

Gender Pay Report UK

March 2018



About Inmarsat

Inmarsat is the leading provider of global, mobile satellite communications solutions. Our communications services are used by governments, commercial enterprises, particularly in the Maritime and Aviation industries, and humanitarian organisations across the world.

Inmarsat's wholly-owned and operated satellite constellations deliver unparalleled reliability to support mission-critical communications, ensure safety on land, at sea and in the air, drive innovation and bring new economic and social benefits to even the most isolated communities.

Foreword



'We have a long term commitment to diversity and inclusion, giving everybody the opportunity to be the best they can be and to thrive.'

As a technology-led company we don't just want diversity, we need it to manage complexity and deliver new levels of innovation and creativity demanded by the digital world. We know that talent is unrelated to gender, ethnicity, sexual orientation, social background or any other form of diversity, and we recruit and employ the best talent.

In the UK we have 756 employees¹ of whom 69% are men and 31% are women, compared to 75% male employees in a typical high-tech company². Our analysis shows that the gap between men and women's earnings is 24.5% (mean) or 24.4% (median), based on hourly rates of pay at the snapshot date of 5 April, 2017.

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. In fact, our analysis shows that if we had equal numbers of men and women at each organisational level, the gap would be reduced to 8.5%.

This 8.5% 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 and business development, which tend to be higher paid in the market than functional roles where we tend to have more women.

We want to address these differences, so we have developed a three-year diversity and inclusion plan that will help rectify some of the imbalance.

We have made a commitment to be actively involved in STEM education programmes and to continue our work actively supporting the digital Gender Divide³ and the UN Equals Group⁴.

For our current employees we are developing guidelines and working practices that support the retention of talent by offering improved flexible working, enhancing development and progression through mentoring, reverse mentoring and high-potential programmes to help accelerate careers.

We are confident that as we make progress towards achieving greater gender balance in our senior roles and technical roles, our gender pay gap will reduce.

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

Rupert Pearce
Chief Executive Officer
14 March 2018

¹On 5 April 2017 (Snapshot date for gender pay reporting)

²Mercer 2016 Gender Pay in the UK High-tech Industry report

³<http://broadbandcommission.org/workinggroups/Pages/digital-gender-divide.aspx>

⁴<https://sustainabledevelopment.un.org/partnership/?p=22186>

Gender Pay at Inmarsat UK



Our Gender Pay at a Glance

Pay & Bonus Gap

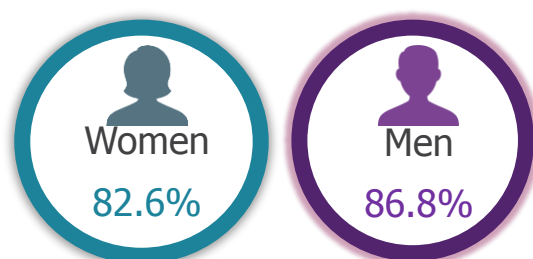
Presented as the mean and median gap in hourly pay and bonus between men and women, as at 5 April 2017.

	Mean	Median
Pay Gap	24.5%	24.4%
Bonus Gap	46.0%	40.0%

Proportion of men and women

(i) Receiving a bonus payment

During the year up to 5 April 2017.



