

**Gender Pay Gap
April 2022 Results**

Key Numbers



21.4%
percentage of women
-0.2% from 2021



9.0%
of women are in engineering roles
+0.2% from 2021



1,163
total number of employees



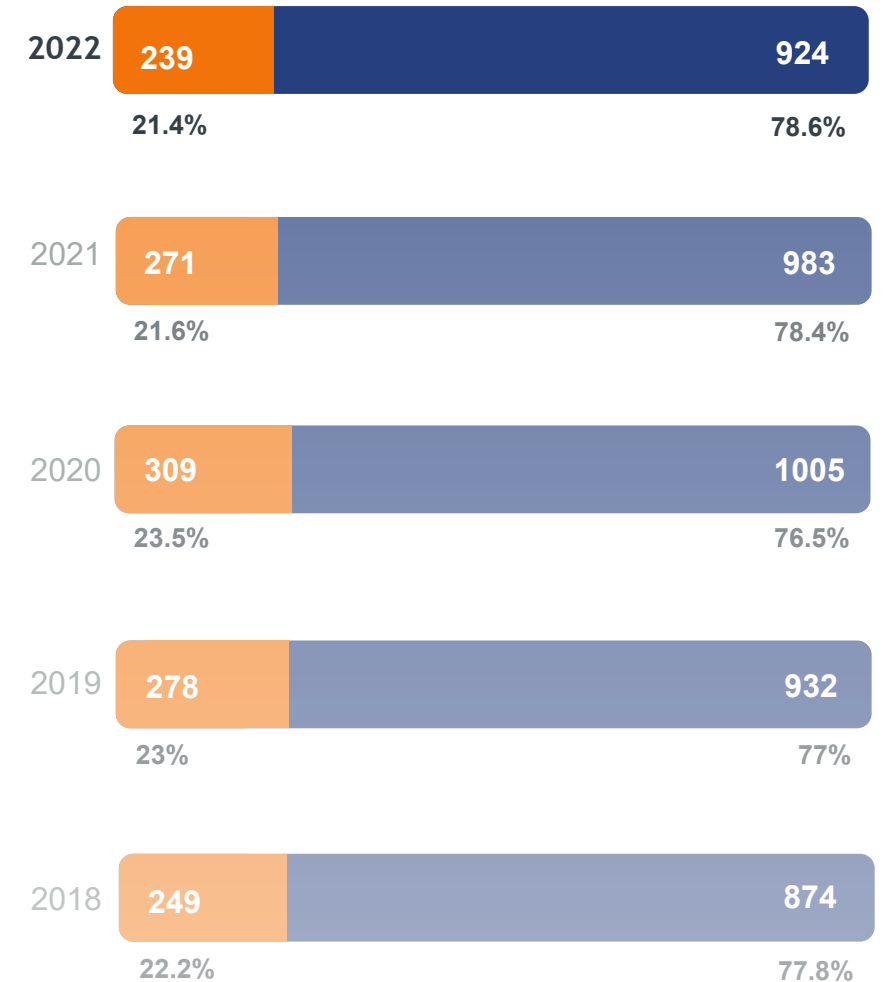
10.7%
of women are in technical roles
-0.3% from 2021



26.5%
of women are in leadership roles
+7.9% from 2021



Number of men and women



Gender pay gap in hourly pay

Since we first started reporting in 2017, our mean gender pay gap (GPG) has reduced from 23.9% to 12.2% demonstrating a significant reduction and serious commitment.

Our 2022 figures show a reduction in both our mean and median GPG for the fifth year in a row.

Growth and Progression: We have seen a gradual, but clear, trend of an evening out of the distribution of females across all four pay quartiles, as demonstrated in the *Distribution across pay quartiles*, and this is contributing significantly to the reduction in GPG.

We have introduced more visibility on gender pay gap for decision making Managers, providing access to their own departmental data at key times such as Salary Planning, which is helping managers proactively review any unconscious bias in their decision making.

