

GENDER PAY GAP REPORT

2022



RBSL

DIVERSE WORKPLACE

The gender pay gap is the difference between average male and female pay across an organisation. This is the third annual gender pay gap report since the Rheinmetall BAE Systems Land Ltd (RBSL) joint venture was formed in July 2019. This data will continue to help us as an organisation to understand our pay differentials and explore ways in which we can further close the gender pay gap.

RBSL prides itself on being an inclusive employer and welcomes employees from all backgrounds and experiences. We recognise that a diverse workforce is crucial to achieving an inclusive culture.

In 2020, we became a signatory of the Women in Defence Charter, showing our commitment to work with our partners in industry to secure balanced and rewarding opportunities for women. Our workforce does, however, have a greater proportion of males than females since a large number of the workforce have science, technology, engineering and maths (STEM) qualifications.

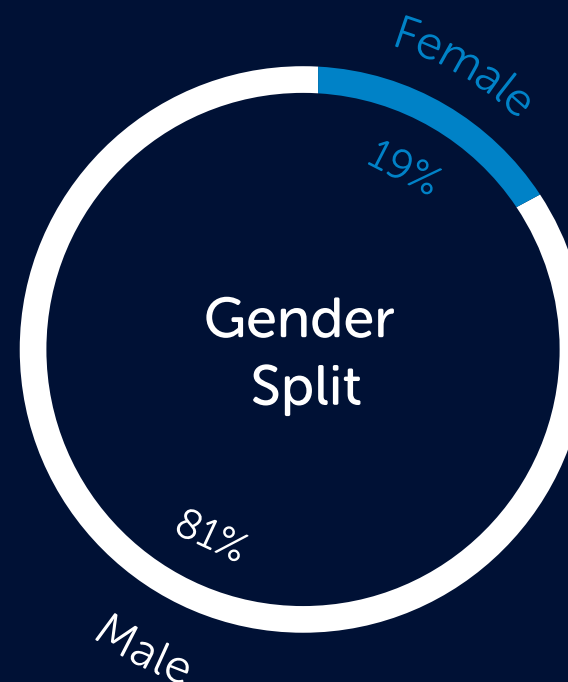
Like other similar companies, we face challenges recruiting females with those qualifications as, reflecting society, there are significantly fewer females who choose to study and then work in these fields. Furthermore in 2022 RBSL had to recruit a large proportion of engineers to meet major programme milestones. The result of this has seen our overall ratio of females to males reduce by 1% in the period. This in no way reflects the commitment of the business to have a truly diverse and inclusive workplace and this commitment will continue to be driven in 2023. I look forward to leading this commitment.

In 2020, we became a signatory of the Women in Defence Charter, showing our commitment to work with our partners in industry to secure balanced and rewarding opportunities for women.

I can confirm that all the data contained in this report is accurate and calculated in accordance with legislative requirements for the snapshot date of 5th April 2022.



Colin McClean
Managing Director, RBSL



2021 Male 80% Female 20%

OUR RESULTS

What is the Gender Pay Gap?

Every year employers with more than 250 staff have to report the following data:

- Gender pay gap
- Gender bonus gap
- Proportion of men and women receiving bonuses
- Proportion of men and women in each quartile of the organisation's pay structure

The gender pay gap is not the same as equal pay. The gender pay gap is the difference between average male and female pay across the organisation and across all roles. Equal pay means that men and women receive the same pay for carrying out the same work or equivalent work. Having a gender pay gap does not mean that men and women at RBSL are not receiving equal pay.

