

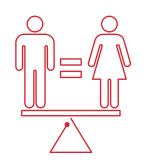
## 2021 GENDER PAY GAP REPORT



## **Collins Aerospace**

Collins Aerospace, a unit of Raytheon Technologies Corporation, specializes in advanced structures, avionics, interiors, mission systems and power and control systems that serve customers across the commercial, regional, business aviation and military sectors. With 2021 net sales of \$18.4 billion, the business has 67,000 employees across more than 300 locations globally.

In the United Kingdom (U.K.), Collins Aerospace designs, develops, manufactures and supports a comprehensive range of solutions for the defence and commercial aviation markets.



#### ALL WELCOME. ALL EQUAL. ALL IN.

A strong commitment to diversity, equity and inclusion (DE&I) is core to our culture at Collins Aerospace. It's a foundational element of who we are and who we want to be. We know the results we commit to our customers and colleagues cannot be sustainably achieved unless we are as innovative and collaborative as possible. It's why we focus a variety of strategies on creating a working environment where all people can thrive.

We are committed to fostering a culture where all employees can share their passions and ideas so we can tackle the toughest challenges in our industry, tap into the creativity of our employees and pave new paths to limitless possibilities, irrespective of gender. One way we champion diversity, equity and inclusion is through our company-wide <a href="Employee Resource Groups">Employee Resource Groups</a> (ERGs), that promote the engagement and development of their members, support the attraction and retention of a diverse workforce and play an active role in community outreach and relations.

Collins Aerospace is committed to promoting equal opportunity in employment. Employees and any qualified job applicants will receive equal treatment regardless of age, disability, gender reassignment, marital or civil partner status, pregnancy or maternity, race, colour, nationality, ethnic or national origin, religion or belief, sex or sexual orientation.

# THE DIFFERENCE BETWEEN GENDER PAY & EQUAL PAY

The gender pay gap shows the difference in average pay between men and women, and in many cases reflects the representation of women across all levels in the organisation. Equal pay is a legal requirement such that men and women employed by the same organisation who are performing work of equal value must receive equal pay.

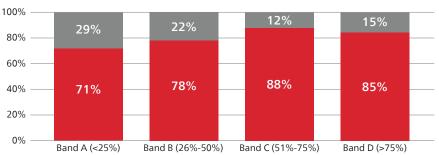
#### **OUR STATISTICS**

Collins Aerospace is committed to creating a working environment where there are equal opportunities for all employees. We recognise that compensation is important to attract top talent, to reward employees for their work and commitment and to encourage employees to stay with us over the years. We are committed to paying market-competitive pay packages that reward our employees fairly for the work that they do. Our compensation philosophy combines market-competitive pay and individual performance-driven incentives that recognise both individual and collective contributions to the company's success. A solid pay foundation means that our compensation packages are consistent within the labour markets where we compete for talent.

We have a number of mechanisms within our reward policies and processes to promote consistency in pay for men and women performing similar-sized roles. These include a consistent approach to job sizing, a pay-for-performance philosophy and spot rates in our manufacturing facilities.

At the snapshot date of 5 April 2021, the combined reportable companies within Collins Aerospace in the U.K. employed 3,809 employees of which 80% are male and 20% are female. Our organisation is committed to attracting and retaining female talent, however, we, like similar organisations, face challenges recruiting female employees with science, technology, engineering and math (STEM) qualifications and experience. Our employee makeup is reflective of the marketplace in which we sit, and whilst we are committed to promoting gender diversity, the current gender imbalance in these fields contributes to the gender pay gap calculated across the organisation.

#### Distribution of Collins Aerospace Employees in the U.K. by Gender and Pay Quartiles



The chart above shows the distribution of women across Collins Aerospace U.K., based on four quartiles, each containing an equal number of employees.

Male
Female

The gender pay gap is a snapshot of the difference in the average and median hourly pay of women compared to men, expressed as a percentage of men's average pay, irrespective of the roles that they perform. The hourly pay figure used to calculate the pay gap includes all items specified in the regulations, such as allowances, shift pay and recognition payments.

| Mean Gender Pay Gap   | 11.2% |  |
|-----------------------|-------|--|
| All Industry (ONS)    | 14.9% |  |
| Median Gender Pay Gap | 13.0% |  |
| All Industry (ONS)    | 15.4% |  |

| Proportion of Employees Receiving a Bonus                       |        |     |
|---|--------|-----|
| Males   | 66%    |     |
| Females   | 66%    |     |
| Mean Bonus Gap  | -1.1%  |     |
| Median Bonus Gap  | -11.0% |     |
| Construction & Engineering<br>Benchmark<br>(Mercer Median 2020) |        | 25% |
| Technology & Equipment<br>(Mercer Median 2020)                  |        | 24% |
|   | 0,     | %   |

How to read the differences: Negative (-) figures show when a man is paid less than a woman. Positive (+) figures show when a man is paid more than a woman.

