

# Welcome to our 2018 Pay Gap Report

empowering women, promoting equal opportunity and ending all forms of discrimination is not only a human right, but is fundamental to the success of our company.

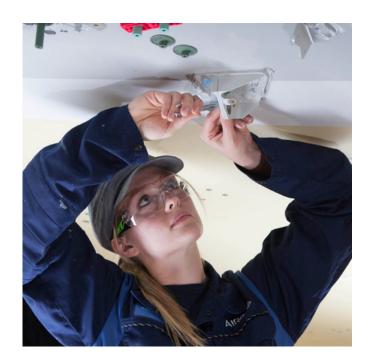
The gender pay gap is not the same as equal pay. Equal pay ensures that men and women receive the same pay for carrying out the same or equivalent work. The gender pay gap is a simple average figure for all employees within the UK workforce, irrespective of the job they do.

Diversity fosters innovation, performance and engagement and helps us attract the best talent. Transparency also drives equality and accountability. That is why we welcome the UK Government's gender pay gap reporting initiative and the focus it has put on this topic.

Two years of gender pay gap reporting has provided us with a good overview of gender diversity within our business and sector, particularly as Airbus Helicopters UK Ltd has this year grown to a size where it now needs to report alongside Airbus Defence and Space Ltd and Airbus Operations Ltd.

Whilst each of our UK businesses operate under the Airbus umbrella, they each employ their own distinct workforces that reflect the nature of their individual business; for example, a significantly higher proportion of employees working within manufacturing in Airbus Operations Ltd are male. This distinctly different workforce composition is reflected in the notable disparity in our gender pay gap. However, the most significant cause of our gender pay gap remains unchanged. It reflects the fact that we have more men in our most senior roles and there are fewer women working in manufacturing and production roles.

We are trying to address this gap across the whole of Airbus and are committed to promoting more female staff into senior positions and encouraging initiatives that support diversity and inclusion. We have also set ourselves an annual target that 30% of all new recruits should be female. In 2018, 19.5% of our overall intake were female. We are continuing to work on this and this figure is higher than the proportion of females currently employed in our business.





Read more about our commitment to responsible business, including our global approach to attracting more women into our company and our commitment to the UN SDGs, which includes SDG5, Gender Equality, see <a href="https://www.airbus.com">www.airbus.com</a>

Significant effort has also been focused on engaging young people in STEM and inspiring more females to consider our sector as a career choice. This continues to be a challenge as only 15% of first degree entrants to general engineering are female, with this figure reducing to 8% for aerospace engineering. Likewise, female apprentices in the engineering and manufacturing technologies sector make up 6.8% of the total, although this number represents a 29.2% increase over 4 years.\* A large part of our external recruitment is focused on early-career apprentices and graduates; roles which are typically associated with lower than median salaries. Whilst we increase the proportion of our female hires, this may actually have a detrimental impact on our gender pay gap in the short term.

In 2019 and beyond, we will continue to look at new ways of working and best practices to ensure that our policies and procedures are attractive and competitive to all our employees as well as being gender neutral. We continually review our working practices with respect to inclusion, offering flexible working arrangements in most areas and we will be further enhancing our family leave policies in 2019.

Our 2018 figures have not changed significantly when compared to last year. Our labour profile has historically been male dominated. The initiatives we are undertaking now will make an impact on our gender pay gap in the future, however we understand that it will take many years before we see any significant movement.

We confirm that the 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.

Mark Stewart

General Manager and HR Director Airbus Operations Ltd

Cornelia Thieme

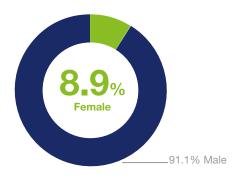
Head of HR UK Airbus Defence and Space Ltd Colin James

Managing Director
Airbus Helicopters Ltd



## **Airbus Operations Ltd**

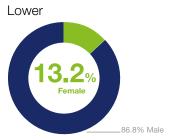
#### **Gender Pay Gap Results**

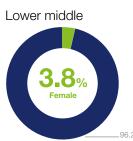


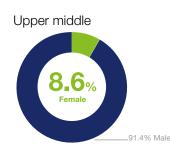


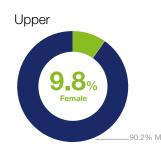
2018 saw a slight increase in the number of females employed in Airbus Operations Ltd. Our mean gender pay gap shows a small gap in favour of men and the median a small gap in favour of women.