(ii) In each pay quartile

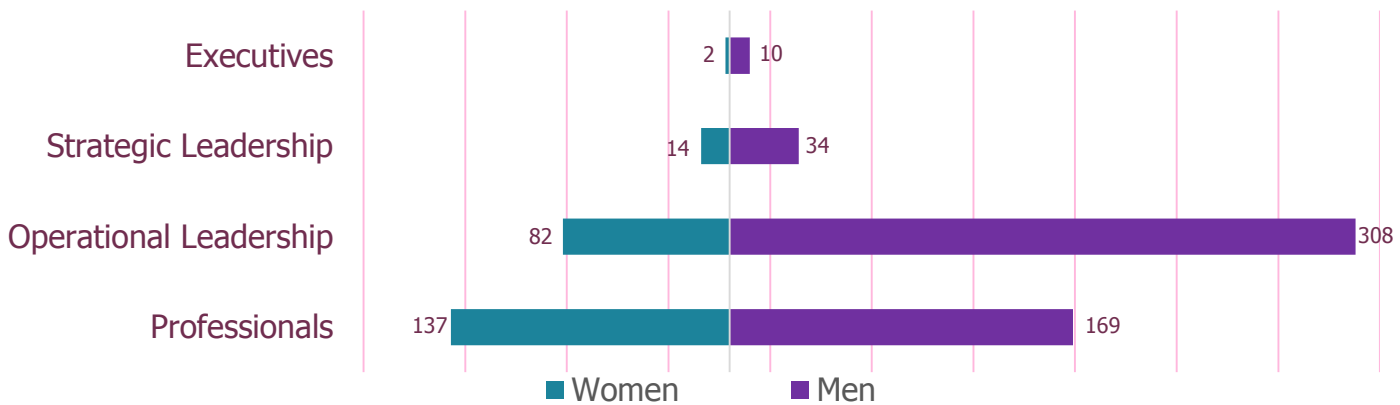
	Upper Quartile	Upper Middle Quartile	Lower Middle Quartile	Lower Quartile
Women	18.5%	23.3%	29.6%	52.9%
Men	81.5%	76.7%	70.4%	47.1%

Note: terms are explained in the Glossary in more detail

Understanding the Gap

We have analysed the data further to help us understand where we can improve and to ensure that our policies and practices do not harbour any gender biases.

Our Workforce



The gender distribution in our structure reflects the challenge of attracting men and women in equal numbers, particularly in engineering, business development and sales positions, and senior management.

The greater number of men at levels where pay is higher with a much more significant variable element is the single greatest explanation of the gender pay and bonus gaps.

If the gender proportion was equal at each organisational level the gender pay gap would be much reduced to 8.5%. Further analysis shows that the 8.5% difference does not signify an equal pay issue but instead it reflects the fact that engineering, business development and sales functions, which are typically male-heavy, are paid higher in the market than corporate functions at the same level.

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.

Checking for Biases

Processes and managerial decisions

Although our gap is clearly affected by the greater number of men in more senior positions as well as in engineering, business development and sales positions, we want to make sure that there is no systemic pay issue and that our policies and practices are free from any gender bias.

Equal pay is not the same as the gender pay gap; the former is about making sure that men and women who perform the same job are paid equally, whereas the latter looks at the pay gap between all men and women regardless of the work they do.

It is our ongoing commitment to continuously monitor and safeguard the integrity and fairness of our policies, processes and structures to ensure equal opportunities for all.

- ✔ We test our annual pay progression and promotions for any 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.
- ✔ 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.

Closing the Gap



Diversity & Inclusion



Natasha Dillon
Chief People Officer

'We are immensely proud of our diversity as a multi-national, multi-ethnic company and ensuring our people have equal opportunities to succeed and feel valued are at the heart of our People Strategy. We also believe that understanding and honouring our diversity will lead to better solutions and a stronger Inmarsat.'

In this age of digital disruption we require new levels of innovation and creativity, which we believe are greatly enhanced by diversity of all forms.

In addition, our core purpose as an organisation is to enable the connected world, and in delivering our purpose we provide connectivity to an increasingly international and diverse customer base. In doing so we want to make sure that we reflect the society we serve. Not only is this the right thing to do, we also believe that doing it well will support the building of long term relationships which in turn drive long term business success.

Creating a great work place with an inclusive and diverse culture also helps to attract and recruit the best people, and engage and motivate our current employees.

To support our vision, we have developed a three-year Diversity and Inclusion plan with actions at multiple stages of the employee lifecycle from attraction to recruitment to development, and there are a number of initiatives focused on 'life at Inmarsat' – creating and maintaining an engaging and inspiring place to work.