Across Collins Aerospace U.K., the overall mean gender pay gap has increased from 9.0% in 2020 to 11.2% in 2021 and the median gap has increased from 11.0% in 2020 to 13.0% in 2021. The proportion of females overall within Collins U.K. has increased from 19% in 2020 to 20% in 2021. This increase has been greater at the lowest pay quartile (B and A). In addition, there is a higher proportion of males in technical and production roles that may receive shift pay and allowances.

The overall mean bonus gap has reduced from 3.1% in 2020 to -1.1% in 2021. The 2021 median bonus gap is -11.0% and has decreased to a quarter of the size of the 2020 median bonus gap. Both the mean and median gap favour females. This is influenced by the higher proportion of males in production roles that receive a smaller percentage bonus. The number of females is more evenly split across the levels of the organisation.



### Closing the Gap

Collins Aerospace is committed to closing the gender pay gap within the organisation through a variety of efforts, including specific initiatives aimed at cultivating an inclusive environment for all genders, developing more women for senior leadership roles, site-led engagement activities that connect and celebrate women and inspiring the pipeline of future STEM talent. Below are some of the initiatives and activities we're proud to highlight as part of our efforts to make Collins Aerospace a great place for women to work, grow and belong.

# CREATING AN INCLUSIVE ENVIRONMENT FOR ALL GENDERS

- Collins Aerospace's UTfleX programme and local Flexible
  Working Charter are designed to promote flexible work
  options across the business. The company also recently
  launched a new enhanced maternity policy across the U.K. in
  support of the Charter.
- We are undertaking a review of HR policies across Collins to ensure the language we use is more inclusive. A number of policies have recently been introduced including supporting transgender employees, pregnancy loss, and menopause policies.
- New manager training on Gender Diversity has been launched globally with a focus on Gender Bias and Unconscious Bias.

#### TALENT DEVELOPMENT EFFORTS

- Each year, our leaders nominate employees with strong performance histories and demonstrated potential for unique professional development opportunities. Our DE&I nomination programs support underrepresented talent in all levels across Collins Aerospace so they can optimize their performance and maximize their potential.
- LIFT (Leading Inspired Females in Technology) is a home-grown, Collins-wide initiative focused on improving the number of women in senior engineering roles and Fellows community, as well as advancing female technical talent. It supplements other RTX initiatives: WILL (Women in Line Leadership) Rise and Paradigm for Parity, which are needed for the continued success of our business.
- Collins Aerospace and Pratt & Whitney continued their partnership in WILL Rise, a bold, grassroots programme with a mission to accelerate the growth and advancement of women in aerospace line leadership positions.

- We have a number of Talent Councils focusing on developing diverse talent within our organisation. Our recruitment strategy is designed to raise our brand profile and increase partnerships with organisations that promote and support women pursuing careers in STEM industries, from early career to senior leadership positions.
- Raytheon Technologies is a member of the Paradigm for Parity initiative, a coalition of business leaders dedicated to addressing the corporate leadership gender gap. Raytheon Technologies is committed to achieving the ultimate goal of full gender parity by 2030, with a near team goal of 30%.