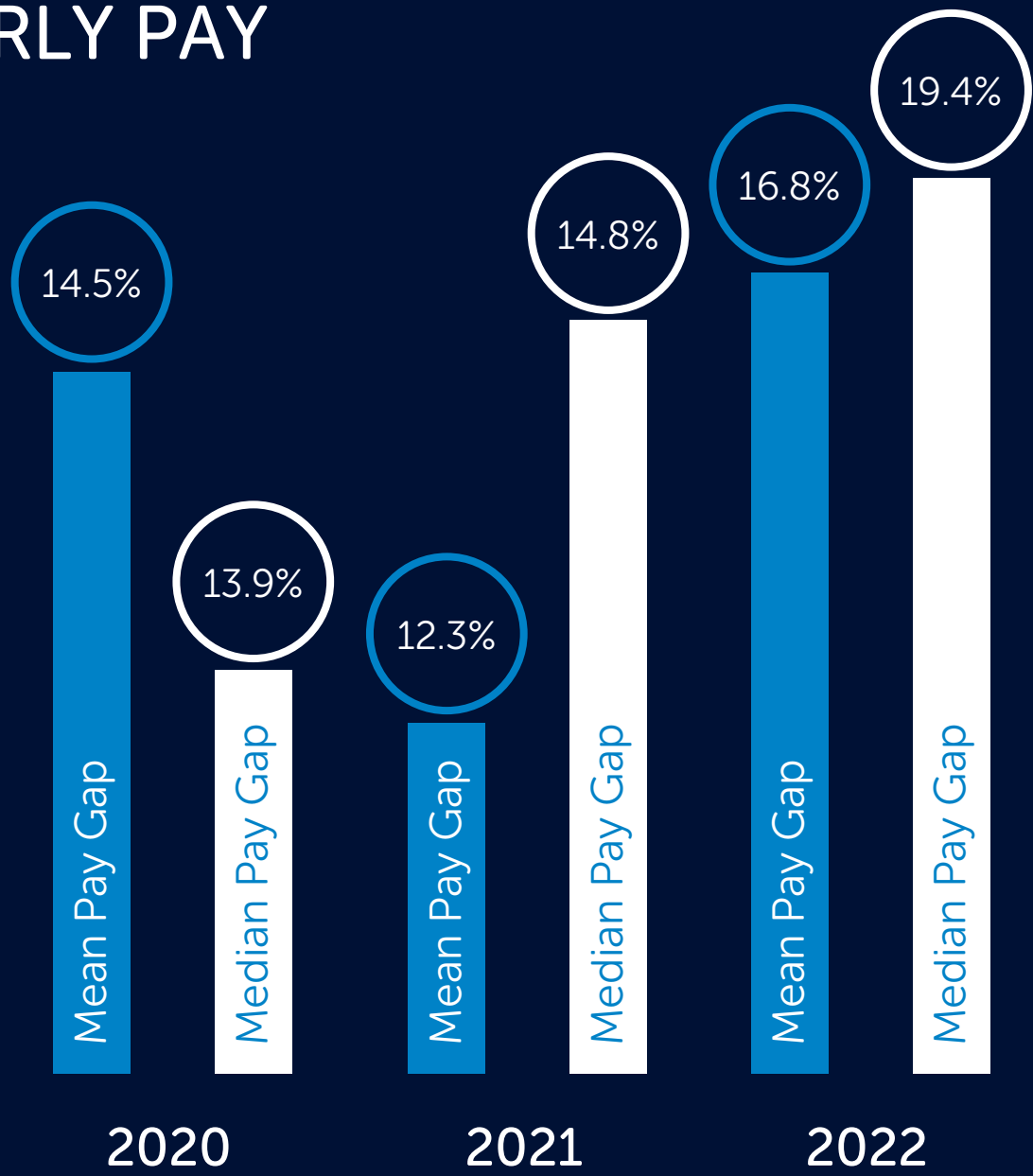
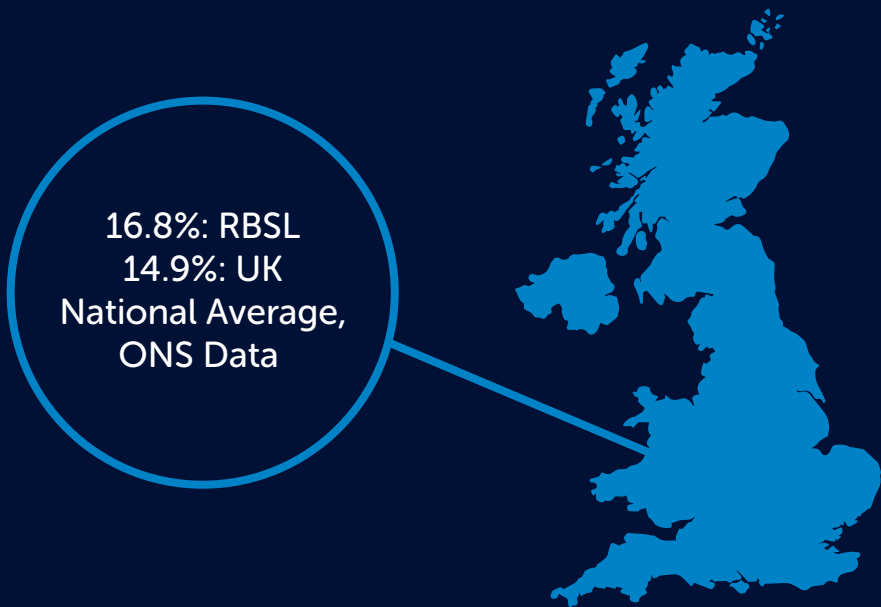
The figures included in this report represent our aggregated results which include all applicable employees in the UK. Our report is aligned to the requirements of the UK regulations on organisations with more than 250 employees to report the mean and median gender pay gap and bonus gender pay gap, the proportion of men and women who receive a bonus and the distribution between genders across pay quartiles.



