Airbus in the UK Gender Pay Gap Report 2017

At Airbus we believe that empowering women, promoting equal opportunity and ending all forms of discrimination is not only a human right, but is key to the success of the company. Airbus welcomes the UK Government's Gender Pay Gap reporting initiative and also directly supports those United Nations Sustainable Development Goals which are most relevant to the company, including action to address gender diversity. More information about Airbus' commitment to responsible business and the UN Sustainable Development Goals can be found here.

This statement has been published in accordance with the Gender Pay Gap Reporting regulations under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 which came into force on 6th April 2017.

This legislation requires UK employers with 250 or more employees to publish annual statutory calculations showing the pay gap between male and female employees.





Our report

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 work, or equivalent work. The gender pay gap is a simple average figure for all employees within the UK workforce, irrespective of the job that they do.

The data provided within this report covers two entities within Airbus in the UK: Airbus Operations Ltd and Airbus Defence and Space Ltd. Airbus Helicopters UK Ltd currently falls below the threshold of the regulations, however its data will be disclosed in future years.

In line with reporting guidelines, the data reflects payments made in April 2017. The figures include the hourly rate for each relevant employee, as defined by the 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.

Airbus in the UK's overall gender pay gap is largely a result of the high number of men in senior leadership roles and low number of men in more junior non-manufacturing roles.

Our gender pay gap results

Airbus in the UK largely operates in the manufacturing and engineering sectors, which have historically had a significantly higher proportion of male employees, particularly in manufacturing/production roles.

The industry is reliant on qualified engineering applicants from schools, higher education and universities. Whilst applications from women into engineering disciplines at university have increased in recent years, they remain at only 15.2% in aerospace engineering and 26.8% for general engineering*.

We are committed to gender equality and advancing women in the workplace. We aim to increase the number of women we recruit to 30%.

Encouraging more women to pursue careers in engineering is a significant challenge across industry in the UK, and Airbus is committed to working with the UK Government, industry and professional bodies, such as the Royal Academy of Engineering, to support initiatives which promote this. Further details of some of these initiatives can be found on page six of this report.

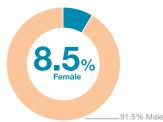
Whilst Airbus Operations Ltd and Airbus Defence and Space Ltd both operate under the Airbus umbrella in the UK they employ clearly distinct workforces, with a significantly higher proportion of employees working within mass manufacturing in Airbus Operations Ltd. It is the distinct nature of these workforces that causes the notable difference in gender pay gap between the two organisations.

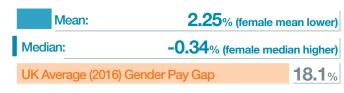
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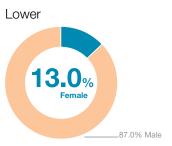
Airbus Operations Ltd

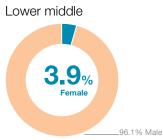
Total UK Workforce Gender Pay Gap Results:

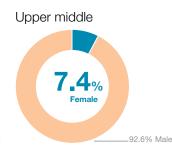


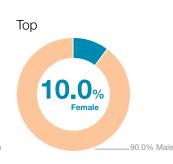


Pay quartiles across the UK Workforce









The predominantly male manufacturing population comprises 48% of our total workforce and this affects the overall gap.

Percentage of workforce that received a bonus payment:

Male: 97% Female: 89%

Gender Bonus Gap Results:

Mean: -12.4% (Female mean higher) **Median: -83.7%** (Female median higher)

The population of Airbus Operations Ltd is split between pay grades of employees who are eligible for an individual performance bonus payment and those eligible for a collective company bonus payment and overtime.

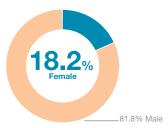
Employees eligible for overtime payments, which includes the majority of the predominately male manufacturing population, are not entitled to individual performance bonuses. The average individual performance bonus payment was of higher value than the company performance bonus payment, which has resulted in median bonus payments that were higher for women.

Within Airbus Operations Ltd, 97% of men and 89% of women received a bonus payment. The difference in this figure is because in Airbus Operations Ltd bonuses are paid in arrears for each complete calendar year, therefore employees joining Airbus mid-way through the year may not have been entitled to bonus pay at the time the report data was generated.