#### **EMPLOYEE-DRIVEN ENGAGEMENT**

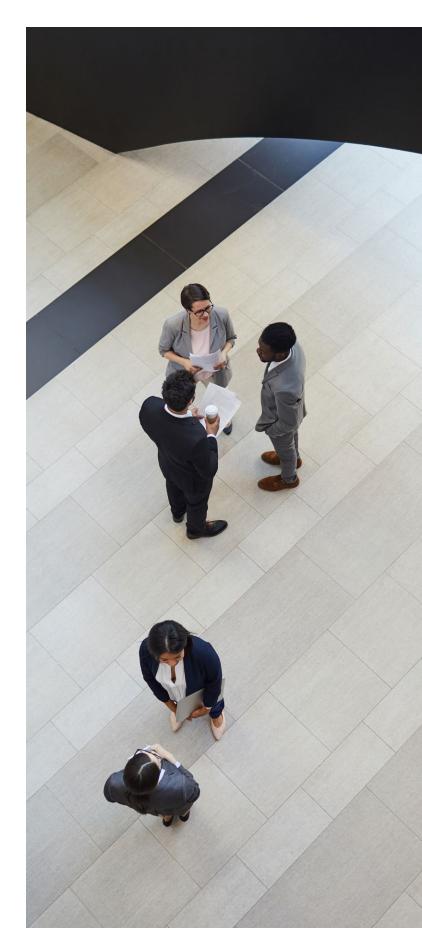
- The first Collins Aerospace West Midlands Women in Aerospace Employee Resource Group (ERG) launched in 2020 with over 65 members from across the regional Collins Aerospace businesses.
- Employee Resource groups and Women's Forums have been formed at a number of our locations.
- A number of our sites have active Women's Forums which have held many events including International Women's Day, where employees were encouraged to make a pledge towards achieving gender equality.
- Raytheon Technologies recently celebrated Women's History Month with a number of communications and initiatives such as Women's HERstory Month webinars hosted by LIFT.
- The Collins Aerospace 'Liftoff' employee communications newsletter incorporates a monthly 'Women's Enterprise Forum' message, highlighting a range of initiatives and events happening worldwide.
- Raytheon Technologies' first Day of Understanding was hosted on 29 April 2021. The day, held by all CEO Action for Diversity & Inclusion signatory organizations, is an opportunity to bring colleagues together for open dialogue and inspire employees to take action to support each other and members of the communities in which we live.
- Collins Aerospace is a signatory to the 'Women in Aviation and Aerospace Charter' and have a senior leader of Rockwell Collins U.K. who is Chair of the Royal Aeronautical Society's Women in Aviation and Aerospace Committee.

# INSPIRING FUTURE GENERATIONS OF WOMEN

- In coordination with Women in Aviation International's 'Girls in Aviation Day,' Collins Aerospace launched an 'Aviation for Girls' App to reach out to girls aged 8-17. The App provides information about all kinds of aviation careers along with access to digital issues of Aviation for Girls magazine.
- Collins Aerospace continues to partner with FIRST U.K.
  to support virtual events and mentoring opportunities
  encouraging youth to pursue careers in STEM. The company
  is also moving towards a partnership with ENTHUSE, in
  which the company will partner with a number of West
  Midlands schools to support STEM learning to improve
  gender balance. STEM Science kits will also be provided to
  each of the partner schools.
- The Raytheon Technologies collaboration with Girls Who Code (GWC), an organisation dedicated to building the largest pipeline of future female engineers in the United States, is being rolled out across Collins Aerospace in the U.K.
- Continued partnership with Women in Science & Engineering (WISE) supporting a series of 5 bi-weekly Actuation Systems webinars launched on International Women in Engineering Day (23 June 2020) to promote gender diversity, mentoring and the WISE #1 of The Million campaign. In 2021 we began training female engineers in the 'People Like Me' philosophy. which is delivered to local schools and aims to meet WISE's commitment to inspire more girls to consider studies and careers in STEM.
- Collins Aerospace is sponsoring The Institution of Engineering and Technology Young Women Engineer Awards ceremony in March 2021 (postponed from December 2020).
- Collins Aerospace in Shirley is participating in the U.K.
   Electronic Skills Foundation and the Engineering Education
   scheme, targeting females and partnering with a number
   of schools to encourage females to pursue a career in
   engineering.

#### **EXTERNAL RECOGNITION**

Raytheon Technologies has been recognised for its gender diversity and wider inclusion initiatives through awards from Forbes 2021 The Best Employers for Diversity, from DiversityInc 2021 Top 50 Companies for Diversity and Top Companies for Executive Diversity Councils, from Corporate Equality Index: Best Places to Work for LGBTQ Equality 100 score (2019, 2020 and 2021), Disability Equality Index Best Places to Work (2019, 2020 and 2021), Diversity Best Practices Inclusion Index 2021 and Woman Engineer Magazine Top 50 Employer (2021).



#### 2021 GENDER PAY REPORT

The U.K. gender pay reporting regulations require a legal entity with more than 250 employees to report their gender pay data. Collins Aerospace has seven such entities within the U.K. The gender pay statistics for each entity are detailed below. For a comparison to 2020 statistics, please refer to the 2020 Gender Pay Report for Collins Aerospace.

#### **GOODRICH ACTUATION SYSTEMS**

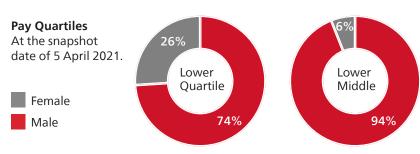
Goodrich Actuation Systems Limited U.K., is a global leader in actuation design and manufacturing.