Taking Action

Our Recent Activities

Attract & Recruit

- STEM Outreach initiatives
- Attracting female graduates via partnership with TARGETJobs
- Focused recruitment for experienced hires
- Women Returning to Work Programme

Develop

- Mentoring
- Identifying high potentials and accelerating careers
- Targeted development programmes: Executive Presence for Women in collaboration with the Royal Academy of Dramatic Art
- Hosting the International Women's Network

Life at Inmarsat

- Developing a compelling Employee Value Proposition for all employees including diverse groups
- Reinvigorating and refreshing our culture and values
- Introducing family friendly policies, including flexible working
- Designing a new performance management approach with calibration to avoid unconscious bias
- Storytelling – external and internal role models
- International Women's Day Awareness & Celebrations

Attracting & Recruiting Diverse Talent

Focused Recruitment and STEM

We continually strive to attract, engage and hire employees across all diversity classifications. We actively monitor levels from applications through to hire. We also review the candidate pipeline to gauge if there are certain junctures when a specific classification falls out of the process, so we can adapt our methods accordingly. Finally, we actively seek to reduce unconscious bias during the hiring process and support our managers to ensure best practice is followed.

Focused Recruitment

We utilise TARGETJobs for graduate hiring and partner with them and other engineering employers on their Future Female Engineer programme, aimed at bringing more women into the sector. More specifically, TARGETJobs are supporting us in our desire to hire more female graduates.

We are proud to be sponsoring the Best Diversity Strategy Award at the TARGETjobs National Graduate Recruitment Awards 2018.

STEM

We actively engage with young people to encourage greater awareness of careers available to those with a solid STEM education. We do this via a range of initiatives and ensure we engage with students from a range of socio-economic backgrounds. We are proactive in ensuring that the conversations we have with young people come before they make important study choices that restrict future career options. Finally, we are passionate about highlighting the successes of women in this sector and creating inspirational role models to encourage young women to enter the sector.

Women Returning to Work

In 2018 we are introducing a Back2Business Programme to attract and support women who wish to join Inmarsat after a career break. Women are more likely to take career breaks, for reasons that often involve starting or looking after their family and returning to work after a long break can often be daunting. We want to set up a structured programme and make sure that we offer the support and training that returners will need.

Attracting & Recruiting Diverse Talent

STEM Outreach

Inmarsat Strategy Challenge

Annual programme promotes STEM education through development of satellite applications.

Twenty five students have successfully completed the annual Inmarsat Strategy Challenge, which aims to bridge the experience gap for high performing STEM students, through tackling complex, real world problems that the space sector is supporting.

The students from City and Islington College's Sixth Form College and Centre for Applied Sciences were set the challenge of how to effectively respond to natural disasters using satellite communications.



Girlguiding

In November 2017 we were delighted to welcome over 50 Girlguiding members to our London Headquarters to find out about our world and the amazing career opportunities open to them if they choose to study STEM (science, technology, engineering and maths) subjects. Sally Kettle, adventurer, marathon runner, first woman to row the Atlantic Ocean twice from East to West earning a Guinness World Record joined us for the event as key note speaker.



During the day the Girlguiding members also took part in a number of activities from constructing a tower that would withstand hurricane winds, making a 1 minute timer, learning to do maths like a computer, building a chair and creating a mechanical hand – each providing them with valuable STEM skills.

Developing Diverse Talent

Mentoring and Developing Executive Presence

Countless studies have shown that one of the key reasons individuals leave organisations is due to an absence of opportunities to grow and develop. We want to make sure we are nurturing our female talent and actively creating opportunities for progression. To enable this we are investing in mentoring and tailored development programmes for women.

Mentoring

Inmarsat has launched a mentoring programme and toolkit in 2017. As part of our diversity initiatives, we aim for our female high potentials identified in our talent programme to have a senior mentor in the organisation.

Mentoring supports formal training and plays a valuable role in talent and career development, and encourages cross-functional awareness, co-operation and knowledge sharing.

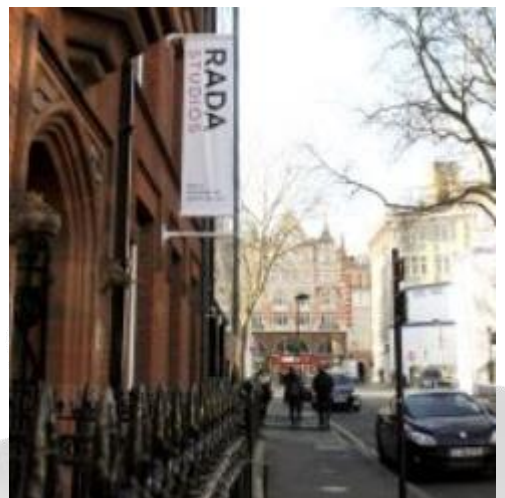
In 2018 we are also launching reverse mentoring, a programme where female employees will be mentoring senior male Executives.

