

GLOBAL SOLUTIONS FOR THE AEROSPACE MARKET

UK Gender Pay Gap

Report 2023



MAGELLAN[™]
A E R O S P A C E

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Introduction

All companies with 250 or more employees are now required to publish their gender pay gap under new legislation that came into force in April 2017.

In addition, employers are required to disclose the distribution of gender by pay quartile – in other words splitting the workforce into four groups based on their pay, and showing the proportion of men and women in each group.

Employers are also required to disclose percentages of staff receiving bonuses by gender and the gender gap on bonuses.

We continue to work hard so that we can improve our gender balance and recognise that we will see progress over the long term and that some actions may initially create a detrimental effect on our gender pay gap.

WHAT IS GENDER PAY GAP AND HOW IS IT CALCULATED?

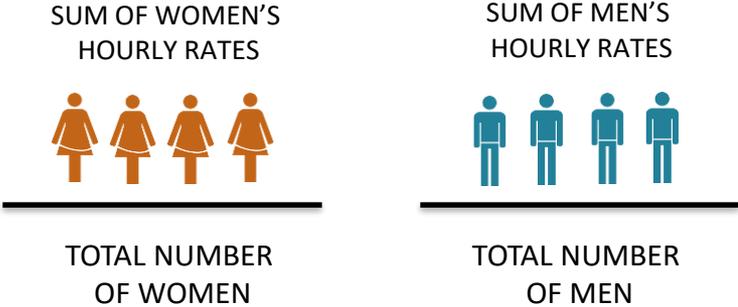
Gender pay gap is the difference between the average hourly pay of men and women across all jobs. This includes base salary, bonuses, commission, allowances and share awards.

Magellan fully understands, supports and continues to support employee development for a fully diverse workplace. A place where employees are encouraged to achieve their potential, contribute and express their own insight driving forward through innovation and employee engagement which in turn promotes our performance.

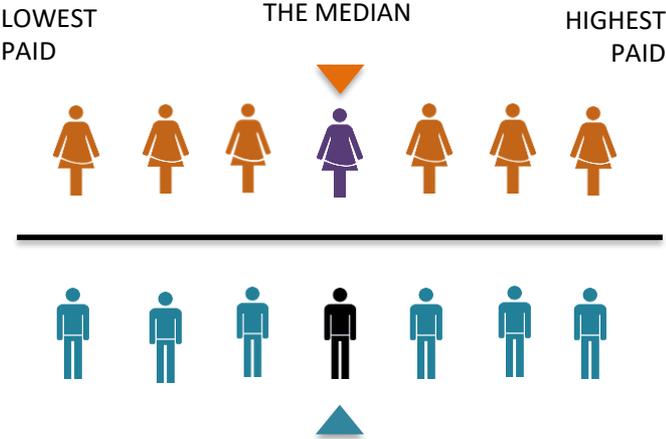


The Gender Pay Gap

Mean gender pay gap (the average) is typically the reported headline figure. It's calculated by adding up the hourly rate of all female colleagues and dividing this figure by the number of female colleagues – then do the same with male colleagues. The mean gender pay gap is the difference between the mean male and mean female hourly pay.



Median gender pay gap (the middle) – if we lined up all colleagues in a female line and a male line in order of their pay, the difference in pay between the female and male in the middle of their respective lines is the median pay gap.



The Gender Pay Gap at Magellan Aerospace UK Ltd.

The statistics included in this report represent our combined results which include all relevant employees in the UK. Overall Magellan Aerospace (MALUK) (snapshot date 5th April 2023) has a 14% female and 86% male workforce.

The percentage of female members of staff is higher at the lower percentile of the organisation, with increasing percentages of men at the higher percentiles.

2023 figures show 6.1% increase in women at Magellan Aerospace UK.

The overall gender pay gap (at the snapshot date of 5th April 2023) at MALUK is 6.7% on a median basis (2.4% using mean pay). This compares to the UK median which, as reported by the Office of National Statistics, is 8.3%.

8.3%



The national gender pay gap for full-time workers, Office of National Statistics

April 2022	8.3%
April 2021	7.7%
April 2020	7.4%
April 2019	9.0%

6.7%



The overall gender pay gap for 2023 snap shot date in UK (including Northern Ireland)

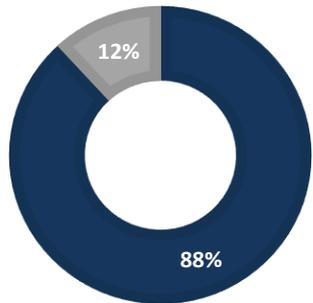
OUR RESULTS - Distribution of all UK employees across pay quartiles

The chart below sets out the gender profile by pay quartile. The fact that there are more women in the lower paid quartile and at the lower grades of MALUK is a major driver of the overall gender pay gap.

