

Gender Pay Gap Report

2024

Contents

Foreword	3
Key statistics	4
2023-24 data	5
Our people	6
2023-24 data explained	7
What are we doing to improve our gender equality?	9

“

At Babcock, I am actively encouraged to step into my role with confidence. In past roles, confidence and drive sometimes felt like qualities to dial back rather than embrace. Here, those traits are not just accepted but recognised as strengths.

Babcock has given me the opportunity to grow into leadership roles across trade controls, security, and logistics. From my early days as Trade Control Manager to my current role as Head of Trade Controls, Security, and Facilities - Australasia, I've been supported in developing my expertise, leading compliance initiatives, and driving strategic growth. This progression reflects Babcock's commitment to recognising talent, fostering an inclusive workplace, and ensuring that leadership roles are based on capability, not gender. The trust and investment in my professional growth has enabled me to take on increasingly complex challenges with confidence, knowing that my contributions are valued, and my leadership is respected.

Seeing more women step into senior roles and influence key decisions is proof of the progress we're making. There's still more to do, but Babcock's culture of inclusion ensures that diverse perspectives continue to shape our success. I'm proud to be part of an organisation that actively champions gender equality, and I look forward to supporting, mentoring, and inspiring the next generation of women in Defence and Trade Compliance.

Jessica Rankin

Head of Trade Controls,
Security and Facilities



Foreword

At Babcock Australasia, we recognise that having an inclusive and diverse workforce is an essential foundation for being a high performing and sustainable business.

We are encouraged by the positive progress we have made since our last report, including reducing our gender pay gap to a level on par with the national average and achieving a significant increase in the percentage of women in professional and managerial roles. We also recognise the data shows that we still have more work to do.

Our core challenge and driver for positive change will continue to be improving gender diversity in our workforce. Our results reflect the reality that a large portion of our workforce consists of professions such as engineers and technical trades, traditionally heavily male dominated.

As detailed in this report, we have a range of initiatives underway to improve the gender diversity of our workforce across all areas and levels of our business.

Our targets will not be easy to achieve, but we are inspired by our corporate principles of positively challenging the status quo, being ambitious and determined, and striving to meet our commitments.



Andrew Cridland
CEO
Babcock Australasia



Sue Whitford
Executive Director,
People & Safety
Babcock Australasia



Key statistics

1203 employees

▲ 27.9% (940 in 2023)



314 female employees

▲ 21.2% (259 in 2023)

26% of our workforce is female

▼ 2% (28% in 2023)

Our Gender Pay Gap has improved on every measure

Measure	2024	2023	Rate of improvement
Average total remuneration	17.2%	23.8%	▼ 6.6%
Median total remuneration	19%	24.6%	▼ 5.6%
Average base salary	11.4%	13.2%	▼ 1.8%
Median base salary	15.3%	15.4%	▼ 0.1%
Females employed in professional or managerial roles	82%	59%	▲ 23%

It is critical to note that the gender pay gap is not the same as equal pay. The gender pay gap is the difference between average men and women pay across the organisation and across all roles. The gender pay gap is not to be confused with men and women being paid the same pay for the same, or comparable role - that is equal pay which has been a legal requirement in Australia since 1969.



Babcock has 3.5% more female employees than the defence industry average

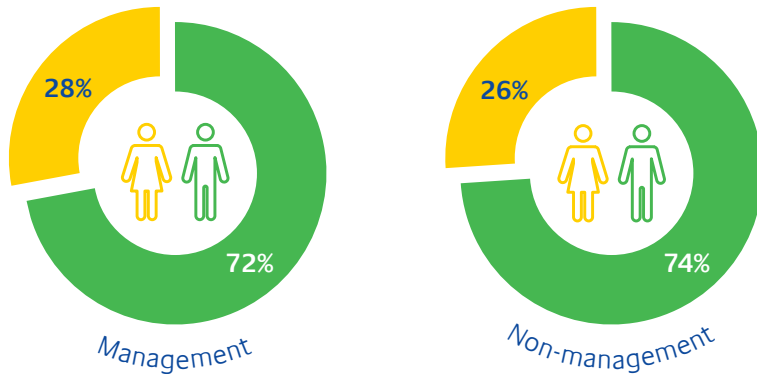
Average reported data across eight other defence companies is 22.5%

2023-24 data

Babcock experienced strong growth during the reporting period, which resulted in the number of women we employ increasing by 21%, from 259 to 314.