#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

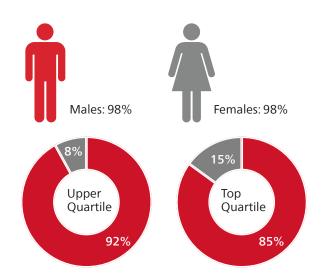
At a snapshot date of 5 April 2021 Goodrich Actuation Systems Limited employed 1,219 people, of which 1,050 (86%) are male and 169 (14%) are female.

Median Mean Gender Pay Gap (hourly pay) 4.0% 6.2%





Proportion of men and women receiving a bonus Based on the 12 months preceding 5 April 2021.



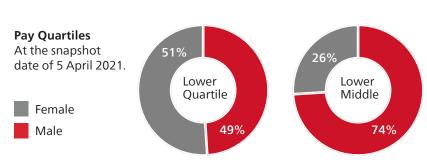
#### **GOODRICH CONTROL SYSTEMS**

Goodrich Control Systems, includes three operating units in the U.K.: The Motor Drive Systems Centre based in Hemel Hempstead and Solihull, which develops and supports high-performance motors and power electronics; a facility in Marston Green, West Midlands, which supports aftermarket activities for hydro-mechanical and electronic units for commercial aircraft; and a U.K. corporate office based in Solihull, West Midlands.

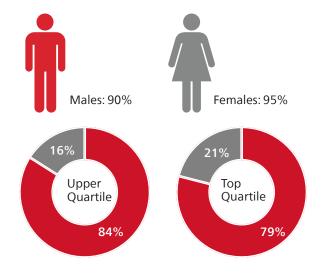
#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

At a snapshot date of 5 April 2021 Goodrich Control Systems employed 575 people of which 411 (71%) are male and 164 (29%) are female.

|                             | Mean  | Median |
|-----------------------------|-------|--------|
| Gender Pay Gap (hourly pay) | 16.7% | 22.6%  |
| Gender Bonus Gap            | 23.7% | 29.2%  |



Proportion of men and women receiving a bonus Based on the 12 months preceding 5 April 2021.



#### ATLANTIC INERTIAL SYSTEMS

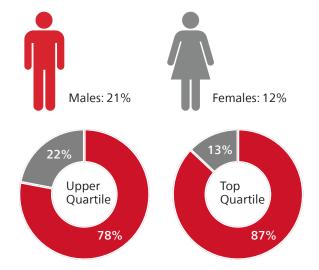
Atlantic Inertial Systems Limited is a market leader in inertial technology. Products include a broad portfolio of Micro Electro-Mechanical Systems (MEMS) inertial sensors and inertial measurement units used in a range of Precision Guided Munitions, complemented by our TERPROM® Predictive Ground Proximity Warning system which is used on over 5000 military aircraft worldwide.

#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

At a snapshot date of 5 April 2021 Atlantic Inertial Systems employed 350 people of which 256 (73%) are male and 94 (27%) are female.

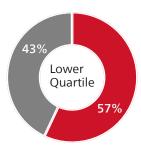
|                             | Mean  | Median |
|-----------------------------|-------|--------|
| Gender Pay Gap (hourly pay) | 17.7% | 21.7%  |
| Gender Bonus Gap            | 10.4% | -15.4% |

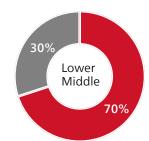
**Proportion of men and women receiving a bonus** Based on the 12 months preceding 5 April 2021.











#### **ROHR AERO SERVICES LIMITED**

Rohr Aero Services Limited, based in Prestwick, is a Service Centre specialising in the maintenance, repair and overhaul (MRO) of aircraft engine nacelle systems; thrust reversers, inlets and engine build up/quick engine change components, multiple autoclaves and inventory management.

