

# Gender Pay Gap Report 2018



Cubic Corporation is the parent company of three major businesses, Cubic Transportation Systems (CTS), Cubic Global Defence (CGD) and Cubic Mission Solutions (CMS). In the UK, CTS is the largest employer and the only division required to report on the gender pay gap.

On the snapshot date of 5th April 2018 CTS employed 1,074 people, 85% were male and 15% were female. There were 1,045 permanent relevant employees for the purpose of the gender pay calculations.

### The Gender Pay Gap



### The Bonus Pay Gap



### The proportion of males and females receiving a bonus payment



## The proportion of males and females in each pay band

	MALE	FEMALE
Upper quartile	89.66%	10.34%
Upper Middle quartile	85.82%	14.18%
Lower middle quartile	83.14%	16.86%
Lower quartile	82.82%	17.18%

### The Analysis

Over the last 12 months our headcount has increased by just over 10% and our demographic has remained relatively stable, with the number of women within the organisation increasing slightly from 14% to 15%. However, we are pleased to report that 3% more of our management roles are now held by women, and this has been reflected in our pay data, with our gender pay gap decreasing from 8.62% to 7.62%, and almost 3% more women in the upper middle pay quartile compared to the same period in the previous year.

It's important to remember that a gender pay gap is not the same as an equal pay gap, and following the introduction of a formal grading structure in the UK business in 2017 we continue to work hard to ensure that all our employees are paid fairly and equally when they are in the same roles, performing the same work with similar knowledge, skills and abilities by conducting internal audits to compare roles across the organisation.

Over the last year we have also worked on our reward and recognition strategy, actively promoting the use of a variety of recognition schemes to support employee engagement from an immediate "thank you" to our Long Term Incentive Scheme through which our CEO and senior leadership team recognise and reward those employees who make a significant contribution to innovation, collaboration and high impact projects.

As a result, more bonuses have been given to employees of both sexes, however men have received a higher proportion of lower value bonuses which has considerably affected our median bonus pay gap which is now at -85.19% whilst our mean bonus pay gap has reduced considerably from 35.81% to just 6.82%.

### The Action Plan

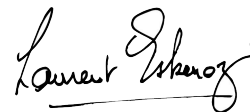
We remain dedicated to attracting more women to Cubic as part of our wider diversity strategy, and to helping ensure that more of the next generation of women see engineering as a real option for them when entering the world of work. In 2018, we actively engaged with educational community links supporting STEM activities and are now looking for opportunities to partner with Universities to offer internships in order to build on this further.

In 2018 we partnered with the Women's Engineering Society and offered free membership of the Society to all our female engineers and to women in technical roles, or those who have a STEM background. This gave them the opportunity to become part of a network of women in engineering and to participate in outreach events to inspire young women who have yet to make a career choice to consider STEM. We are proud to say that we will be doing the same for the next 12 months.

We have also been working with Women in Transport, a not-for-profit organisation which empowers women to maximise their potential. We are sponsoring their "[Advance](#)" mentoring scheme which is in its second year.

### Declaration

We confirm that the calculations, data and analysis contained in this report are accurate and that the methodology provided in The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 has been applied correctly.



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Managing Director



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Human Resources Director