Women currently constitute 26% of our workforce, which is in line with the Australian defence industry average but a decrease from 28% in 2023. The figure reflects the fact that much of our work is focused on maritime and aviation maintenance, with an associated technical trade workforce that is traditionally male dominated.

Our percentage of women who are managers has increased slightly from 26% to 28% since the 2022-23 period. This increase was supported by Babcock internally promoting 15 women into manager roles during the 2023-24 period.



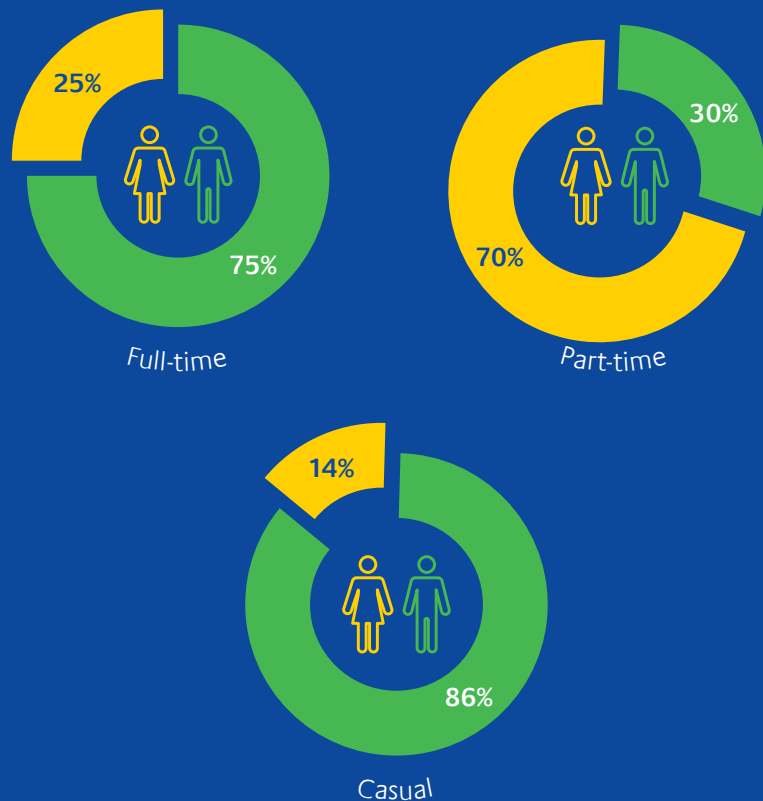
“

In my role as an Emergency Medical Services Pilot at Babcock, I have experienced an inclusive culture working with diverse frontline emergency medical and rescue crews and the community. I have received support and encouragement as a veteran and Army reservist from the organisation to be allowed the flexibility to continue to serve Army part time whilst working at Babcock.

Susana 'Sana' Fernandez

Pilot and 2025 Australia Day Honours Conspicuous Service Cross recipient.

Workforce composition by employment status



Our people

Senior leadership

Our most senior leadership committee is our Executive Committee (ExCo), which comprises our Key Management Personnel. Women make up 11% of our ExCo, down from 14% in the last reporting period due to the Committee being expanded.

Our next most senior committee is our Senior Leadership Group, which consists of nine women and 32 men. This equates to 28% female participation, up from 23% in the last reporting period.

Target percentage of workforce

Babcock's targets are for women to make up 30% of our senior leadership team by 2025, and 30% of our broader workforce by 2030. We have a range of activities underway to support the achievement of this targets, as discussed on page 9.

2023-24 data explained

Babcock Australia's median base salary gender pay gap (GPG) stands at 15.3%, higher than the Australian figure of 13.6%.

The primary factor contributing to this disparity is the composition of our workforce. For instance, 18% of women are employed in clerical and administrative roles, compared to only 1% of men. These roles generally offer lower market salaries than professional positions, which is reflected in the base salary GPG.

However, we are pleased to report that a significant segment (82%) of our female employees hold managerial or professional roles.

The median total remuneration GPG at Babcock is 19%, as calculated by the Workplace Gender Equality Agency (WGEA). This figure includes all forms of remuneration, such as overtime, on-call, shift, and other miscellaneous allowances. Positions that attract these allowances predominantly fall within the Technician and Trades categories and our Aviation and Critical Services teams.

