

Airbus in the UK 2020 Pay Gap Report

At Airbus, we know there is power in diversity. And diversity comes in many forms. Today, across the company, more than 140 nations are represented and over 20 languages spoken. And we all have one common language: a passion to strive for excellence and to deliver on our commitments not only to our customers, but also to the communities in which we operate.

Aerospace and defence are historically male-dominated industries. We are committed to changing that. Until women are represented equally, our global progress, creativity, and business success will be limited.

This is the fourth year we have reported in the UK and we continue to work hard to improve gender balance.

Are we doing enough? Looking at our 2020 gender pay gap figures, we see some improvements, but there is still more to do.

Promoting gender parity is a top priority in our recruitment efforts. We are also committed to facilitating the progression of women to leadership positions. Globally, our target is for 25% of Executive positions to be held by women by 2025. Today, 25% of our Board of Directors are female.

We are committed to providing fair and competitive rewards to all our people for the roles they perform, regardless of their gender.

Read more about Inclusion and Diversity at Airbus here.

We confirm that the gender pay gap data reported is accurate and has been published in accordance with the **Gender Pay Gap Reporting** regulations under the **Equality Act 2010** (Gender Pay Gap Information) **Regulations 2017.**







Nood

Nicola Coid

Head of HR

Airbus Operations Ltd

Cornelia Thieme

Head of HR

Airbus Defence
and Space Ltd

Bound

Caroline Bennett

Head of HR

Airbus Helicopters Ltd



The data provided within this report covers more than 10,000 employees across three entities within Airbus in the UK: Airbus Operations Ltd, Airbus Defence and Space Ltd and Airbus Helicopters UK Ltd.

In line with reporting guidelines, the data reflects the snapshot date of 5 April 2020. The figures include the hourly rate for each relevant employee, as defined by legislation. This includes base-salary and other allowances, as well as both individual and company performance-based bonus payments received over the previous 12 months.

What is the gender pay gap?

The gender pay gap shows the difference in the average pay and bonuses between all men and women across our workforce in the UK, irrespective of the job they do. It is not the same as unequal pay, which is paying men and women differently for performing equivalent work.

Mean gender pay gap

The mean gender pay gap shows the difference in the average pay and bonus earnings of men and women in our UK workforce.

Median gender pay gap

If we were to split our female employees and our male employees into two lines, arranging them in order of pay from highest to lowest, the median pay gap compares the pay of the women in the middle of the female line with the pay of the men in the middle of the male line. The most common reason for a gap is that there are more men in senior roles than women.

Gender bonus gap

These median and mean calculations are also carried out when comparing individual and company performance-based bonus payments received over the 12-month period.

Bonus proportions

The proportion of male and female employees who were paid any amount of bonus pay.

Pay quartiles across the workforce

The proportion of male and female employees in four quartile hourly rate bands ranked from lowest hourly rate to the highest hourly rate. It is completed by dividing the workforce into four equal groups.

Our Gender Pay Gap Results

In 2020, our average gender pay gap was 8%, which was slightly higher than the 7% reported in 2019. There was continued improvement in the percentage of women in our upper middle pay quartiles.

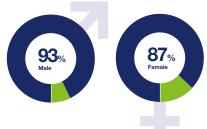
While each of our UK businesses employs their own distinct workforce, reflecting the nature of their own individual business and producing notable disparities in gender pay gap data, the most significant causes of our gender pay gap remain unchanged.

We have fewer women than men in senior leadership positions and fewer women working in higher-paying science, technology, engineering and mathematics (STEM) related manufacturing and production roles. The gap is also explained by the way bonuses are calculated in some areas of our business, with more senior positions having a higher proportion of variable performance bonuses linked to individual and business performance.

Airbus in the UK Mean and median pay and bonus gap

	2018		2019		2020	
	Mean	Median	Mean	Median	Mean	Median
Gender Pay Gap	9.3%	5.2%	6.9%	4.8%	8.2%	4.2%
Gender Bonus Gap	12.1%	0.0%	7.2%	0.0%	6.0%	0.0%