#### Pay quartiles across the workforce:









#### **Gender Bonus Gap results:**

Mean: -11.2% (female mean higher)

Median: -82.5% (female median higher)

### Why is the female bonus figure so much higher?

The population of Airbus Operations Ltd includes employees who are eligible for an individual and company variable performance bonus payment and those eligible for paid overtime who receive a collective success share payment. Employees eligible for overtime payments, which include the majority of the predominantly male manufacturing population do not benefit from individual and company variable bonuses. The average individual and company variable performance bonus payment was of higher value than the collective success share payment, which has resulted in median bonus payments that were higher for women.

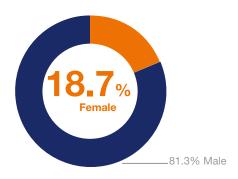
Percentage of workforce that received a bonus payment:

Male: 96% Female: 89%

Within Airbus Operations Ltd, 96% of men and 89% of women received a bonus payment. The 2018 figures are almost identical to 2017 figures. The reason this figure is not 100% is because payments are paid in arrears for each complete calendar year. Therefore, employees joining Airbus mid-way through the year will not have been entitled to a payment at the time the report data was generated.

## Airbus Defence and Space Ltd

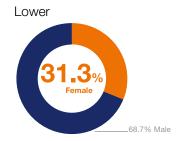
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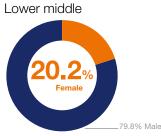


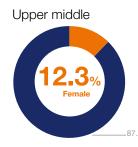
Mean:	19.3%
Median:	20.2%

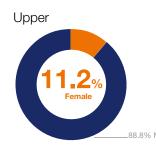
2018 saw a slight increase in the number of females employed in Airbus Defence and Space Ltd. Our mean and median gender pay gap remains relatively unchanged and is proportional to the overall gap in the UK workforce.

#### Pay quartiles across the workforce:









#### **Gender Bonus Gap results:**

Mean: 34.6% (female mean lower)
Median: 0% (median equal)

Airbus Defence and Space Ltd is more in line with the typical UK workforce composition, with an overall pay gap closer to the UK national average. While the majority of the Airbus Defence and Space population work in specialist engineering roles, typically dominated by men, our recruiting efforts have been successful in bringing more women into early careers roles, building the pipeline for the future. Together with #MyWay, our group talent programme which looks to develop female talent, in time this will help us address the other key cause of the gender pay gap: the fact that today, most of the senior leadership roles within the business are predominantly held by men.

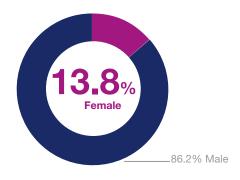
Percentage of workforce that received a bonus payment:

Male: 87% Female: 84%

The population of Airbus Defence and Space Ltd is split between employees who are eligible for an individual and company variable performance bonus payment and those eligible for a collective success share payment. More than 50% of employees, of both genders, receive the company's collective success share payment, which created a broadly equal median bonus figure for men and women. Individual and company variable performance bonus payments are paid to employees at senior and specific managerial grades. These are based on an individual's basic salary level and are typically higher than the collective payment. Proportionately more men than women are in grades which receive these payments and this has resulted in a higher mean bonus payment for men.

### **Airbus Helicopters Ltd**

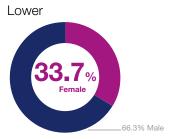
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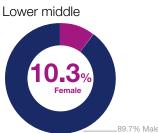


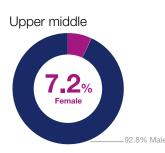
Mean:	32.7%
Median:	34.0%

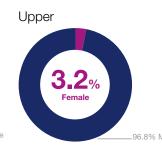
This is the first year we are reporting for Airbus Helicopters UK Ltd. The gender pay gap is impacted by the senior leadership roles within the business being predominantly held by men. Only 13.8% of employees within Airbus Helicopters UK Ltd are women and these are disproportionately concentrated in the lowest pay quartile.

#### Pay quartiles across the workforce:









#### **Gender Bonus Gap results:**

Mean: 47% (female mean lower)
Median: 0% (median equal)

Percentage of workforce that received a bonus payment:

Male: 72% Female: 80%

Airbus Helicopters UK Ltd operates in a different market to the other UK divisions, focusing on sales, maintenance, repair and overhaul. Having grown over the last twelve months through successful contracts and an acquisition, it now numbers around 350 staff, which is approximately 2.5% of the overall Airbus employee population in the UK.

