



# **LEIDOS AUSTRALIA WGEA GPG REPORT EMPLOYER STATEMENT**

# Overview

This Employer Statement relates to information submitted to the Workplace Gender Equality Agency (WGEA) by Leidos Australia Pty Limited (Leidos Australia) in 2022-23.

## BACKGROUND

In November 2022, Leidos Australia acquired Cobham Aviation Services Australia's Special Mission. This business is now Leidos Airborne Solutions Australia Pty Ltd, comprising Leidos NAS Pty Ltd, Leidos SAR Services Pty Ltd and Surveillance Australia Pty Ltd.

Given this acquisition occurred in the latter part of the 2022-23 reporting period, our focus has been on integrating that business into our operations. As such this Employer Statement will focus on the Leidos Australia Limited data only.

Leidos Airborne Solutions Australia's 2023-24 WGEA report will reflect the full 12 months of operating under Leidos Australia. We look forward to commenting on its data in our next Employer Statement.

## INDUSTRIES IN WHICH WE OPERATE

The Leidos Australia business does not sit neatly in one industry classification, as it operates in several industries including aviation, engineering, science and technology. We have selected Computer System Design and Related Services as the closest match to our primary business activity, acknowledging that other businesses in this category may not operate in these other sectors.

## About Us

Internationally, Leidos is a Fortune 500 Technology, Engineering, and Science Solutions and Services leader working to solve the world's toughest challenges in the Defence, Intelligence, Civil and Health markets. Its 47,000 employees support vital missions for Government and Commercial customers. Headquartered in Reston, Virginia, Leidos reported annual revenues of approximately \$15.4 billion for the fiscal year ended December 29, 2023.

Leidos Australia has been a trusted partner to the Australian Government for more than 25 years. Led by a local leadership team, we deliver projects and services through five lines of business - Airborne Solutions, Civil Services & Projects, Defence Digital Solutions & Support, Defence Mission Systems and Intelligence (C4ISR) - supported by local corporate functions.

With a local workforce of around 2,000, of which 85% hold a government security clearance, we have one of the largest security-cleared workforces in Australia.

## A Message from Leidos Australia Chief Executive, Paul Chase



As one of our six company values, inclusion is core to Leidos culture. It is woven into the fabric of how we behave every day, as individuals and as a collective organisation. We are also part of a bigger ecosystem and take seriously the role and responsibilities we have in the communities in which we operate.

We take pride that our employees rated all questions about our inclusive culture in the 80th percentile in our 2022 employee survey. We recognise that gender equality is critical to organisational success as well as being linked to the overall national economic performance. As such, we are focussed on achieving real and sustainable change by minimising our gender pay gap.

In this Employer Statement we identify and analyse our gender pay gap and outline the commitments we have made to close it.

# What is the Gender Pay Gap (GPG)?

In 2024, the Federal Government's Workplace Gender Equality Agency (WGEA) has published for the first time the GPG of relevant employers based on data reported to WGEA in the 2022-23 reporting period.

The definition of the GPG is the difference between the earnings of women and men in the workforce. The GPG is not the same as paying women and men the same for performing work that is the same or comparable. This is known as 'equal pay'.

For this first public release of GPG data in Australia, WGEA has published an employer's median<sup>1</sup> base salary and total remuneration<sup>2</sup> gap, as well as the gender composition by pay quartiles<sup>3</sup> of its workforce. From 2025, WGEA will also publish the average GPG of companies.

The GPG is not only impacted by the number of women and men in higher paid roles, but also by the number of women and men in lower paid roles. An employer that pays women and men who are in like or comparable roles equally can still have a GPG if there are more men in higher paid roles and/or more women in lower paid roles.

## Leidos Australia's Gender Composition

Over the three years from 2020 to 2023 we have maintained gender balance in our top management category 'key management personnel'. In this team, two female executives lead three of the five key lines of business. This is an excellent outcome in our industry.

During this three-year period, there was a small increase in the proportion of women in the 'All managers' and 'Non-managers' categories. We recognise that this increase, while positive, is still small and that there is more work required to accelerate the rate of change.

The representation of women in our industry comparators was slightly higher in both categories.

## Leidos Australia's GPG

Leidos Australia's median base salary and total remuneration GPG are both 15.7%. These measures have shown no significant change, either positively or negatively, over the past three years.

While the Leidos business operates across several sectors, our base salary and total remuneration GPG rates are marginally higher than our WGEA industry comparators (13% and 13.6% respectively).

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<sup>1</sup> The median is the midpoint of the dataset where half of salaries are higher and half are lower, expressed as the percentage difference between women's and men's earnings.

<sup>2</sup> Total remuneration includes base salary, superannuation, overtime, allowances, incentive payments and any vested equity.

<sup>3</sup> Pay quartile data reflects the full-time equivalent total remuneration of all employees, divided into four equal quartiles.

# Understanding Leidos Australia's GPG

As noted above, the Leidos Australia business does not sit neatly in one clear comparator group as we work in a number of industries including aviation, engineering and science and technology.

The main driver of the GPG for all Leidos Australia's entities is the lower representation of women in the higher paying technical management and delivery roles in ICT and Engineering, which make up a large proportion of our higher paying roles.

This reflects the characteristics of our workforce profile - the Information Technology and Aviation industries have historically been male dominated, as has the market for most of our higher paying technical roles.

This is also true for women graduating from technology and engineering related degrees, with less than one-third of graduates in these qualifications being women. The legacy of this imbalance is reflected in the higher proportion of male employees in the upper pay quartiles in our business.