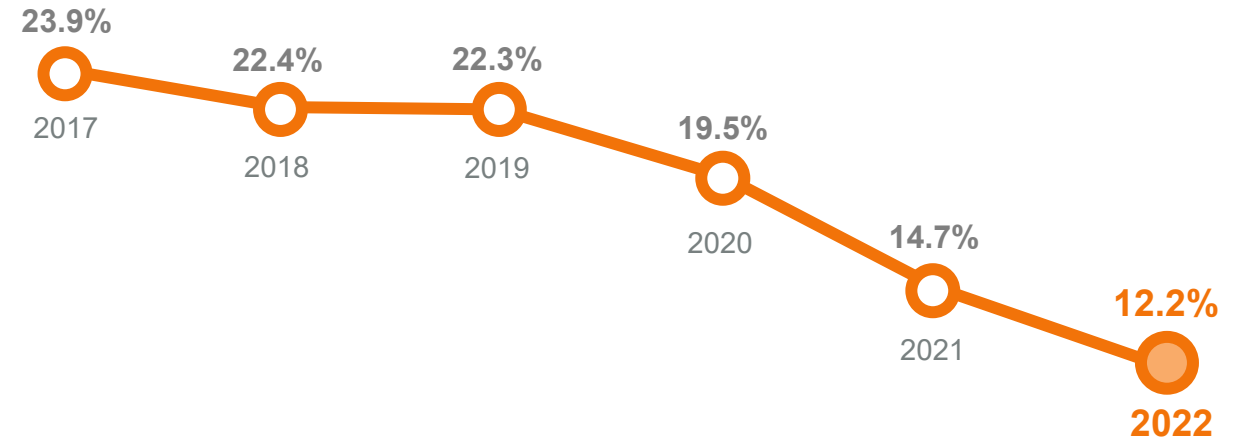
Create an environment where all employees can fulfil their potential: The business continues to embrace flexible working with an award winning approach to hybrid working.

STEM: There is a continuing focus on STEM outreach activities.

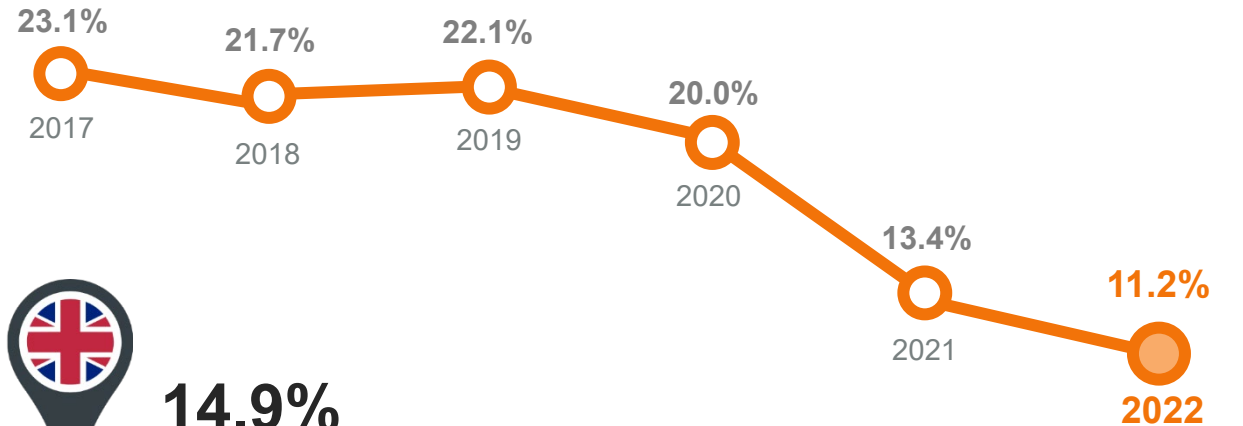
We have worked with 18 local schools in the last school year (September 2021-2022), holding career fairs, workshops, assembly talks and inviting pupils onsite, speaking to 3,700 students locally and approximately 4,000 students virtually. We also attend larger events that have a broader range for example the Big bang Fair, with 215 schools and around 13,500 students.

We ran 6 women in STEM sessions last year and will continue with this to highlight role models in STEM, and particularly engineering.