GENDER PAY GAP IN HOURLY PAY

Our mean pay difference between men and women is 16.8% in favour of men. This is calculated by taking the average hourly earnings, including pay and bonus, and comparing the difference between men and women.

Our median pay difference is 19.4%. This is the figure that falls in the middle of the range when employee pay and bonus are organised from smallest to largest and shows the difference between male and female mid-point pay.



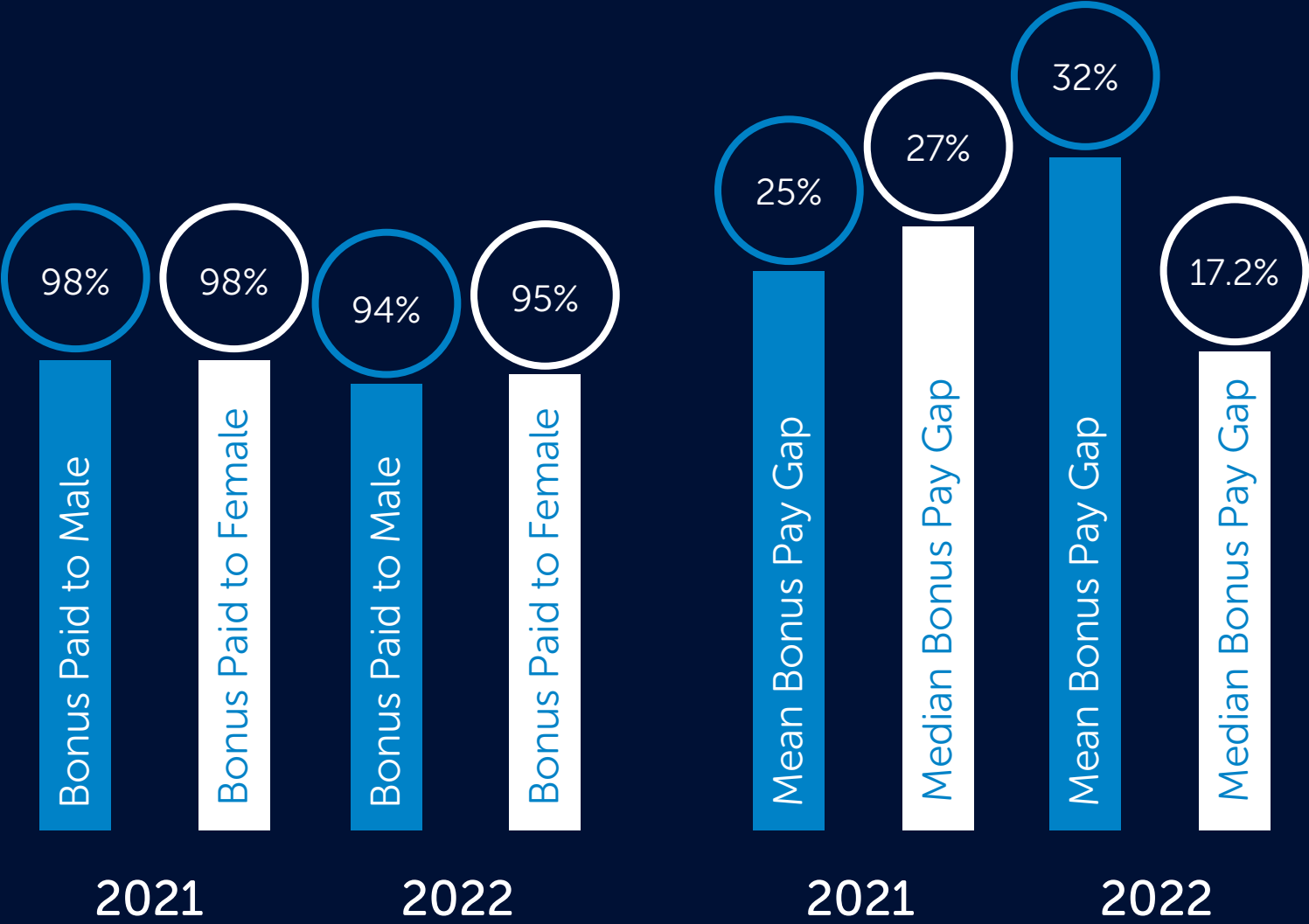
BONUS GENDER PAY GAP

We run an all-employee bonus incentive scheme in RBSL and this year 94% of men and 95% of women received a bonus award.

All of our employees are contractually entitled to a bonus, however the scheme rules set out the qualifying periods and pay dates. This does mean some new hires to the business may not get a bonus till the following year.

There is a mean bonus gap between men and women of 32%, with a median gap of 17%.

Bonuses are made up of 'one-off' payments such as incentive and financial recognition awards, with monetary values for each element variable year-on-year.