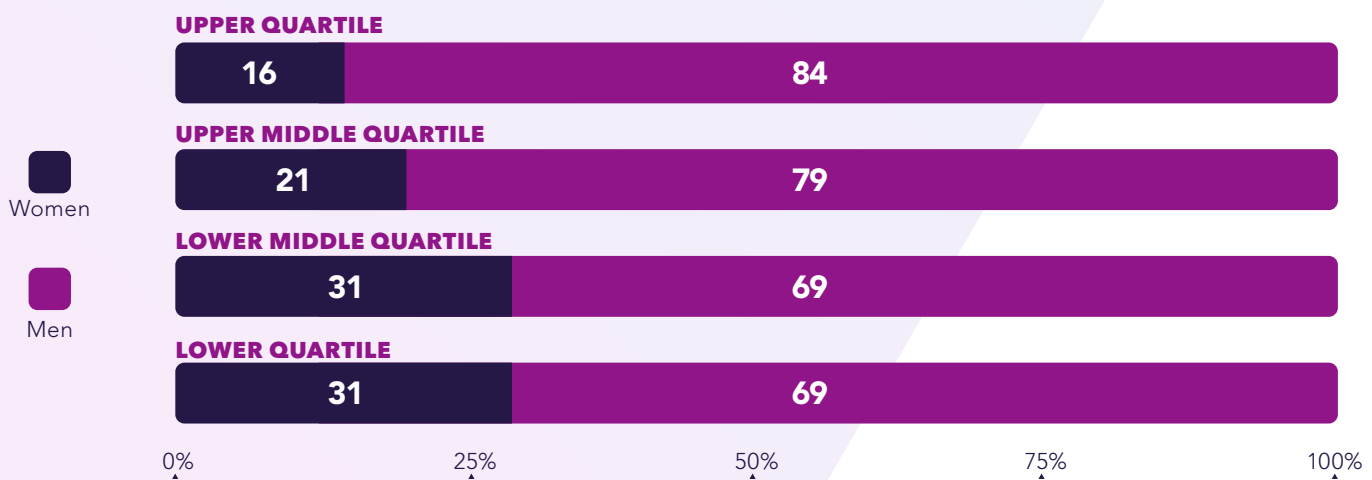
## PAY QUARTILES

Pay quartile data reflects the full-time equivalent total remuneration of all employees, divided into four equal quartiles. The upper quartile is the highest paid band, the lowest quartile is the lowest paid band.

Table 1 below shows the proportion of women and men in each pay quartile for Leidos Australia.

Consistent with the lower representation of women in our industry, Leidos has a higher proportion of men in both higher-paid and lower-paid roles, with the highest proportion of women occupying approximately one third of the two lower quartiles. This is in the context of Leidos Australia having 25% female representation in its overall workforce.

The proportion of women at Leidos Australia in each pay quartile is less than our industry comparators, albeit insignificantly (between one and eight percentage points).



**Table 1:** Proportion of women and men in each pay quartile

# What Actions Are Leidos Australia Taking To Reduce Its GPG?

We are undertaking deep data analysis in the following areas and using it to make the changes that will reduce our GPG:

- **Remuneration policies and processes** - ensuring there is no gender bias in areas including commencement salaries, performance pay and performance ratings.
- **Base salary and total remuneration** - annual reviews to ensure equal pay for women and men doing the same or comparable work.
- **Recruitment practices** - to make them more inclusive.
- **Proportion of women appointed and promoted in 'All Managers' and 'Non-Manager' categories** - to be equal, if not greater, than industry average representation.
- **Systems and processes** - to ensure they are free of gender bias.
- **Exit data** - to address any gender-related issues.

Our GPG will further decrease as we make Leidos Australia a better place for women to work, thereby attracting, retaining and promoting more women. To support this, additional initiatives include:

- **Support for the Women and Allies Advocacy Network (WAAN).** The WAAN plays an important role in advocating for gender equality at Leidos and helps support and empower women within our workplace and the broader community through a mentoring program and key engagement activities for women and allies.
- **Family Inclusive Workplace accreditation.** Leidos is one of the first companies in Australia to be certified as a Family Inclusive Workplace™ under the national standards launched by Parents at Work and UNICEF Australia. A family friendly workplace culture supports all employees to meet their work, family and wellbeing needs.
- **Greater flexibility and support for caregivers and for parental leave.** This includes access to the "Circle In" platform, a digital first employee benefits platform that provides a range of industry leading resources for caregivers and on demand access to expert advice to help team members successfully navigate career and home. New starters are eligible for parental leave benefits and there is increased flexibility for parental leave.
- **Prevention of sexual harassment and discrimination.** We have zero tolerance of any form of harassment or discrimination. We require all managers and employees to participate in training on the prevention of sexual harassment and discrimination.
- **Dynamic Working.** Implementing our 'Flex Menu' of working options to support individual situations and needs.

In addition to reducing our GPG directly, advocating for change across our industry will also contribute to reducing our own GPG over time. Therefore, we will highlight the issue of GPG on our website and social media channels and speak on the matter wherever appropriate both publicly and directly with our stakeholders.

In the short-term, there are factors that may impact our ability to narrow the GPG quickly. These include low turnover in higher paid leadership positions and higher paid roles traditionally held by men, future growth or contraction of the business and market changes that may result in a change to the number of positions.

We recognise that as we increase the number of women joining Leidos through graduate and other entry-level programs our GPG will increase. However, as these employees progress through the organisation we will see greater gender balance and a declining GPG in senior levels.

## FOR MORE INFORMATION PLEASE CONTACT -

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