. This is great progress towards our Hampton Alexander target of 33% women in Leadership by 2020. In addition, the Inmarsat Executive Team has seen an increase from 25% female representation in 2018 to 31% in 2019. In 2020, we will continue to focus our work on our female representation.



I am delighted with the progress we have made on our Diversity and Inclusion agenda. Whilst we still have some way to go, all of our people processes and activities are now viewed through a D&I lens and we have significantly increased the level of employee engagement on the subject, as evidenced by our thriving employee network groups and engagement survey comments.

Natasha Dillon
Chief People Officer

Attracting and developing diverse talent

We are offering equal opportunities for all employees to develop themselves, and accelerate the progression of under-represented talent to leadership roles.

Social Mobility Pledge

In 2019, we signed up to the Social Mobility Pledge. This organisation, led by former Secretary of State for Education, Rt Hon Justine Greening, invites organisations across the UK to increase social mobility and 'level up' opportunity by committing to partnerships with schools, access opportunities to people from disadvantaged backgrounds and recruitment that promotes a level playing field. Inmarsat is a sector lead for technology.

Mentoring

Inmarsat believe that 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

Previously we committed to support our female talent with targeted career development through our two personal impact courses with the Royal Academy of the Dramatic Arts. These aim to provide women with the tools to effectively navigate predominantly male corporate environments. These have had significant impact on the cohorts of women who have attended our 6 programmes to date.

We have had 100% satisfaction scores on all feedback but we acknowledge that we need more formal quantitative mechanisms to track the impact of leadership training on women.



"Gender diversity continues to be an essential element of our business strategy, underpinning our future success. Only with full gender diversity can we attract top talent internationally, free ourselves from institutional bias, and make the most of our capabilities and human potential."

Rupert Pearce
Chief Executive Officer

Life at Inmarsat

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

Global Women's Network

In 2018, we saw the launch of a global women's network, driven by an employee board and global champions in most of our global offices. We commit to supporting the growth of this global network so they can continue to run awareness and education and skills sessions, network and development opportunities and enable peer-to-peer learning.

The network is already creating links across the industry to drive holistic change and we will commit central resources to support this growth. Within its first year the network has reached circa 77% of our global women, and we aim to grow from 11% members who regularly attend events and engage with the network to 30% active members.

LGBT+ and other networks at Inmarsat

We launched our LGBT+ our employee network in 2018 and this continued to be developed in 2019. This involved introducing an ally framework for those who support equality with a belief in its inherent value. We have also built new veterans and interfaith networks.

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.

In September 2019 we launched our first 'Flextember' campaign – a campaign to promote Flexible Working. In collaboration with our Culture team, it was a new initiative to promote flexible working and to focus on work as an activity, not a destination. The case studies and feedback from employees was very positive.

High performance culture

We continue to hold training sessions for employees around the world to introduce a number of key concepts around Inmarsat's high performance culture. These sessions have 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.

Actions for 2020

Focus our efforts and resources on informed changes to deliver clear results

Improve diversity in the long and short candidate lists for the majority of our roles

Maintain female leadership above 30%

Continue to progress towards internal gender targets

To support the above actions, as well as our other commitments, we will further develop an internal Diversity and Inclusion scorecard, that tracks key measures of gender inclusion across the employee lifecycle.

This will be informed by the measurement framework provided from the Royal Academy of Engineering, supporting our aim to make evidence-based decisions on progress.

Glossary of terms

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 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 2019.

	Mean	Median
Pay Gap	19.6%	22.9%
Bonus Gap	30.4%	36.0%

Proportion of men and women receiving a bonus payment

During the year up to 5 April 2019.



Proportion of men and women in each pay quartiles

	Quartiles			
	Upper Quartile	Upper Middle	Lower Middle	Lower Quartile
Women	20.8% ↑	23.1% ↑	31.5% ↑	50.9% ↑
Men	79.2%	76.9%	68.5%	49.1%

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