2018: Proportion of employees receiving a bonus



2019: Proportion of employees receiving a bonus

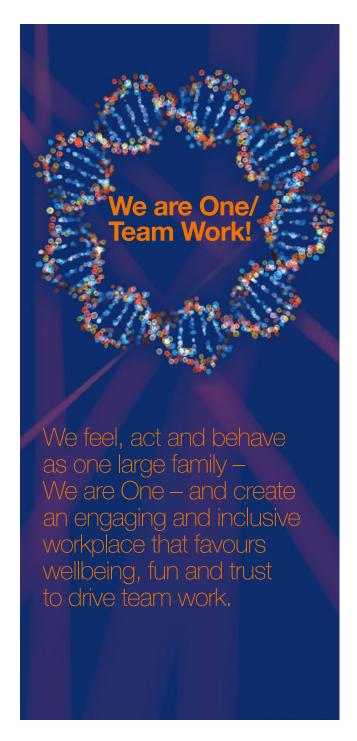


2020: Proportion of employees receiving a bonus



Proportion of employees in each pay quartile band

		Male			Female	
Pay Quartile	2018	2019	2020	2018	2019	2020
Upper	89.2%	88.3%	88.5%	10.8%	11.7%	11.5%
Upper Middle	88.7%	88.9%	87.2%	11.3%	11.1%	12.8%
Lower Middle	93.1%	92.9%	92.2%	6.9%	7.1%	7.8%
Lower	80.7%	79.9%	80.1%	19.3%	20.1%	19.9%



Our approach

We Are One is more than just our overarching value – it's the backbone of our philosophy. It captures our desire at Airbus to foster an engaging and inclusive workplace; and our recognition that we are the sum of our collective talent.

Equality of opportunity in aerospace, defence, space and security will not happen by chance. It requires a concerted effort across the company, changing the overall dynamics, making the industry a better place for people to work, learn and thrive.

What is being done at Airbus to improve our gender pay gap?

Recruitment promoting gender parity is a top priority in our recruitment efforts. Airbus has a recurring target of 30% of all annual recruits to be women (26% in 2020). Airbus supports numerous initiatives aimed at inspiring women into careers in aeronautics and helping them progress throughout its business. These include:

• Promoting careers in aerospace and defence –
Airbus provides a range of activities to promote women in
aerospace and defence and break gender stereotypes.
These include factory visits with opportunities for students
to talk to female employees about their experiences and
careers, careers fairs and conferences and supporting a
number of external organisations, such as WISE (Women in
Science and Engineering).

- Balance for Business Airbus has established an employee resource group currently involving 4000+ employees globally, which is committed to the progression of women to leadership positions and is one which has top management support.
- ALTA Airbus is one of five founder members of a women only (aerospace and aviation) online mentoring platform. Mentoring is recognised as a key retention tool in a sector which has technical skills shortages. ALTA enables mentees and mentors to connect in a secure environment and supported by dedicated events, provide career & social support. We have now more than 400 members and approximately 200 mentoring relationships. During 2020 we have organised events and many digital events to support women during the Covid crisis.

UN Sustainable development goals

For more than a decade, we have aligned our business with the UN Global Compact. Today, the UN Sustainable Development Goals (SDGs) framework takes us one step further, helping us to align our business operations with common principles on human rights, labour, the environment, anti-corruption and more. We examined our business operations, and looked to our employees, partners and communities to determine that we are actively contributing to eight of the 17 SDGs, including SDG 5: Gender Equality.



Read more about Airbus' commitment to the **UN Sustainable Development Goals here.**

External partnerships



Women in Defence

In September 2019, Katherine Bennett CBE, Airbus Senior Vice President, signed the Women in Defence Charter, endorsing Airbus' commitment to improving gender diversity at all levels within its business and the wider defence community. Airbus has been instrumental in the development of the Charter and continues to champion engagement within the defence sector.

In 2020, for the fifth year running, Airbus proudly sponsored the Women in Defence Awards. Recognised as a flagship event in the UK defence calendar, the awards promote gender diversity and recognise the achievements and valuable contribution of women in defence. They also have a key role to play in encouraging future generations to pursue careers in this field.

In 2020, we also became involved in the Women in Defence Mentoring scheme. The "**Moving Ahead**" programme is a cross-defence public and private sector mentoring programme of which 20 staff from around Airbus Defence and Space participate as Mentors and Mentees.

Women in Aviation and Aerospace Charter A pledge for gender balance across aviation and aerospace

Women in Aviation and Aerospace Charter (WiAAC)

The UK's aviation and aerospace sectors have made a commitment to work together to build a more balanced and fair industry for women. Launched in 2018 at the Farnborough International Airshow, and supported by the UK Government and Industry, **Women in Aviation and Aerospace**Charter has now achieved commitments from more than 200 signatories and supporting organisations. Airbus was the founding signatory of the WiAA Charter and continues to spearhead its development, led by Katherine Bennett.