The population of Airbus Helicopters UK Ltd is split between employees who are eligible for individual and company performance bonus payment and those eligible for a collective success share payment. More than 50% of both men and women receive the collective success share payment and therefore the median collective bonus payment is equal. Individual and company variable performance bonus payments are paid to employees within certain higher grades and are based on individual salary level; these payments are typically higher than the collective success share payment. Proportionately, more men than women are in grades which receive this individual and company variable performance bonus payment and this has resulted in a mean bonus payment which was higher for men.

# How we are addressing the gender pay gap

During 2018, we continued to progress a number of initiatives aimed at addressing the gender imbalance in our global business and industry. We believe that over the longer term, the many actions we are taking now will lead to a narrowing of our gender pay gap, but we also recognise that this will be a long journey.

Diversity and inclusion is championed at the top of our global business with KPIs, actions and initiatives flowing throughout our organisation. Diversity also forms part of our

Responsibility & Sustainability Charter, which gains attention at the very highest level of our organisation. Introduced in 2017, the Charter includes nine business commitments: product safety, anti-corruption & bribery, environment, labour relations, respect for human rights, supply chain, health & safety and community impact. The Charter also demonstrates Airbus' commitment to at least eight of the 17 United Nations Sustainable Development Goals (UNSDGs) including SDG 5, gender equality. More information can be found at Airbus.com.

Airbus welcomes all forms of diversity and specifically measures the evolution of the diversity of its workforce by measuring KPIs related to gender diversity. These KPIs include: the proportion of women promoted to a position of senior manager or above; the proportion of women among white collar external hires; and the gender pay gap at all levels between men and women.

Particular attention has been focused on encouraging more women into senior positions, which in 2018 resulted in there being three women on the Airbus Board of Directors: the appointment of Grazia Vittadini, our new Chief Technology Officer, onto the Airbus Executive Management team; as well as other senior female appointments. These included Katherine Bennett CBE, SVP for Airbus in the UK, who was appointed to the boards of Airbus Operations Ltd and Airbus Helicopters Ltd; Sue Partridge who continues to lead an important Research and Technology programme for Airbus, focused on designing and manufacturing the 'Wings of Tomorrow'; and Jo Sawford being appointed as Site Director at Airbus Defence and Space Ltd in Portsmouth.

Our Balance for Business network

continues to grow from strength to strength and is currently operating across three sites in the UK. This internal global network brings together all the diversity and inclusion initiatives across Airbus and aims to harness everyone's potential in a more open, inclusive and balanced environment. As well as gender diversity, the network focuses on other diversity topics such as disability including neurodiversity, and LGBT+. With support at the highest levels in the business, this powerful network has made a positive contribution to accelerating change over the last year, holding roadshows to promote employee-led initiatives such as peer to peer mentoring and encouraging all employees to challenge stereotypes and build their careers.

We have become a leader because our people around the world share common values and a determination to succeed. We live by the belief that a diverse group of people brings a diverse group of ideas, triggering more engagement, creativity and performance. We are inspired by each other's knowledge and experiences. We foster an inclusive, friendly environment to encourage sharing and collaboration, so we can thrive as individuals.

In 2018, we committed to the United Nations Women's Empowerment Principles, (UN WEP), an initiative aimed at empowering women to participate fully in economic life across all sectors and throughout all levels of economic activity. We were also proud to be a founding signatory of the

Women in Aviation and Aerospace Charter and, led by SVP Airbus, Katherine Bennett CBE, we have championed its progression throughout the industry since its launch in July 2018 by the Prime Minister, Theresa May. The Charter demonstrates the commitment of a growing number of organisations, across the industry, to build a more balanced and fairer industry for women. Airbus is also a leading member of the International Aviation Women's

Association (IAWA), which cultivates and advances women leaders in the aviation and aerospace industries through its global membership network. As well as her work on the Charter, Katherine Bennett is also an active Director of IAWA.





In 2018, for the third 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.

Other initiatives aimed at encouraging more diversity in our business include the **Airbus GEDC Diversity Award**, which aims to shine a light on successful projects that inspire students from all profiles and backgrounds to study and succeed in engineering. Now in its 7th year, the award was developed and funded by Airbus in partnership with GEDC, the leading international organisation for leaders of schools and colleges of engineering education.

