



**Gender Pay
Gap Report**
2019 & 2020

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Simon Gould

Managing Director
BMT Defence & Security UK LTD

In 2017, the Government made it mandatory for all large organisations to report their gender pay gap. We welcomed this move as an important step towards having a more diverse and inclusive workforce.

This is our second gender pay gap report, which illustrates two sets of annual Gender Pay Gap Data from 2019 and 2020.

In our last report, I committed to prioritising measures that make BMT a workplace where everyone feels welcome and able to give their best. I said that we would invest in initiatives, such as STEM (Science, Technology, Engineering and Maths) and WISE (Women in Science and Engineering), which encourage greater diversity in our professions.

I outlined some of the reasons we believe we have a pay gap, and our commitment to improving our gender diversity and to closing the gap.

Our work over the last 18 months has had a continued positive influence, showing a year on year reduction in our gap, narrowing again in April 2020 compared to last year.

Despite making significant progress, there remains a gap. One of the main reasons for this is that across many companies in BMT, men are currently holding a greater percentage of senior positions.

A contributing factor is the challenge we face recruiting female employees with STEM qualifications and experience, due to a smaller number of females studying these subjects in the UK than men.

This is something we are aware of and BMT is committed to finding ways to overcome these challenges to build greater diversity.

For example, in September 2020 we launched a global Graduate Programme, and we are also exploring a STEM returners programme, which we hope to rollout in the coming year.

Our focus remains diligent. We are consciously doing more than ever as a global business to attract, retain and develop diverse individuals, offering an environment where our people feel respected and connected. We remain committed not just to our gender diversity initiatives, but our long-term Diversity & Inclusion Programme as a whole. Building on the statistics outlined in this report, we hope that our 2021 data and beyond reflects our ongoing commitment.

By working together, we will continue to make a difference and we will close the gap.



Our Data 2019 and 2020

At the time of this snapshot on April 2020, the total number of employees for the Gender Pay Gap report was 566, of which the breakdown was 441 males (78%) and 125 females (22%).

Percentage of Men and Women employed by BMT Defence & Security UK Ltd

Data published by the Office for National Statistics show that for the UK, the gender pay gap among all employees was 15.5% in 2020, down from 17.4% in 2019.

	2020	2019	2018	2017
Mean hourly pay	16%	20%	30%	24%
Median hourly pay	15%	19%	31%	30%

BMT Defence & Security mean gender pay gap was 20.3% in 2019 and was reduced again in 2020 to 16%. Our mean hourly pay gap has decreased by almost half in two years since our first Gender Pay Gap report in 2018.

Our median was 18.5% in 2019 and 14.9% in 2020. Just like the mean hourly pay our median has us reduce the gap by more than half, falling from 31.4% in 2018 to 14.9%.

At BMT, the proportion of employees (male and female) eligible to receive a bonus, expressed as a percentage of the female relevant employees was 100% in 2019.

BMT did not pay a bonus in 2020, however figures for 2020 distorts the trend with a very small proportion of employees in receipt of bonus with contractual obligations.

BONUS	2020 NEW	2019 NEW	2018	2017
Mean gender bonus gap	78.58% *women's mean bonus pay is 78.58% lower than men's	-38.1% * women's mean bonus pay is 38.1% higher than men's	14% *women's mean bonus pay is 14% lower than men's	-9.6% * women's mean bonus pay is 9.6% higher than men's
Median gender bonus gap	-69.09% *women's median bonus pay is 69.09% higher than men's	3.6% *women's median bonus pay is 3.6% lower than men's	25% *women's median bonus pay is 25% lower than men's	24.7% *women's median bonus pay is 24.7% lower than men's



Pay quartiles by gender

Pay quartiles show the distribution of earnings when looking at pay. The total number of employees is divided into four equal groups ranging from the lowest to the highest paid individuals. It shows the proportion of male and female employees in each quartile.

	2020		2019		2018		2017	
	Male	Female	Male	Female	Male	Female	Male	Female
Lower Quartile	65%	35%	64%	36%	57%	43%	64%	36%
Lower Middle Quartile	75%	25%	78%	22%	90%	11%	78%	22%
Upper Middle Quartile	85%	15%	84%	16%	90%	10%	84%	16%
Upper Quartile	86%	14%	88%	12%	57%	43%	88%	12%

Since 2018, we are seeing pay quartiles by gender percentages reduce year on year. We recognise we have a long way to go, and our work continues to improve our gender equality and to reduce the gap.

Previous Statistics, as outlined above, published on government website:

2017 <https://gender-pay-gap.service.gov.uk/Employer/2CTskjAe/2017>

2018 <https://gender-pay-gap.service.gov.uk/Employer/2CTskjAe/2018>

2019 <https://gender-pay-gap.service.gov.uk/Employer/2CTskjAe/2019>



D&I voices

Catherine Ingram Principal Naval Architect

The numbers presented in this report give a snapshot of one measure of diversity and equality in our business. But diversity initiatives go far beyond this, helping provide a workplace that offers opportunities for all and allows individuals and teams to grow in capability. In particular within our engineering teams, it is hard to imagine we will ever have a workforce which is not male dominated.

It's 20 years ago now that I first got involved in the engineering industry and it is apparent that far more effort is now spent on making our workplaces inclusive – and it definitely makes a difference.