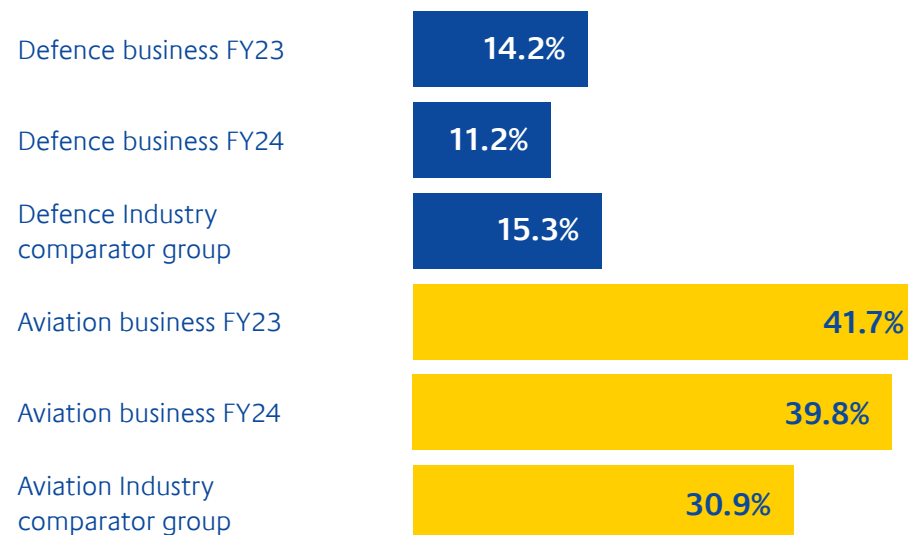
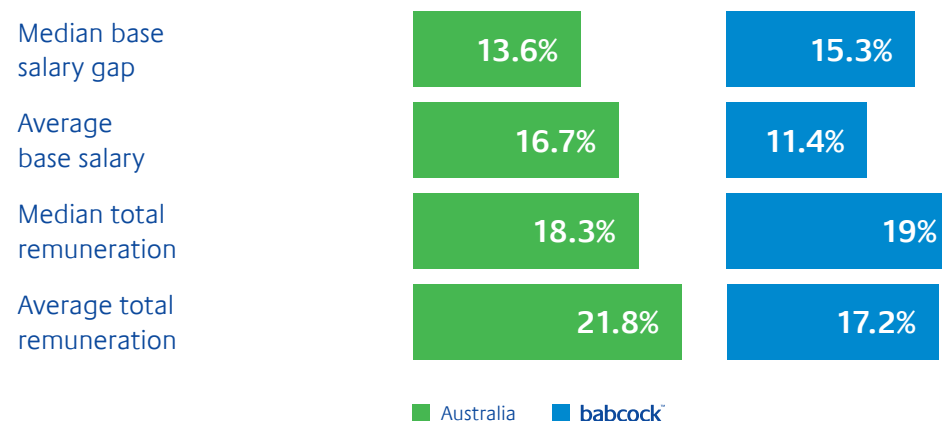
The remaining employees receive a salary that includes built-in overtime. Notably, 99% of our technical trade roles are held by male employees, which significantly contributes to the total remuneration gap in favour of males.

The 2024 figure shows substantial improvement with the median total remuneration GPG decreasing from 24.6% to 19%, which closely aligns with the Australian national figure of 18.3%.

We report our diverse businesses as a single entity; however, a closer examination of individual business results reveals encouraging outcomes:

- › Our aviation business has a total average remuneration GPG of 39.8% against their industry group GPG of 30.9%. This is down significantly from last year's figure of 48.1%.
- › Our defence business has a total average remuneration GPG of 11.2% against the comparable industry's GPG of 15.3%. This is down from our last year's figure of 14.2%.

Gender Pay Gap percentages 2023-24





Distribution of role categories by gender



What are we doing to improve our gender equality?

WGEA has outlined six gender equality indicators designed to address the gender gap by employers. This is how Babcock is addressing these indicators:

Workforce composition

Babcock closely monitors the participation rates of women, men and non-binary employees in our workforce, along with data such as employment status, leadership level, and rates for resignation, promotion, and appointments by gender.

This data is used to prepare monthly reports that are considered by our senior leadership committees and influence the formulation of short and long-term initiatives to improve the gender diversity of our workforce. We also provide an annual report to our employees similar to this one to ensure internal transparency and encourage collaborative action.

Babcock maintained its status as a Work180 endorsed employer throughout this reporting period, reflecting our ongoing commitment to supporting women to join and succeed in our organisation.