Mean hourly pay gap



Median hourly pay gap



14.9%

The UK national average gender pay gap

Source: Office for National Statistics, Gender pay gap in the UK: 2022

Distribution across pay quartiles (%)

Top Quartile

13.8	2022	86.2
13	2021	87
12.9	2020	87.1
11	2019	89
10.4	2018	89.6

Upper Middle Quartile

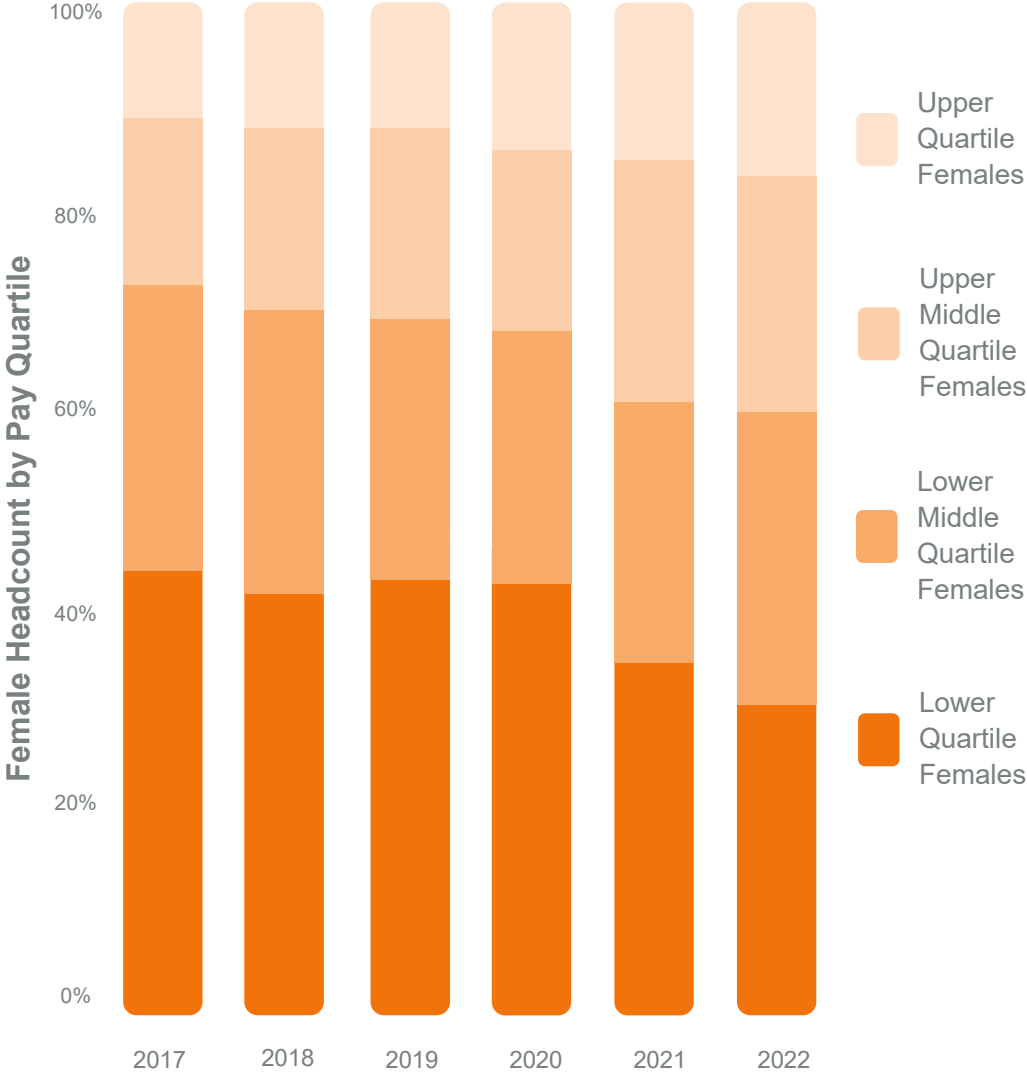
18.9	2022	81.1
20.5	2021	79.5
16.9	2020	83.1
16.7	2019	83.3
16.1	2018	83.9