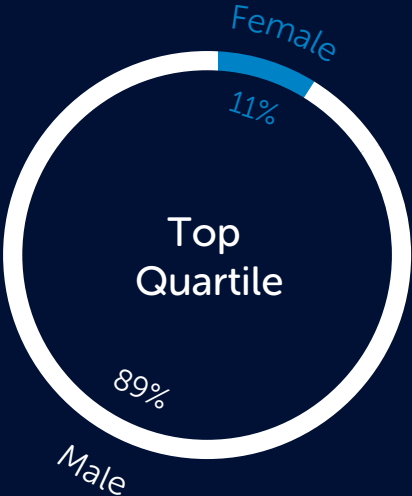


DISTRIBUTION OF GENDER PAY

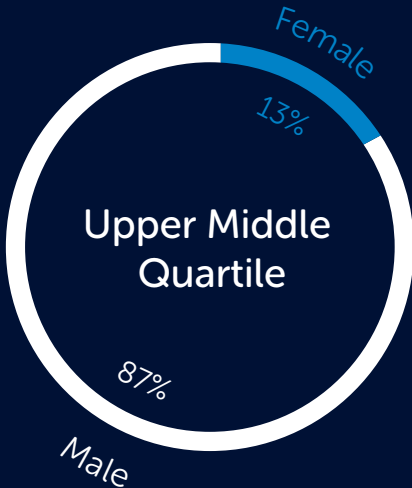
The gender pay gap report also requires us to provide information on the distribution of employees across our business against four pay quartiles. The lowest quartile represents the typically more junior roles in our organisation such as apprentices, while the top quartile represents the most senior roles and therefore the highest paid roles.

Overall, women currently represent 19% of our employees. Women are currently less well represented than this figure in our top two pay quartiles due to proportionally more men being in professional level roles which are dominated by Engineering.

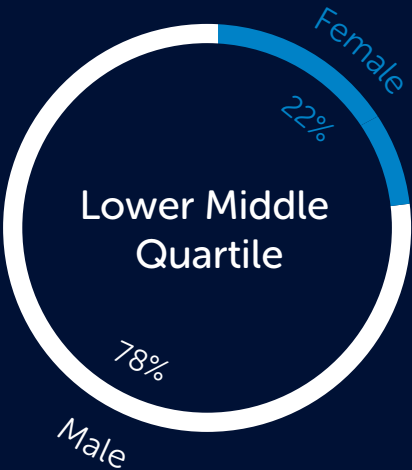
Diversity is a significant challenge for the engineering sector as a whole. Through our community and education outreach programmes, we aim to engage young people from diverse backgrounds in STEM subjects at an early age to increase our pipeline and make RBSL an attractive, inclusive and diverse place to work.