In 2020, Airbus continued to play key roles in the Women in Aviation and Aerospace steering group and working groups.

nal Aviation

International Aviation Women's Association (IAWA)

Many women in Airbus are members of the **International Women's Aviation Association**, a pivotal organisation which cultivates and advances women leaders in the aviation and aerospace industries through its global membership network. Grazia Vittadini, Airbus CTO, was a keynote speaker at the IAWA's 2020 General Aviation Leadership Forum, while Katherine Bennett, attended panel discussions and volunteered career advice in their virtual booths.

Nadine Rostom, a Process Data Scientist, based in Filton near Bristol spoke on the importance of having the opportunity within her day job, to volunteer in such events.





I passionately believe in an inclusive environment and can see how promoting and empowering women and girls is pivotal to our business, the health of our families, communities, and nations. I am proactive in challenging stereotypes, fighting bias, broadening perceptions, and celebrating women's achievements. One of the ways I can demonstrate this is by volunteering my time to assist in Airbus gender diversity engagement events.

During one of my graduate placements in the Airbus UK Public Affairs team in London 2018, I volunteered as a facilitator of the Women in Aviation and Aerospace Charter and helped in the early stages of launching the Women in Defence Charter.

In 2020, I saw the opportunity to help organise a virtual booth for IAWA's General Aviation Leadership forum, an event which aimed to connect women wanting to enter the industry, and give them access to engage with inspirational leaders such as Airbus CTO Grazia Vittadini and our Senior VP in UK Katherine Bennett who spoke about inclusion and diversity, ingenuity, and building sustainable aerospace for our next generation. I eagerly await helping with the organisation of IAWA's European Leadership Forum in Geneva 2021, (if the pandemic allows).

While I realise that a wealth of work is still needed here, I strongly believe that with dedication we can enable gender balance to become the norm, and I look forward to a future where diversity will be based on thoughts, potentials, and experiences and not gender!

Inspiring young people to look at science, technology, engineering and mathematics (STEM)

Significant effort has gone into inspiring young people of school age to consider studying STEM subjects, and in particular aerospace, as a career choice, including specific programmes aimed at engaging girls.

While there are some signs of improvement – the percentage of first degree entrants to general engineering and technology has risen from **15% to 17.6%**, with the figure for aerospace engineering rising from **8% to 15.1%**.

There is much more to do.



In an interview with Aerospace Magazine, published in December 2019, **Airbus' CTO, Grazia Vittadini,** gave the following insight when asked what steps Airbus is taking to encourage female engineers to join the company:

There are many different parameters in that equation, and it goes from spending time in kindergartens and preschools doing paper aeroplane seminars, speaking at universities, and just showing that we can work in a different way. Without necessarily focusing exclusively on gender or diversity, but on diversity as a whole.

Across the industry, there is a sort of cookie-cutter type of profile when it comes to what talent should look like. But talent is talent. It doesn't matter what it looks like and where it comes from. So, it's a matter of demonstrating that we are open to talent outside of the cookie cutters.

Diversity is an important topic on the agenda of industry CTO roundtables. We are improving. We now have around 20% of females in technical roles which is similar to the university output. If we would just look at that, it would be enough to say, well, the situation is improving and the trend is positive.

Grazia Vittadini Airbus Chief Technical Officer and Chairperson of the Inclusion and Diversity Board



The problem is the speed. It's the pitch of the curve. And when it comes to leadership positions, we see that the pipeline is leaky, especially when career and family priorities occur at the same time. It's difficult to combine the two, and I feel we must do more to make sure that we enable setting up a family, having children, and continuing to have a career.

Coding is an interesting example. The first coders were all women and then something happened around 1980 to turn coding into an almost exclusively male discipline.

We shouldn't be limited by stereotypes.
We can do much more.

