

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

On 30 March 2023, the Australian Parliament passed the Workplace Gender Equality Amendment (Closing the Gender Pay Gap) Bill 2023. From 27 February 2024 onwards, the Workplace Gender Equality Agency (WGEA) will for the first time publish employer gender pay gaps (GPG) for the median base salary, median total remuneration, and gender composition by pay quartile (with the mean to be published in 2025).

Q&As

WHAT IS THE GENDER PAY GAP?

The first thing to know is that the Workplace Gender Equality Agency (WGEA) is an Australian Federal Government Agency set up to promote and improve gender equality in workplaces.

WGEA states that the definition of the GPG is the difference between the average or median earnings for women and men in an organisation. It is not to be confused with women and men being paid the same for performing the same role or different work of equal or comparable value - that is equal pay.

WGEA has calculated the national total remuneration gender pay gap in 2023 at 21.7%. That means for every \$1 on average a man makes in Australia, women earn 78c.

It is important to understand that our GPG does not mean that women performing the same or comparable role as men are paid less. However, it does indicate that there are some underlying systemic factors that need to be addressed to close our GPG.

WHY IS THE LANGUAGE AROUND THE GENDER PAY GAP FOCUSED ON WOMEN AND MEN ONLY? WHY IS NON-BINARY NOT INCLUDED?

The gender pay gap analysis reflects information submitted to WGEA as part of annual compliance reporting to WGEA. We are required to submit information to the Agency on our workforce composition and remuneration of women and men only.

However, organisations can voluntarily report the gender equality data relating to their non-binary employees at an aggregate and anonymous level. We note that WGEA is currently consulting on how to collect non-binary data with the intent of making this mandatory for all reporting organisations in future.

WHAT PAY GAP DATA IS BEING PUBLISHED?

All Australian private- and public-sector employers with 100 or more employees must report to WGEA on how they are working to improve gender equality and remove barriers and discrimination on the basis of gender. Every year Leidos Australia reports to WGEA on the gender composition of our workforce, the base and total remuneration of employees and the initiatives in place that support gender equality. Up until now, the pay component has not been made public.

From 27 February 2024 onwards, WGEA will for the first time publish employer GPGs for median base salary, median total remuneration, and gender composition by pay quartile (with the mean to be published in 2025), in an effort to help close the national gender pay gap.

You can find out what Leidos Australia has reported to WGEA by using the [Data explorer](#)>Organisations results>Search for 'Leidos Australia'.

Q&As (continued...)

WHAT IS LEIDOS AUSTRALIA'S GENDER PAY GAP?

Our median base salary and total remuneration GPGs for 2022-23 are both 15.7%.

For our WGEA industry comparators, the median base salary GPG is 13.0% and the median total remuneration GPG is 13.6%.

WHO ARE OUR INDUSTRY COMPARATORS?

To facilitate the collection of industry data for comparison purposes, WGEA requires employers to select an industry classification under the Australian and New Zealand Standard Industrial Classification (ANZSIC) system that best reflects their primary business activity.

For Leidos Australia, we select Computer System Design and Related Services. Other businesses that also select that category as their primary business activity form our industry comparators.

We are aware that the Leidos Australia business does not sit neatly into this industry classification because it also operates in several industries such as aviation, engineering, science and technology. We recognise that other businesses in the Computer System Design and Related Services category may not operate in these other sectors.



WHY DOES LEIDOS AUSTRALIA HAVE A GENDER PAY GAP?

It's important to understand what is causing our GPG. The results of our WGEA gender composition by pay quartiles show the following:

- men occupy a higher proportion of the higher paid quartiles than women;
- women occupy a lower proportion of the higher paid quartiles than their representation in the organisation;
- women occupy a higher proportion of the lower paid quartiles than their representation in the organisation.

In summary, the main drivers of our GPG are the lower representation of women in management and in higher paid technical roles.

This reflects the characteristics of the industries in which we work. The Engineering, Science, 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.

WILL THE GENDER PAY GAPS OF LEIDOS AIRBORNE SOLUTIONS AUSTRALIA AND RELATED ENTITIES BE PUBLISHED?

Yes. But because Leidos Australia acquired Cobham Aviation Services Australia's Special Mission towards the latter part of the WGEA 2022-23 reporting period, our focus has been on integrating that business into our operations. As such the Employer Statement that we will be publishing with our GPGs will focus on the Leidos Australia Limited data only.

For Leidos Airborne Solutions Australia, its 2023-24 WGEA report will reflect the full 12 months of operating under Leidos Australia so we will comment on its data in our next Employer Statement in 2025.

Q&As (continued...)

WHAT IS LEIDOS AUSTRALIA DOING TO CLOSE ITS GENDER PAY GAP?

We recognise that closing the gender pay gap requires ongoing focus and will take time, as it requires a systemic effort to achieve gender-balanced leadership and workforce representation.

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 the 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, we know 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 declining GPG in senior levels.



WHAT DO I DO IF A CLIENT OR ANY OTHER EXTERNAL STAKEHOLDER ASKS ABOUT OUR GENDER PAY GAP?

We decided to develop an Employer Statement that accompanies the publishing of our GPGs so we can provide context to our gaps and explain what we are doing to address the lower representation of women in management and other higher paid roles, and over-time reduce the gap.

Please direct anyone to this document on our website: <https://www.leidos.com/company/global/australia/careers>

WHAT CAN I DO IF I'M CONCERNED ABOUT MY PAY?

It's important to understand that our gender pay gap does not mean that women performing the same role as men are paid less or being paid less in general. However, there is an unequal distribution of men in higher paid roles which is driving our gender pay gap.

If you have concerns about your pay, have a discussion with your People Leader in the first instance. Prepare for the conversation by providing your reasoning and any available evidence as to why you think you're not being paid fairly or equitably. If you have any further questions or concerns, please get in touch with your HR Business Partner -

https://au.prism.leidos.com/human_resources_au/human_resources_au_folders/org_chart/human_resources_organisational_chart_february_2024pdf~1

HOW WILL I LEARN ABOUT OUR PROGRESS?

Our Leidos and Airborne Solutions 2023/2024 data for the year ending 31 March 2024 will be submitted to WGEA in Q2. We will communicate significant insights from this report and do a progress update against our committed actions in September 2024.

WHAT IF I HAVE QUESTIONS OR FEEDBACK ABOUT THE GENDER PAY GAP AT LEIDOS AUSTRALIA?

For more information please contact:

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