We continue to focus on **young people**. During 2018, in the UK alone, as well as attending many STEM-focused events, Airbus hosted over 75 school visits, offered more than 600 work experience days and visited over 300 schools. In addition, we continued to run sessions for teachers and careers advisers aimed at promoting careers in engineering and aerospace, many of which were aimed specifically at girls.

We also partnered with other organisations to exchange best practice and promote STEM to girls. This includes WISE (Women in Science and Engineering), where we are one of the primary signatories of their Ten Steps campaign, aimed at ensuring women play a bigger part in the science, technology, engineering and manufacturing sectors. During 2018 we trained a number of our existing STEM ambassadors to participate in WISE programmes such as 'People Like Me', which is designed to help girls understand who they are and how this relates to roles in the workplace.



# Women in Aviation and Aerospace Charter

A pledge for gender balance across aviation and aerospace

The UK's aviation and aerospace sectors are making a commitment to work together to build a more balanced and fair industry for women by launching a **Charter for Women**.

The Department for Business, Energy and Industrial Strategy and the Department for Transport welcomes the initiative that recognises more needs to be done to greater enhance the gender balance in the sectors. Organisations that sign up to this Charter are committing to be the very best at driving diversity and inclusion within their sector and providing fair opportunities for women to succeed at the highest levels.

The Charter reflects the aspiration to see gender balance at all levels across aviation and aerospace. A balanced workforce is good for business – it is good for customers and consumers, for profitability and workplace culture, and is increasingly attractive for investors.

#### The Charter:

- commits organisations to supporting the progression of women into senior roles in the aviation and aerospace sectors by focusing on the executive pipeline and the mid-tier level;
- recognises the diversity of the sector and that organisations will have different starting points – each organisation should therefore set its own targets, where appropriate, and implement the right strategy for their organisation; and
- requires organisations to publicly report on progress to deliver against any internal targets to support the transparency and accountability needed to drive change.

#### My organisation commits to promote gender diversity by:

- having one member of our senior executive team who is responsible and accountable for gender diversity and inclusion;
- setting internal targets, where appropriate, for gender diversity in our senior management;
- publishing progress annually against any targets in reports on our website; and
- having an intention to ensure the pay of the senior executive team is linked to delivery against any internal targets on gender diversity and inclusion.

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# In the spotlight

# Airbus Foundation Discovery Space

Launched in 2017, the Airbus Foundation Discovery Space is a unique STEM centre, located at the Airbus Defence and Space site in Stevenage and is specifically focused on inspiring young people in STEM.

The Centre provides unique access to a wide range of exciting and fun hands-on activities and workshops, often run by Airbus employees, including amazing Airbus female role models, and provides young people with the opportunity to see first-hand real engineers working on a real project to launch the ExoMars Rover.



Run in partnership with North
Hertfordshire College, the Centre
caters for young people of all
abilities, including those with special
needs and those classed as gifted
and talented. Activities are also
run specifically for girls. In 2018
Bedford Girls School participated in a
workshop focused on the Mars Rover
and built a satellite simulation, and girls
from Bishop Hatfield developed their
understanding of robotics through
the 'Robotics Challenge'.

Our children were completely engaged in a variety of interesting, interactive and relevant activities all day!

**Year 3 and 4 teacher,** November 2018

Find out more about Discovery Space Here

# Third Year Higher Engineering Apprentice

#### **Jess Stone**

**Encouraging more females** into STEM is vital if we are to address the skills gap we currently face. I believe one of the key ways to do this is to help young females recognise their talents and to grow their confidence in STEM subjects. Working with Airbus. I have had the opportunity to support this through mentoring schemes, work experience, and school visits, all of which have proven to be hugely rewarding and enjoyable experiences."

**Jess Stone** 

Jess is a Higher Level Engineering Apprentice at the Filton site of Airbus Operations Ltd who is gaining experience in a wide range of engineering disciplines. Jess is passionate about promoting STEM and gender equality and is actively involved in numerous mentoring programmes to inspire young people, particularly girls, in STEM.

After being nominated for the WISE 'One to Watch' Award, Jess was awarded the EEF\* South West 'Future of Manufacturing First Year Higher Apprentice' Award before going on to win the national title. In addition, in recognition of her involvement in promoting STEM and gender equality, Jess won the 2018 Bristol Post 'Outstanding Apprentice of the Year' and has spoken at a number of events to raise awareness of these topics, including at The Manufacturer's UK Women in Manufacturing Summit, which led to her being named on The Manufacturer's 2018 'Top 100 in Manufacturing' list.



Engineering Employers Federation.