Airbus Defence and Space Ltd

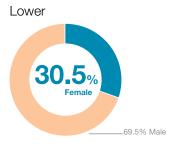
Total UK Workforce

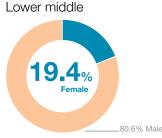
Gender Pay Gap Results:

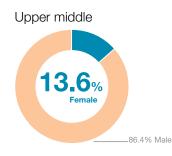


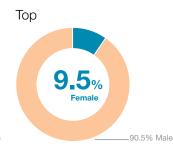


Pay quartiles across the UK Workforce









Airbus Defence and Space Ltd is more in line with the typical UK workforce composition, with more women in the lower pay quartiles. This creates an overall pay gap closer to the UK national average.

The gender pay gap within Airbus Defence and Space Ltd is impacted by the senior leadership roles within the business being predominantly held by men. Currently we have a lower percentage of our female employees in the senior leadership roles in comparison to other roles in our business. Over 80% of Airbus Defence and Space's population work in specialist engineering roles, of which less than 15% are women.

Percentage of workforce that received a bonus payment:

Male: 89% Female: 89%

Gender Bonus Gap Results:

Mean: 34.5% (Female mean lower)

Median: 0% (median equal)

The population of Airbus Defence and Space Ltd is split between pay grades of employees who are eligible for an individual performance bonus payment and those eligible for a collective company bonus payment. Within Airbus Defence and Space more than 50% of employees, of both genders, receive the Company's collective bonus payment, which created an equal median bonus figure for men and women.

Individual performance bonus payments are paid to employees within certain higher grades and are based on individual 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 higher for men.



Inclusion at Airbus:

Airbus takes gender equality seriously and aims to achieve gender equality. Airbus' current proportion of female employees globally is 17.2%; we are committed to advancing women in the workplace and have set targets to increase the number of women we recruit to 30%.

In addition to specific internal programmes aimed at promoting gender equality, we are actively involved in a number of activities to promote and encourage engagement in STEM (Science, Technology, Engineering and Maths) to young people of all genders.

Balance for Business:

The company's inclusion and diversity resource group 'Balance for Business' manages topics such as work life balance, career development and increasing gender balance through equal employment opportunities. Open to all genders, the network helps prepare employees, particularly women, for senior roles within the business through succession planning, mentoring and coaching. The network also highlights the work of female engineers, so that they can act as role models that inspire girls to pursue engineering careers.

International Aviation Womens Association (IAWA):

Airbus is a sponsor of the International Aviation Womens Association, which seeks to cultivate and advance women leaders in the aviation and aerospace industries through a global network. Founded in 1988, IAWA members serve as role models for other women striving to advance and progress within the industry. It also encourages young women to enter the aerospace industry through IAWA's Scholarship Program.

WES (Women's Engineering Society):

Airbus is a corporate partner of WES, the professional network of women engineers, scientists and technologists offering inspiring support and professional development. Working in partnership, WES supports and inspires women to achieve their goals as engineers, scientists and leaders. Some of its programmes and campaigns include the '90 for 90' Role Model Campaign, Inspiring Women campaign and MentorSET, a unique cross-sector mentoring scheme to support women in science, engineering and technology.

WISE (Women in Science and Engineering):

Airbus works alongside organisations such as WISE (Women in Science and Engineering) whose mission is to ensure gender parity in the UK scientific, technology and engineering workforce, from classroom to board room. WISE enables and energises people in business, industry and education to increase the participation, contribution and success of women in STEM. Its members aim to inspire girls to choose STEM subjects and to attract, retain, develop and progress female talent in their companies.

Having greater awareness of the Gender Pay Gap has enabled us to take a holistic view of our company, and we will use the results to support initiatives to reduce it over the coming years.

Due to the structural changes required to address many of the causes of the gender pay gap, the effects of these initiatives may take many years to be fully realised.

We will continue to monitor our gender pay gap levels, focusing on ways to attract, retain and develop our diverse talent by supporting flexible working practices, encouraging more female staff at higher levels of the business and actively supporting company-wide initiatives encouraging diversity.

Mark Stewart

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Head of HR UK Airbus Defence and Space Ltd