¹ Engineering UK 2020: Educational pathways into engineering

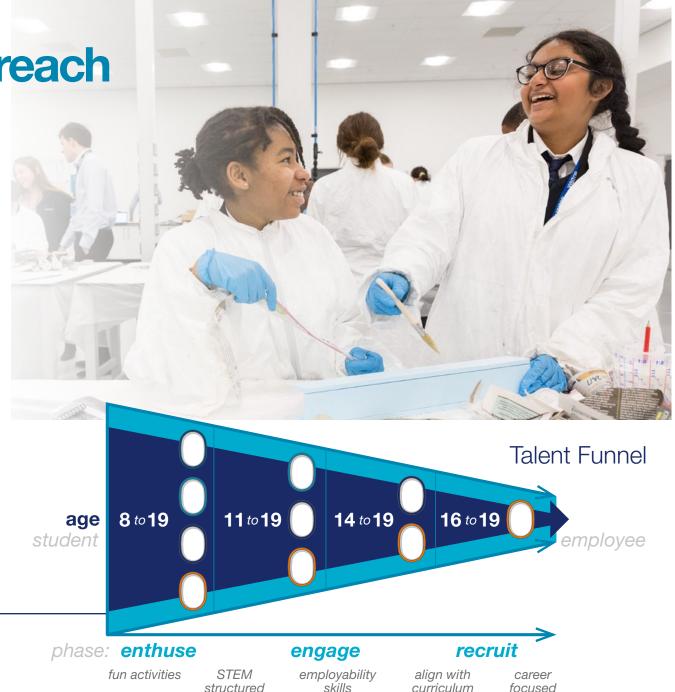
Educational outreach

In the vicinity of Airbus' commercial aircraft sites (Broughton, North Wales and Filton, Bristol) education liaison activities had doubled from 2018 to 2019. The anticipation for 2020 was to have a greater outreach, projects which clearly were severely impacted by the COVID-19 pandemic.

Many of these events are aimed specifically at girls pursuing a career in engineering. During 2019, of which 8 months are covered by the 2020 report, more than 1000 days' work experience were logged at Filton and Broughton showing an increase in numbers from 20 to 40 students per week and an increase in female students of 35%. Our target is 50/50.

Described as our 'Talent Funnel', Airbus has a three phased engagement pathway between sites and educational establishments.

Airbus' education liaison strategy continues to push for full inclusive contact from primary to secondary school level. This encourages long term repeated engagement through mapping of activities to align with both age range and the national curriculum.



Statutory reporting

Airbus Operations Ltd

Gender Pay Gap:

 Mean:
 2.3%

 Median:
 -3.9%

Gender Bonus Gap:

Mean: -8.9%

Median: -44.5%

Proportion of employees receiving **a bonus**:

 Male:
 94%

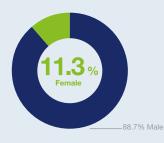
 Female:
 88%

Pay quartiles across the workforce:

Upper



Upper middle



Lower middle



Lower



While figures have not changed significantly from 2019 to 2020, the mean pay gap increased slightly to 2.3 % from -0.1% in 2019 while the median pay gap increased in favour of females to -3.9% from -3.4% in 2019. This is due to an increase in the proportion of females among our intake of graduates and apprentices, who are paid in the lowest quartile. At 25%, this is a higher proportion than within the business as a whole so has a disproportionate impact on the mean for women's pay. At the same time, the average increase that women within the business received was higher than the average increase received by men, resulting in an improvement in the median gap.

The population of Airbus Operations Ltd contains employees who are eligible for an individual performance bonus payment and a collective payment and those eligible for paid overtime who only receive a collective company bonus. Employees who are eligible for overtime include the predominantly male manufacturing population. The average individual performance bonus payment was of higher value than the company performance bonus payment, therefore the median bonus payment for women is higher.

Within Airbus Operations UK Ltd, 94% of men and 88% of women received a bonus payment. This difference is due to the proportion of women within the recently hired population (21%) being higher than that within the existing population. These colleagues are not eligible to start receiving bonus payments until 2021 or 2022, since bonuses are paid in arrears for previous years' service.

Statutory reporting

Airbus Helicopters Ltd

Gender Pay Gap:

Mean: 28.2% Median: 34.7%

Gender Bonus Gap:

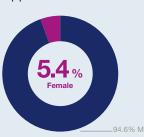
Mean:	33.5%
Median:	0.0%

Proportion of employees receiving a bonus:

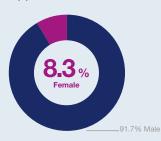
Male:	93%
Female:	94%

Pay quartiles across the workforce:

Upper



Upper middle



Lower middle



Lower



Airbus Helicopters Ltd (AHUK) is predominantly an engineering organisation, key aspects of which include the bespoke design and customisation, installation, flight-testing and certification, as well as technical support, and all aspects of helicopter maintenance for both civil and military applications. There are approximately 350 employees.