Lower Middle Quartile

23.7	2022	76.3
21.7	2021	78.3
22.7	2020	77.3
22.8	2019	77.2
24.4	2018	75.6

Lower Quartile

25.9	2022	74.1
30.1	2021	69.9
39.4	2020	60.6
38.1	2019	61.9
36.8	2018	63.2

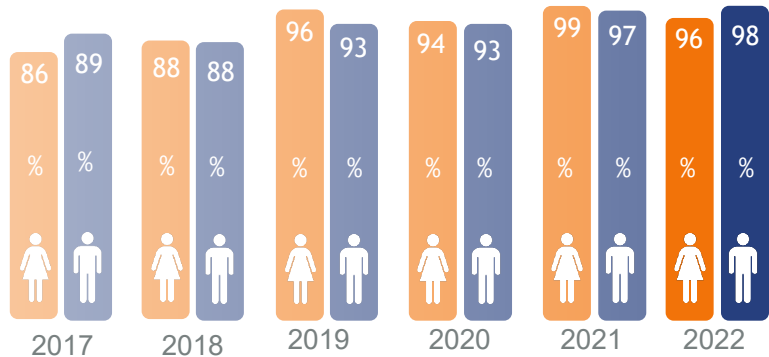


Gender pay gap in bonus pay

Bonus: Whilst our bonus eligibility and rules are the same regardless of gender, bonus earnings can be impacted by working reduced hours and / or taking parental leave, which women are still more likely to do than their male counterparts. We are reviewing our policy on bonus eligible earnings to determine if this can be addressed.

We continue to promote both flexible working and shared parental leave options and we are seeing the gap in the proportion of males and females working reduced hours slowly closing.

Proportion of women and men receiving a bonus*

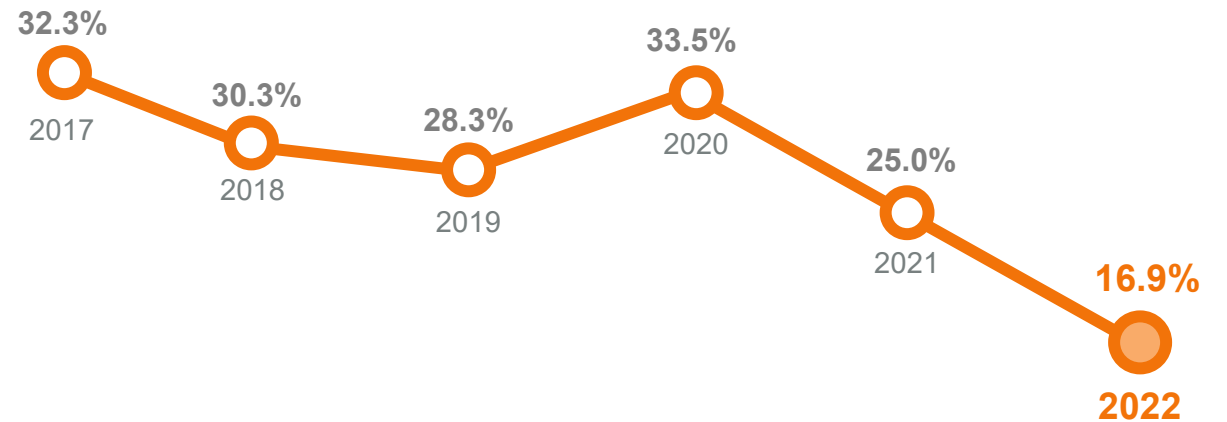


 Women
 Men

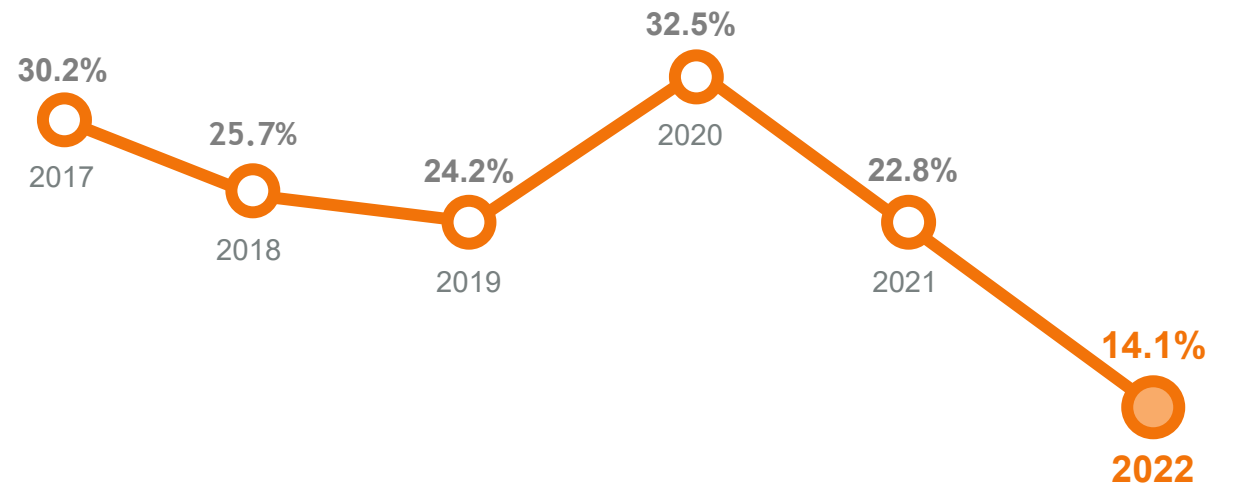
* Without new hires included who would not have been eligible for bonus pay-out due to their start date, both figures are at 100%.