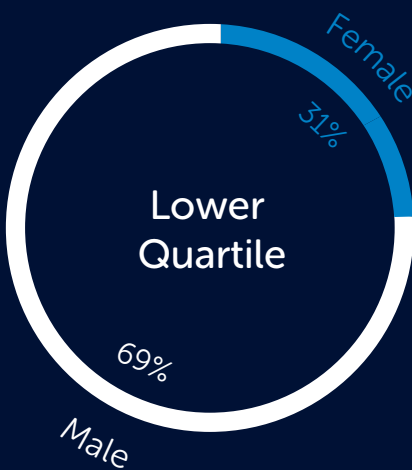
2021 Male 89% Female 11%



2021 Male 87% Female 13%



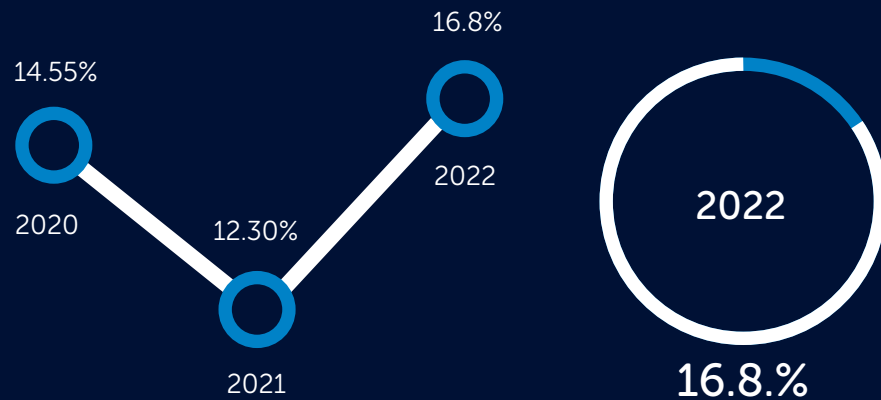
2021 Male 76% Female 24%



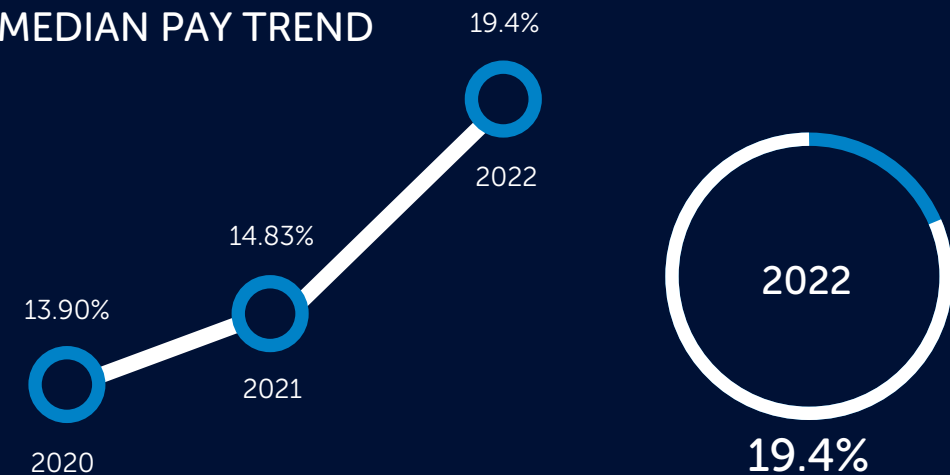
2021 Male 70% Female 30%

OUR PROGRESS

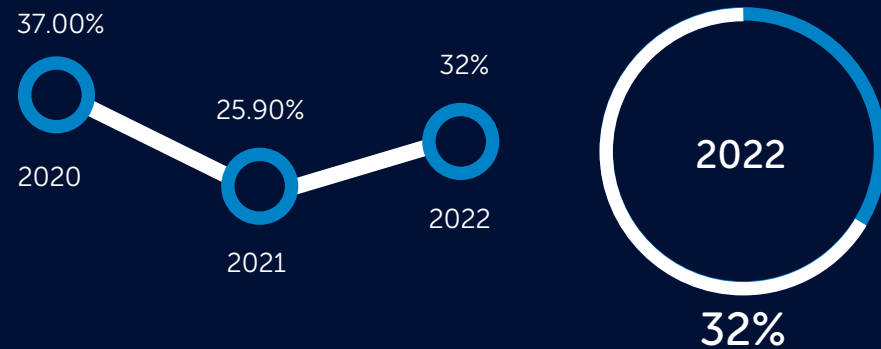
MEAN PAY TREND



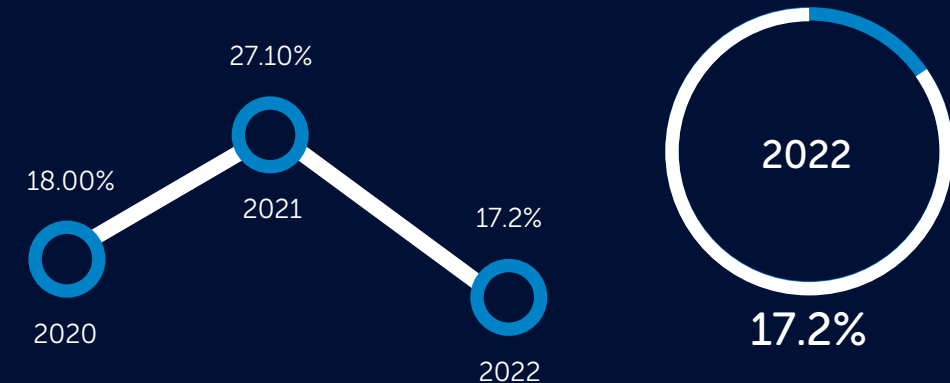
MEDIAN PAY TREND



MEAN BONUS TREND



MEDIAN BONUS TREND



DRIVING GENDER EQUALITY. WHAT WE'RE DOING AT RBSL

Collaboration across our industry

RBSL continues to support our local community and schools through our STEM programmes.

We have joined the STEM Returners programme which helps those who have taken a career break, or an extended period of time off, return to the workplace. We launched the scheme in 2021 and have already been able to successfully recruit through this channel.

We continue our support and work with the Armed Forces Covenant and are aiming to achieve the Gold Award in 2023. We have increased our efforts in working with our local reservists, cadets and our veterans.

Learning from other organisations is an important factor in increasing diversity and inclusion throughout the sectors we work in.

To underline our commitment, we have signed a number of Charters and Pledges. Some are specific to women in the workplace, such as the Women in Defence Charter.

STEM RETURNERS PROGRAMME

61%

STEM PROFESSIONALS

finding difficulty returning to work after career break



RBSL PROGRAMME LAUNCHED
NOV 21

First STEM returner successfully
appointed

10%

 OF WORKFORCE
ARE VETERANS

EMPLOYER
RECOGNITION
SCHEME

SILVER AWARD



DRIVING GENDER EQUALITY. WHAT WE'RE DOING AT RBSL

"When choosing what career path I wanted to take, I was aware that the industry I wanted to work in was a male dominated environment. But this has never been an obstacle and I have always been supported in whatever I have chosen to do.

"Since working at RBSL I have had some fantastic opportunities, including working overseas and have been able to work with, and learn from, some very talented engineers.