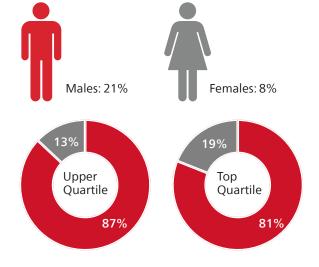
#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

At a snapshot date of 5 April 2021 Rohr Aero Services Limited employed 277 people of which 242 (87%) are male and 35 (13%) are female.

|                             | Mean  | Median |
|-----------------------------|-------|--------|
| Gender Pay Gap (hourly pay) | -3.1% | -16.3% |
| Gender Bonus Gap            | 15.6% | 0.0%   |

# Pay Quartiles At the snapshot date of 5 April 2021. Lower Quartile Male 9% Lower Middle 99%

**Proportion of men and women receiving a bonus** Based on the 12 months preceding 5 April 2021.



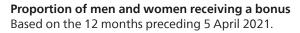
#### HS MARSTON AEROSPACE LIMITED

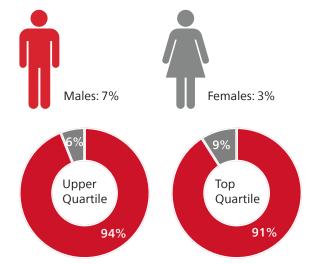
HS Marston Aerospace Limited in Wolverhampton, provides a wide range of heat transfer and fluids management products and services for the military and commercial aerospace markets.

#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

At a snapshot date of 5 April 2021 HS Marston Aerospace Ltd employed 315 people of which 287 (91%) are male and 28 (9%) are female.

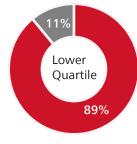
|                             | Mean  | Median |
|-----------------------------|-------|--------|
| Gender Pay Gap (hourly pay) | 5.9%  | 6.3%   |
| Gender Bonus Gap            | 14.1% | -3.6%  |

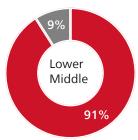












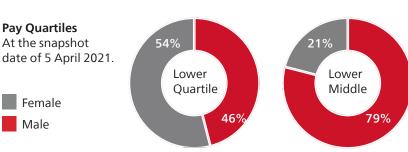
#### **ROCKWELL COLLINS U.K. LIMITED**

Since 1955, Rockwell Collins U.K. Limited (a division of Collins Aerospace) has provided a comprehensive range of aviation and mission electronics and communications solutions to ministries of defence, integrators, aircraft manufacturers and airlines. Its portfolio includes: targeting systems, networked communications, global navigation satellite systems, electronic warfare, simulation and training solutions and information management services.

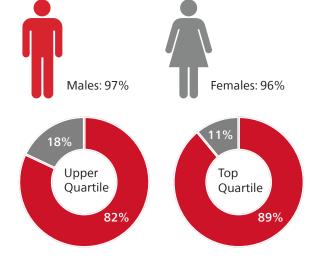
#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

At a snapshot date of 5 April 2021 Rockwell Collins UK Limited employed 486 people of which 359 (74%) are male and 127 (26%) are female.

|                             | Mean  | Median |  |
|-----------------------------|-------|--------|--|
| Gender Pay Gap (hourly pay) | 24.6% | 30.4%  |  |
| Gender Bonus Gap            | 38.7% | 37.2%  |  |



# **Proportion of men and women receiving a bonus** Based on the 12 months preceding 5 April 2021.

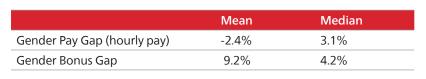


#### **B/E AEROSPACE U.K. LIMITED**

B/E Aerospace U.K. Limited (a division of Collins Aerospace) is a market leader in the manufacture of aircraft interior products. In Leighton Buzzard they design and manufacture crew rests and galley structures for the aircraft industry, as well as providing aftermarket support for all of their seating and galley models.

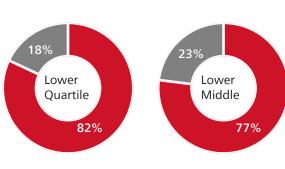
#### PAY AND BONUS DIFFERENCE BETWEEN MEN AND WOMEN

At a snapshot date of 5 April 2021 BE Aerospace UK (Leighton Buzzard) employed 360 people of which 293 (81%) are male and 67 (19%) are female. Proportion of Men and women receiving a bonus Based on the 12 months preceding 5 April 2021.

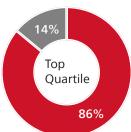






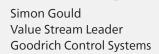






We confirm that the data set out in this report is accurate as at the snapshot date of 5 April 2021.

Peter Ross Director Goodrich Actuation Systems Ltd.



Kevin Pindard Director

Sarah Minett

**Atlantic Inertial Systems** 

Andrew Hodge Director Rohr Services Ltd.

Keith Delderfield **Managing Director** B/E Aerospace UK Ltd. (Leighton Buzzard)

Ilyas Asghar General Manager

Managing Director HS Marston Aerospace Ltd. Rockwell Collins UK Ltd.