



Raytheon UK:  
**Gender Pay Gap Report 2017**



# GENDER PAY GAP REPORT

This report has been published in accordance with the Gender Pay Gap Reporting regulations under the Equality Act 2010.

Like most UK companies, we currently have a gender pay gap. We are committed to reducing this gap whilst continuing to ensure that our staff are paid fairly for the work that they do, irrespective of their gender or other protected characteristic. We have been taking a number of steps in recent years to address the gap and will continue to do so. We operate a fair and unbiased recruitment process, we advertise our roles both internally and externally ensuring our job descriptions are gender neutral to enable us to reach out to the best possible talent and achieve a diverse candidate slate. Training has been rolled out across the company to address unconscious bias. The hiring manager population has been specifically targeted to address subjective biases which can arise during recruitment. Raytheon has challenged managers to consider a diverse slate when interviewing for senior roles.

The Raytheon UK Leadership Team is committed to taking action to address this and will be monitoring our performance in this area.

## What is a gender pay gap?

The term gender pay gap is the difference between the average earnings of males and females across the whole organisation. From 4 April 2018, employers are required to publish on an annual basis certain information regarding the salaries and bonuses paid to male employees as compared to female employees.

It is important to note that this is about averages, not about pay for specific roles. The term "equal pay" refers to male and female employees being paid equally for doing the same job. We have carried out an equal pay review in collaboration with our external professional advisors and we are confident that we do not have an equal pay issue. Rather, our gender pay gap is due to the averages of gender representation within our workforce population, these structural factors are set out below.

## Contributing Factors

The gap between the average earnings of males and females at Raytheon UK is predominantly caused by our having significantly fewer females than males in our workforce, particularly in respect of senior leadership and technical roles, 30% of our employee population are females. The defence industry, as a whole, suffers from lower populations of females in the workplace. While the occurrence is not unique to Raytheon UK, we recognise the need for change and the importance of increasing our female representation, both within Raytheon UK and throughout the industry.

## Male and Female split



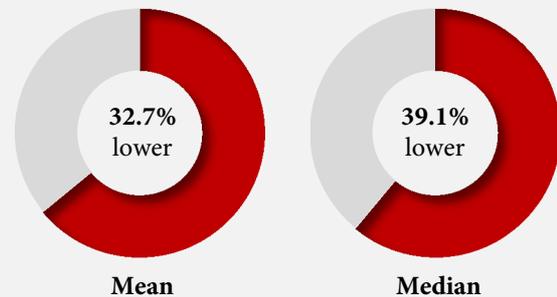
Males: 70.5%



Females: 29.5%

Within our organisation employee population, we have a higher proportion of female employees represented within our lower grades, and a higher proportion of male employees represented within our higher grades, this has meant there is a skew in the average pay which is contributing to our Gender Pay Gap.

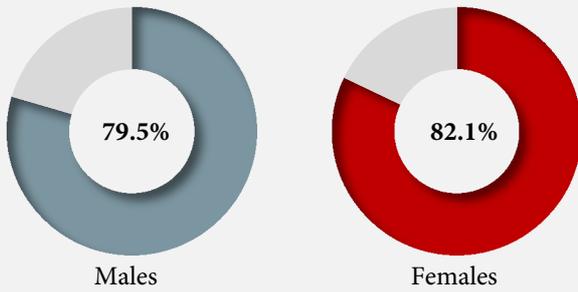
## Pay gap - Women's hourly rate



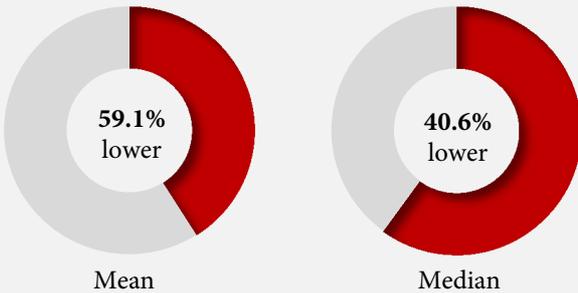
*\*The figures above are based on data relating to salaries and bonuses paid to employees of Raytheon UK in April 2017.*

Furthermore, although all employees may be eligible to receive a bonus, and we are consistent in the proportion of bonuses to paid to both males and female employees, the bonus amount (as a percentage of earnings) is typically higher for employees with the most senior positions in the company. As there are currently significantly fewer females in leadership positions than males, it follows that the average bonus paid to female employees is lower, creating a bonus pay gap.

**Percentage of men and women who received a bonus for 2016**



**Women's bonus pay compared to men's**



**Pay quartiles, the percentage of men and women who appear in each quartile pay band**

**Top quartile:**

75% - 100% of full pay employees



**Upper middle quartile:**

50-75% of full pay employees



**Lower middle quartile:**

25-50% of full pay employees



**Lower quartile:**

0-25% of full pay employees



Supporting the programs of Employee Resource Groups (ERGs), which are an integral part of advancing an inclusive culture and form part of our diversity strategy. Raytheon Women's Network (RWN) was established in 2010, RWN was set up as an employee resource group to act as a strategic business partner to enable Raytheon UK to recruit, retain and re-attract the best female talent. In collaboration with other ERG's and external women networks, RWN drives a number of initiatives each year including hosting a series of career development and leadership events across our sites. In 2018 RWN is focused on leadership development for women; promotion of flexible working; and, development of job share and flexi work opportunities.

One of the partners RWN collaborates with is STEM. Raytheon UK has 170 STEM ambassadors across its sites. STEM runs a number of community events to encourage children to consider a career in STEM. One of the key focus areas is promoting STEM as an option for females who are under-represented in STEM subjects and careers. Raytheon UK will also continue to sponsor and support a number of students through further education across a number of universities and disciplines.

These are just some of the initiatives being implemented as part of Diversity 2020.

Finally, we continue to enhance work/life benefits to support our employees in balancing their personal and professional needs. For example, we have enhanced our Adoption, Maternity, Paternity and Shared Parental Leave policies that support our employees through life changing events.

As well as Raytheon's training on Unconscious Bias; other programmes that support diverse talent within the business are our annual Ethics training and The Inclusive Leader, we also offer a number of other leadership modules within our online library which are accessible to all employees.

As previously stated, Raytheon UK Leadership is committed to paying females and males equally in similar roles and to increase the number of females in the workplace. We are taking action to address the pay gaps outlined in our Gender Pay Report and we will track and monitor progress to ensure the gaps are reduced and increases in female representation are achieved.

I confirm that the data contained in this report is accurate (March 2018).

**Richard Daniel**  
Chief Executive and Managing Director  
Raytheon UK

**Commitment to Progress**

Raytheon UK recognises these gender pay gaps will only be reduced by taking proactive steps and will require targeted, long term focus and incremental change, which will take a number of years. We have established several initiatives designed to tackle long term the root causes of the gap and to promote equality, diversity and inclusion in our workplace. Our steps include but are not limited to:

# Raytheon

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