"I started working at RBSL (then BAE Systems) as a trainee engineer 7 years ago, and I have learnt a lot from the people around me ever since. I feel that it is important to give this support back and help with outreach programmes such as STEM, and support the early careers community in developing themselves into talented engineers."

Lauren
RBSL Design Engineer



OUR SUMMARY

In 2022 RBSL has seen a significant increase in its engineering population and as such we have decreased our ratio of females to males and our Gender Pay Gap has also increased. We are committed to build an inclusive and diverse company and will look to address this in the near future years.

We do however have a gender pay gap because we employ fewer women than men, and we currently have fewer women than men in senior and professional roles.

We are a business heavily reliant on highly skilled people with a science, technology, engineering and maths (STEM) education. STEM subjects, in school, further education and higher education settings, are studied in greater numbers by males rather than females, therefore we have fewer women applying for these roles. We must therefore look at innovative ways to promote our company and continue our work in the community and our education outreach partners.

We continue to focus on STEM activities with teams of employee ambassadors working with schools, universities and youth organisations to encourage young women to see STEM as a future career.

We aim to increase the number of female entrants onto our early career programmes in future years and are looking at our employee messaging and routes to market to support this initiative.

We have joined a significant initiative designed to support women to reach their potential within RBSL: Women in Defence Charter. We will be looking to build on this network and learn from other organisations.



Rheinmetall BAE Systems Land Limited (trading as RBSL)

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Registered in England & Wales No: 00414948

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