Staff turnover is low and the gender split of employees is 14% female and 86% male.

Although the median pay gap of 34.7% has increased slightly (1.2%) from 2019 to 2020, the mean pay gap of 28.2% has decreased (3.2%). In the designated period, AHUK recruited nine times as many male as female employees into the mostly technical roles.

There is no gap in median bonus pay between male and female employees and there was a reduction of over 15% in the gap of average bonus pay to 33.5%. A contributing factor was the Airbus-wide business performance (success share) bonus paid to all employees except senior grades, and this represented up to 7.2% of average salary for those in the lowest pay quartile and 5% of average salary in the lower middle quartile.

The gap between male and female employees receiving a bonus has reduced significantly from 2018 to 2020; and from 2019 to 2020, the number of employees receiving a bonus increased by 2% for both male and female staff, a positive indication that more employees have become eligible to receive full bonus payments as they achieve the requisite service.

Summary

While only three engineering roles are occupied by women in the company, reflecting the concept that women and girls are not attracted to engineering roles, AHUK continues to strive to showcase its engineering opportunities to women, particularly its apprenticeships, and career development programmes.

Statutory reporting

Airbus Defence and Space Ltd

Gender

Pay Gap:
Mean: 19.6%

Median: 22.2%

Gender
Bonus Gap:

Mean: 11.0%

Median: 0.0%

Proportion of employees receiving **a bonus:**

 Male:
 86%

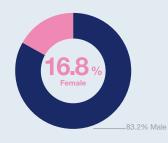
 Female:
 80%

Pay quartiles across the workforce:

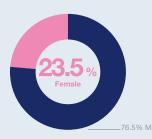
Upper



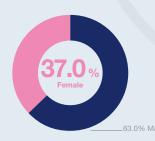
Upper middle



Lower middle



Lower



Airbus Defence and Space Ltd gender pay gap figures for 2020 are similar to previous years as we continue to see a largely male-dominated workforce at around 80%.

The gender pay gap continues to be impacted by senior leadership roles in the business being predominantly held by men. 84% of Airbus Defence and Space employees work in specialist engineering roles, of which around 16% are women.

In 2020, we continued to slightly increase the overall proportion of women in the business. For our Early Careers intake of Apprentices and Graduates, just over 30% were female, following the pattern of previous years.

Although we see an increase in the proportion of women in both the lower middle and upper middle quartiles, the focus on bringing more females into Early Careers programmes (Graduate and Apprentice schemes) has also been reflected in an increase of females in the lower quartile. This has resulted in a small increase in the mean and median gender pay gap figures at 19.6% and 22.2% respectively.

We recognise that an increase in the proportion of women in the lower pay quartiles has a negative impact on our overall Gender Pay Gap, yet anticipate this will build a more positive effect over the longer term as these women develop through their careers with Airbus Defence and Space.

Our workforce is split between employees who are eligible for an individual performance bonus payment and a collective company bonus payment, and those eligible for a collective company bonus payment only. More than 50% of employees, of both genders, receive the company's collective bonus payment which maintains our equal median bonus figure for men and women.

Individual performance bonus payments are paid to employees at senior and specific management grades and are based on an individual's basic salary level; these bonuses are typically higher than the collective payment. Proportionately more men than women are in grades that receive this individual bonus and this has resulted in a mean bonus payment which was 11% higher for men.

Contacts

lan Middleton

Director of Communications (UK)

ian.middleton@airbus.com

AIRBUS

Airbus in the UK

©AIRBUS 2021 All rights reserved, Airbus, its logo and product names are registered trademarks.

Concept design by Dave designs..., Bristol.

Photos by Airbus. Adobe Stock.

Reference 13031. April, 2021.

Confidential and proprietary document. This document and all information contained herein is the sole property of AIRBUS. No intellectual property rights are granted by the delivery of this document or the disclosure of its content. This document shall not be reproduced or disclosed to a third party without the express written consent of AIRBUS.

This document and its content shall not be used for any purpose other than that for which it is supplied.

The statements made herein do not constitute an offer.

They are based on the mentioned assumptions and are expressed in good faith. Where the supporting grounds for these statements are not shown, AIRBUS will be pleased to explain the basis thereof.