Examples of specific initiatives that occurred in the 2023-24 period to support gender equality include:

- › Achieving recruitment rates of 29% women in our graduate program and 49% women in our internship program, helping to create a pipeline of new female employees.
- › Creating two new senior manager roles (Head of Environmental, Social and Governance and Head of People Services) focused on tracking and delivering improved diversity, inclusion, and gender equality outcomes.
- › Our National Platinum Partnership with Women in Defence Association established in 2024 aims to increase female workforce participation and representation while providing professional development and networking opportunities.
- › Maintaining our Gender Diversity Working Group which supports all facets of creating a diverse and inclusive workplace.

- › Publishing a series of employee profiles on our website and social media with a strong focus on women across all areas of our business.

Gender composition of the governing bodies

Babcock does not have an Australia-based board. Our principle governing body is the UK-based Babcock International Group Board. It consists of 10 members, of which four are women, including the Chair, Dame Ruth Cairnie, DBE.



Photo credit: Andy Steven

Supporting women in STEM

Babcock has proudly partnered with The University of Adelaide's Women in STEM Careers program (WiSC) since 2020, providing financial and in-kind support to develop the next generation of STEM leaders.

The program equips female science, technology, engineering, mathematics and architecture students with the tools to thrive in their field of choice.

Equal remuneration between women, male, and non-binary employees

Babcock's Remuneration and Benefits Policy mandates that all employees involved in the decisions relating to remuneration and reward must be mindful of unconscious bias, diversity, gender equity and a commitment to pay equity. This includes a commitment to conduct a gender payroll analysis every year with targets set to reduce like-for-like, by-level and organisation-wide gender pay gaps each year until gender pay equity is reached.

Flexible working arrangements and employee support

Babcock supports agile working practices, and we have a range of policies and procedures in place to ensure our employees have access to flexible working arrangements. This includes options such as working from home, flexible start and finish times, compressed hours, part-time work, job sharing and gradual increase or decrease in work hours. We also offer various types of paid/unpaid leave for our employees which are over and above the Australian statutory leave requirements, including gender neutral paid parental leave, domestic violence leave, miscarriage and stillbirth leave, adoption leave, and foster care leave.

Consultation with employees on issues concerning gender equality in the workplace

Babcock has several initiatives in place to support our employees gain information and provide feedback on issues concerning gender equality. We have established a Gender Balance Working Group, focused on improving gender diversity, an established network of Babcock Ambassadors support engaging and consulting with the business on workplace issues, and we facilitate the Global People Survey – a comprehensive annual survey of all staff providing data which is analysed according to gender. This data identifies various issues impacting employees and guides business improvement.

Sexual harassment, harassment on the grounds of sex or discrimination

Babcock expects its employees to behave professionally, respectfully and lawfully whenever and wherever they perform work, as set out in our Code of Conduct and Workplace Behaviours Policy. All employees must complete relevant training as part of their induction and annually thereafter, including role specific bullying and harassment training for employees and managers.

During this reporting period Babcock also delivered additional training to all front-line leaders which reinforced how to manage workplace behaviour to ensure our leaders understand the appropriate steps for grievance handling, reporting, investigation, and the steps to take should they experience or witness this behaviour.



“

When I first joined Babcock five years ago, I set myself a goal to become a production manager overseeing the maintenance of the Royal Australian Navy's Anzac class frigates by the time I was 30. Through the support of my senior managers who see the value of my work and the effort I put in, I did it by the time I was 25.

I don't have an engineering or technical background but I'm good at building relationships and Babcock has tapped into that, providing opportunities to attend leadership courses, tertiary study and nominating me for industry awards so that I can develop my management skills and grow my visibility as a leader.

Investing in your talent – regardless of gender – forms a big part of the empowerment process, and I am proud to now be mentoring other young women in the business and the broader industry to encourage greater female participation and support gender balance in our workforce.

Ultimately, I want upward mobility for everyone who wants to make a positive impact, because the better we are as individuals, the better we are as an industry, and the better we can deliver for the Defence Force.

Sophee Clark

Production Manager Marine



“

Babcock has supported my career by offering both diverse opportunities for growth, skill development and career progression in key Defence projects and flexibility through agile working arrangements. The company's commitment to agile working has allowed me to maintain a healthy work-life balance while continuing to develop my skills and advance within my role.

Chloe Lawrence

Senior Engineering Technician



“

While establishing our regional Product Safety function over the last three years, I have found Babcock to be made up of engaged and capable people doing varied and interesting work. We are investing in our future at every level, from a comprehensive early careers program to innovative new business and functional support that will allow us to do our best work sustainably over the long term. Our Internal Talent Pool is an example of how we are leveling up our business and backing our people.

Sigrid Wilson

Engineering Manager, Product Safety

babcockTM