Developing Executive Presence in partnership with RADA

In the spring of 2017 we launched our Executive Presence for Women programme, run in conjunction with the Royal Academy of Dramatic Art (RADA).

This programme is designed for senior women and looks at issues such as status, resilience, gravitas and communicating with authority, authenticity and credibility.

Participant feedback was outstanding and we will continue the programme in 2018, and also launch a new programme targeted at mid-level women.



Developing Diverse Talent

International Women's Forum comes to Inmarsat

As part of our focus on Diversity, we invited the International Women's Forum to come to Inmarsat.

We were privileged to have IWF UK Committee member, accomplished business author, journalist and speaker, Alison Maitland, with us who shared a few of her career turning points and life influences, including her early years as a diplomat's daughter growing up in Cairo, and being among the first female students at King's College, Cambridge. Her career took her to Paris with Reuters and then to the FT in London and she shared her passion for researching leadership which resulted in a lively discussion.



Picture shows, from left to right: Sandra Rutten, Inmarsat L&D Business Partner; Samreen Seher, ELN Board member and Inmarsat Manager Testing Delivery; Alison Maitland and Simona Fionda, ELN Chair.



Life at Inmarsat

Our employee offer, policies and how we manage performance

We want Inmarsat to be an engaging and inspiring place to work for our people. To achieve that we have been working on a number of key initiatives in line with our People Strategy including developing a compelling value proposition so that the 'what's in it for me?' is really clear for our employees.

Developing a compelling Employee Value Proposition (EVP)

Our new EVP comprises a number of key elements including communications and engagement, growth and development, the way we work (including creating collaborative work environments), reward and recognition and finally, the 'red thread' that defines who we are as an organisation including our purpose, commitment to Corporate and Social Responsibility and our culture and values.

As part of this work we are reinvigorating and refreshing our culture, focusing on embedding a number of key concepts across the business, such as collaboration, understanding our own filters and appreciating and being curious about different perspectives.

Family friendly policies, including flexible working

One of our key focus areas for 2017, and moving into 2018 has been refreshing our policies to ensure they are both contemporary and reflect our desire to treat our employees like adults. As part of this 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 which we know has a significant impact on retention of female talent.

A new performance management approach

This year we are implementing a new performance management approach called 'Be Your Best' which provides increased clarity on objectives and focuses on providing ongoing feedback. It also includes robust calibration sessions with input from a range of sources to ensure we are correctly identifying our top talent.

Life at Inmarsat

Storytelling and celebrating International Women's Day

As part of our diversity initiatives we share and promote stories about women across Inmarsat, both internally within the business and externally via social media. Providing access to role models is vitally important - as Marie Wilson from the White House Project says 'you can't be what you can't see.'

Careers for women in space

To celebrate International Women's Day on the 8th March 2017 women holding a range of roles across Inmarsat spoke of their experience of succeeding in the space industry. In a sector that remains male-dominated (along with all others requiring science, technology, engineering or maths (STEM) skills) their message to girls and young women everywhere is never see your gender as a barrier, and follow your passion – because the rewards are amazing!

Mary McMillan, Vice President of Aviation Safety and Operational Services, chalked up two firsts in a 20-year flying career – as the first woman chief pilot on a scheduled airline, and the first female standards captain. When she joined United Airlines in 1989, she was one of only 110 women out of 7,000 pilots.

The aerospace industry today is a much more attractive prospect for women, Mary believes. 'One of the positives of our industry is it allows you to excel in areas that complement your own skills and interests, which I don't think is true of a lot of other industries,' she said. 'We measure performance in very objective ways regardless of gender or sociocultural factors.'

She sees her current role working with Inmarsat's partners, airlines and air navigation service providers on the introduction of the next generation of enhanced satcom-enabled flight deck services as a 'once in a lifetime opportunity'.

Mary added: 'My career has been so good to me and I want other women to experience that as well.'