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Mean bonus pay gap



Median bonus pay gap



Success Stories

Two of our female Engineers were named as finalists for the annual Top 50 Women in Engineering, by the Women's Engineering Society - with the ranking celebrating inventors and innovators who can "Imagine the Future."

In addition to advancing technology for the defence industry, both Engineers have made significant contributions to educating and promoting STEM to women and girls, as part of our STEM Ambassador programme



Kirsten McCormick



Kirstin Rouse

TOP 50 WOMEN IN ENGINEERING 2022 Finalists

"When I was younger and wanted to study physics, my tutors would laugh at me because I was female, so I'm keen to help school children get over the belief that engineering is only for men.

When they see women like me presenting about engineering, it becomes ingrained in their minds that there's just not that bias anymore."

Kirsten McCormick.

Our action plan

We continue to make progress by investing in areas that foster an inclusive, diverse and transparent working environment for all our colleagues.

To develop our action plan, our Women in Defence working group helped agree the key themes to focus on for the year ahead.

Grow our Diverse talent pipeline for the future

- Continuing with community support for local schools using our STEM ambassador programme, holding career talks, workshops, attending assemblies and “a day in the life of an apprentice” etc.
- Showcase our female talent to encourage young women to consider STEM careers and careers in the defence sector, in line with our commitment to the Women in Defence Charter

Greater insight into GPG

- Review of indicative GPG metrics quarterly
- Introduced a systematic way to give managers insight into their departmental GPG at key times, for example during annual salary planning activity

Create an environment where all colleagues can fulfil their potential

- Build on our diversity, inclusion and belonging work with the introduction of ‘Colleague Resource Groups’ in our Mission Systems business, with a specific women’s CRG , focussed on building a supportive network
- Continued focus on transparency across areas such as salary ranges, promotions processes and key metrics such as our ‘Women in Defence’ commitments
- Ensure all colleagues identified as having potential have an action orientated development plan, including mentoring and coaching

Attract a diverse pipeline of talent into the organisation

- Continue to ensure job adverts appeal to as diverse an audience as possible
- Posting job adverts on job boards used by female candidates
- Embrace flexible working as the default; at home, on site and hybrid working are all available as options depending on job role
- Regular reviews of our ‘Women in Defence’ metrics to ensure we are making progress on the representation of women across the organisation
- Continue our commitment to gender balanced shortlists for leadership roles

What is Gender Pay Gap?

The gender pay gap gives a snapshot of the gender balance within an organisation. It measures the difference between the earnings of male and female employees, irrespective of their role or seniority.

It is distinct from equal pay, which is about ensuring that men and women are paid the same for carrying out equal work.

The gender pay gap data is a valuable tool to help understand why our own business and our industry are missing out on female talent. Gender pay gap reporting is a critical step in our plans to attract, retain and develop a diverse talent population.

Six calculations are required:

- **Mean gender pay gap**
- **Median gender pay gap**
- **Mean bonus gender pay gap**
- **Median bonus gender pay gap**
- **Proportion of males and females paid a bonus payment**
- **Proportion of males and females in each pay quartile**

The gender pay gap data is calculated using the hourly rates of pay, earned by each relevant employee during their relevant pay period.



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I confirm that General Dynamics United Kingdom Limited's gender pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Kelly Light

Director of Total Rewards
General Dynamics UK Limited

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