

GKN Aerospace Services Limited

UK Gender Pay Gap Report 2022

GKN Aerospace embraces diversity within all areas of its business and recognises the need to treat all employees fairly and equitably in order to create a motivated and high-performing workforce. Accordingly, GKN Aerospace operates an inclusive environment which supports diversity, inclusion and belonging and provides all our employees with the opportunity to develop skills and talents aligned with their own personal objectives while contributing to the future sustainability and success of the business.

Hourly pay difference between men and women contracted in the UK based on data as at 5th April 2022

Mean hourly pay gap	6.1%
Median hourly pay gap	10.4%
UK's National gender pay gap	15.4%
<i>Source: Office of National Statistics 2021</i>	

This analysis is based on the government's designated methodology. Unlike "equal pay", which refers to pay relativities between men and women performing the same or similar work, the gender pay gap reflects the difference in overall average/median pay across a whole organisation, and thus reflects both pay levels across all employees, and the demographic spread of men and women across different levels of the business

Last year we reported an improvement in the mean hourly pay gap. Although the number has increased slightly this year, it is still much lower than our 2019, pre-covid, figure and is more reflective of where the business is now positioned. We have seen women's hourly pay increase at a higher rate than men's over the last four years (12.3% v 5.2%).

The difference in hourly pay is largely due to proportionally more men holding operational roles that attract shift premiums.

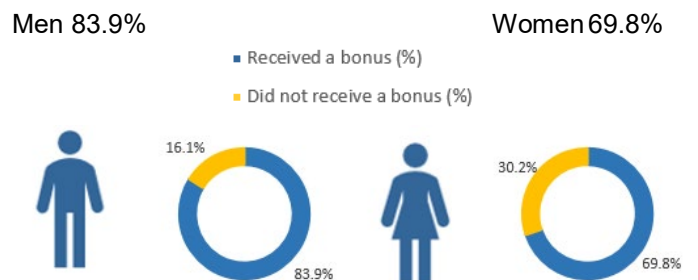
Continuing a trend observed in prior years, we have seen recruitment of an increasing number of women.

Bonus difference between men and women in the twelve months preceding 5th April 2022:

	Mean	Median
Bonus gap	-61.5%	-310.6%

The difference in our bonus gap is due to the higher proportion of men who earn a relatively moderate production bonus compared to the lower proportion of women who earn higher individual bonuses, as well as the timing of when the production bonuses relating to the prior year were paid. If the lower production bonuses are excluded, the mean bonus gap would be -14.2% and the median bonus gap would be -75.1%.

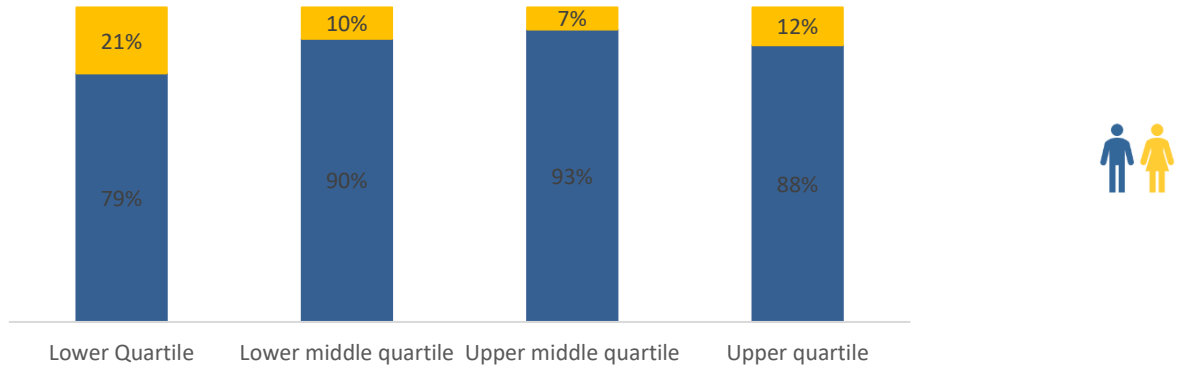
Proportion of employees receiving bonuses



The number of employees receiving a bonus has increased considerably in the last 12 months as we have returned to our pre-covid position.

Pay quartiles

The charts below show the gender distribution of calculated hourly pay across four equally-sized quartiles. The proportion of women in our top half of earners has increased by 7% since our first report (12% in 2018). We are continuing to focus on increasing the number of women in leadership roles within our business.



What we're doing to make a difference:

- Launched our Inspired Women's Development Programme which provides a safe and supportive environment for women to improve their confidence, influence, learn new skills, learn from experiences and pay it forward to be successful role models for the future.
- Continued our global 'Connected Women' resource group to empower women and to pursue an environment where everyone belongs and thrives.
- Made training available to all managers on Women's Health and, in collaboration with our partners, provided training on 'Holding a Gender Balance Conversation', 'Breaking the Bias and Smashing Stereotypes' and 'Imposter Syndrome'.
- Created a new Diversity, Inclusion & Belonging Manager role to focus on driving improvements in diversity, inclusion & belonging.
- Launched our Allyship programme which values people from different backgrounds so that we can stand in solidarity with them and ensure they are heard, seen and valued. This is a great resource which helps and supports women in the workplace.
- We are a *Women in Aerospace and Aviation Charter* signatory, and are actively undertaking initiatives to improve gender balance more broadly across our business.

The figures above have been compiled by the Company for the purposes of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and have been validated and confirmed.

Marisa Kismul

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