Although it is a common experience for me, I still find it daunting sometimes to look round a big meeting room and realise everyone else there is male.

Feeling like the odd one out or the person who doesn't belong in situations like this can really knock confidence and impact an individual's performance. This is why it's important that we all work on making sure everyone knows and feels they belong in our teams & business, regardless of gender, age, race or anything else they might perceive makes them different.

We all have a part to play in recruiting, retaining and developing the right resources in the right roles. Our business flourishes when individuals are contributing their absolute best. For this to happen we all need to know we belong. We all have a responsibility for creating a welcoming, supportive, and encouraging working environment within our own teams and the broader business. Also prolonged remote working means we need to be more pro-active in this.

It was fifty years ago last year that equal pay regardless of gender became a legal requirement in the UK. Great progress has been made since then in working towards true equality in the workplace, but there is still further to go to ensure that everyone can contribute without barriers. Wouldn't it be fantastic if in another fifty years' time, equality was so engrained in our society that we didn't need to publish pay gap statistics and diversity campaigns were a historical curiosity?



Our approach

What action have we taken?

We are committed to working towards closing the gap and creating an open and inclusive culture for all our people.

To ensure we continue our focus on creating a diverse workforce, we have been working on several initiatives to improve our gender diversity:

- We launched “We are One”, “We are Proud” and “We are Strong” – a series of internal promotions as a part of our global D&I campaign.
- We are already delivering against the D&I objectives agreed for BMT Defence and Security UK:
 - De-bias our opportunity selection process**
Rollout mandatory bias training for all employees. The above two actions are being addressed as part of our Recruitment Passport training, which will be mandatory for all those involved in the recruitment process. The roll out of this training is currently underway and will be complete this financial year.
 - Invite challenge to our work from people who think differently to us by opening up our networks**
We have now moved to a UK wide D&I Forum which will enable greater participation from across all regions.
- For the last few years BMT have provided the BMT Consulting Women course as part of our suite of training, a course designed to encourage and promote women to achieve their true potential in their careers.
 - The feedback for this course has been phenomenal and a real inspiration for many of our delegates. In DAS UK alone, we have been able to offer 23 places across 9 cohorts, with more planned in the future.
 - As mentioned above, we have developed and are in the process of rolling out Recruitment Passport training for all employees involved in the recruitment & selection process. This training will ensure we achieve and maintain a baseline standard in our approach to bringing new talent into the business which is consistent, fair and free of any bias.
 - This year we are launching our Succession and Talent Management programme, designed to provide our High Potential employees with the development and tools they need to excel within BMT.
 - In September 2020 we launched our Global Graduate and Apprenticeship programme, aimed at providing opportunities to graduates and apprentices looking to start their careers. As part of our programme, we provide significant training and development as well as access to our networks across BMT.
- We have developed a Good Leavers database which enables us to keep in touch with all of our colleagues who have decided to progress their careers outside of BMT. Through continuing our networks, we are able to update them on all the good work going on in our business, including important D&I initiatives.
- We have established a partnership with WISE (Women in Science and Engineering) and we are committed to their Ten Steps for diversity success.
- Last year, we signed the Women in Defence Charter showing our commitment to promoting gender balance across the defence industry.
- In October 2020, Cathy Ingram, Principal Naval Architect was selected as one of the finalists in the Equality of Opportunity Award category at the Women in Defence UK Awards 2020.
- We are working towards a Global D&I strategy, which will be launched in 2021.
- In support of our commitment to diversity and inclusion within BMT, in March this year we appointed a Diversity & Inclusion Manager and are thrilled to introduce her below.



Justine Pernice

Global D&I Manager

I have recently joined BMT and my initial observations are that I am extremely encouraged by the extent to which Diversity and Inclusion is already embedded within the business as well as the level of interest to increase belonging and representation.

I am really pleased that going forward we will be expanding the DAS UK Diversity and Inclusion Forum as a regional forum to encompass the rest of the UK and Europe and establish new D&I Forums in the Americas and Asia Pacific regions. This will enable BMT to continue to develop a global, cohesive D&I agenda and actions.

In line with the wider four pillars of the D&I Strategy which are:

- Have a diverse voice, being inclusive by nature
- Improve awareness & understanding
- Strengthen our diversity at all levels, across all regions
- Embed D&I into our business

I hope to consciously assemble an environment where all are respected, values and supported; a place where inclusion and progression is not stifled by individual characteristics.

For DAS UK, this of course means supporting initiatives already in place such as the BMT Consulting Women Programme as well as developing further opportunities to build on the accomplishments, closing the gender pay gap further.

Working together, I hope the need for a strategic approach to encourage diversity, inclusion and equality will become redundant, recognising D&I is indispensable to a prosperous organisation.

Anne Segall

HR Director, BMT

Gender Pay Gap reporting is a vital part of understanding our current position with regard to the salary position of our female employees balanced against our male employees.

This report however, does much more, as it looks not just at pay but at the status of our female employees and how we are working to bridge not just the pay but also

the seniority gap, that we currently see.

We have introduced many initiatives to assist here and I am pleased to see these outlined in this report.

Our stated aim is for BMT to be both a diverse and inclusive company; one that has equal pay and equal opportunity for all our employees.

I know the work we are undertaking and in particular, our appointment of a Diversity & Inclusion specialist to guide us, will make a real contribution going forward and ensure we make even more progress before we report again.