Life at Inmarsat

Storytelling and celebrating International Women's Day

Enabling women to adopt a different work style

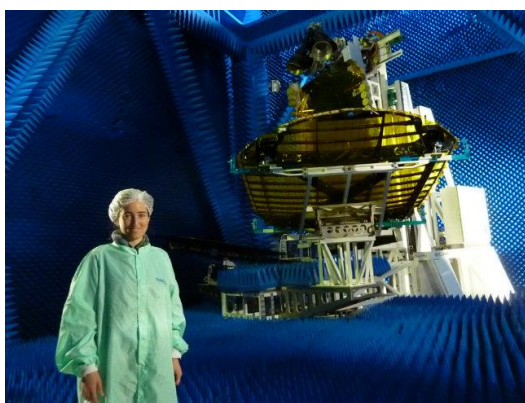
Carole Plessy-Gourdon is now Senior Director of Digital Products, having joined Inmarsat as an aeronautical system engineer intern in 1998. For her, working in a male-dominated technical field has never been an issue: 'Meritocracy and motivation often prevail over gender.'

In the space industry as a whole however, she would like to see change. 'The workplace must allow female workers to adopt a different work style – they should not be expected to imitate male colleagues to succeed, nor should they be expected to display feminine traits but be allowed to be themselves and adjust work practice to suit a family life,' she said.

And her advice to young women considering a similar career? 'Never be scared of asking questions, seeking support and mentorship when needed. Don't be pushed into a role you dislike, and never apologise for being a woman.'

Celebrating role models

'Key to challenging the status quo is seeing more senior level role models like Mary and Carole' says Sara Mugnaini, Payload Engineer and Antenna Specialist, who has been with Inmarsat for nearly two years. 'The lack of female role models in the workplace tends to undermine women's confidence as it drives you to think you have to emulate male behaviour instead of developing your own way of dealing with things,' she said.



Payload Engineer and Antenna Specialist Sara Mugnaini

Life at Inmarsat

Great Leaders

100 Women to Watch 2017

At Inmarsat we have some great female leaders, including our Chief Corporate Affairs Officer, Alison Horrocks, who has been named as one of the 100 Women to Watch in the Cranfield Female FTSE Board Report 2017.

The report showcases the broad and deep female talent pool for UK plc to draw on for board positions, and is a highly respected reference point for Non-Executive Director (NED) positions in FTSE 350 companies.

The search is drawn from a broad range of backgrounds, disciplines and functions, and this year there has been a special emphasis on women with a STEM (Science, Technology, Engineering and Maths) background.

Alison has been with Inmarsat for almost 19 years, and sits on Inmarsat plc's Executive Management Board and, as well as Chief Corporate Affairs Officer, she has overall responsibility for several of our professional service areas including legal, compliance and governance, company secretary and risk management plus corporate marketing. Alison has been Chairman of Inmarsat's UK pension fund for over 15 years and has particular experience in board governance, with emphasis on Remco and Nominations Committees.

In addition, Alison's accomplishments include significant experience of corporate transactions including LBO, IPO, M&A and debt offerings, 25+ years' public company expertise advising Boards and Board Committees and she is NED on an affiliated company's board.



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 & Mathematics.



Gender Pay at Inmarsat UK- Inmarsat Global Ltd



Inmarsat Global Ltd

Per the 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 & Bonus Gap

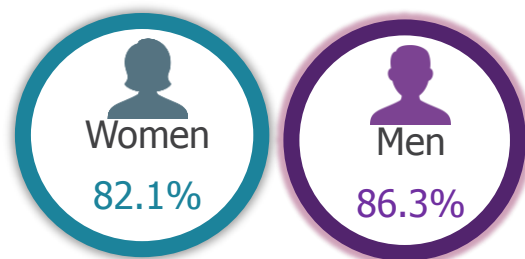
Presented as the mean and median gap in hourly pay and bonus between men and women, as at 5 April 2017.

	Mean	Median
Pay Gap	23.1%	24.1%
Bonus Gap	30.6%	38.8%

Proportion of men and women

(i) Receiving a bonus payment

During the year up to 5 April 2017.



(ii) In each pay quartile

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

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