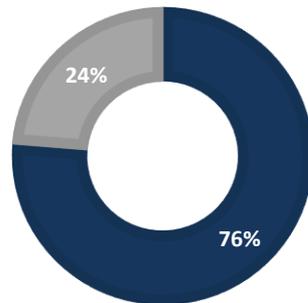
The residual pay difference can arise from a number of factors, including differing levels of skills and experience for people doing otherwise similar jobs as well as the impact of market factors.

Gender Profile by pay quartile

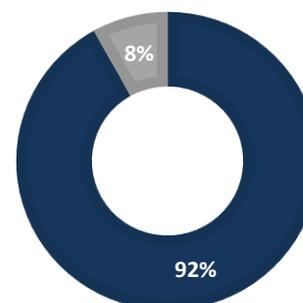
UPPER QUARTER %



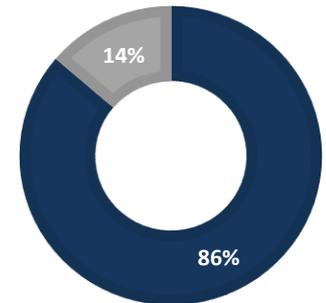
UPPER MIDDLE QUARTER %



LOWER MIDDLE QUARTER %



LOWER QUARTER %



■ Female ■ Male

OUR RESULTS - PAY



Our mean (average) gender
pay gap is:
2.4%

2023	2.4%
2022	4.8%
2021	9.3%
2020	12.3%
2019	11.3%
2018	20.6%
2017	16.5%
<hr/>	
2023	6.7%
2022	0.5%
2021	6.5%
2020	10.8%
2019	12.5%
2018	15.5%
2017	17.5%



Our median (middle) gender
pay gap is:
6.7%

OUR RESULTS - BONUS

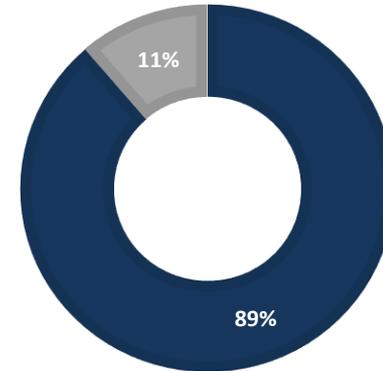
OUR MEAN (AVERAGE)

Gender bonus gap
2.8%

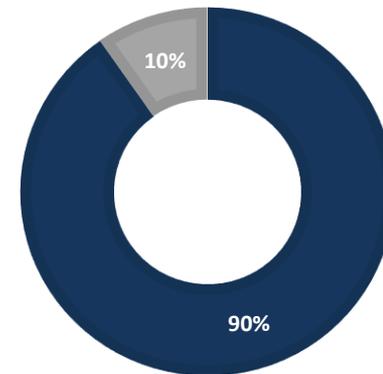
OUR MEDIAN (MIDDLE)

Gender bonus gap
0.0%

% OF COLLEAGUES WHO RECEIVED A BONUS



Received
Not Received



Received
Not Received

ACTIONS WE WILL TAKE

- Magellan Aerospace is developing a global job evaluation system to implement a programme of career progression support, enabling colleagues to find clarity, momentum and direction to make positive changes.
- Work with education providers to focus on encouraging a greater take up of STEM (science, technology, engineering and mathematics) subjects, such as aerospace engineering.
- We have introduced inclusive recruitment practices relating to how we advertise roles and then select and interview prospective employees.

ACTIONS WE WILL CONTINUE

- Magellan aims to achieve a balanced gender candidate slate across all levels and stages, continuing to enable recruitment of the best person for the role.
- Developing our approach to flexible working, reviewing the learning from homeworking during the pandemic, to offer greater flexibility of 'workplace' and less reliance on a main head office base or on extensive travel. This should enable us to attract a more diverse workforce, especially in what have traditionally been our 'office based' roles.

We confirm the information and data reported is accurate and in line with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017



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European Operations
4th July 2023



Data collated by Laura Higgins
Compensation Analyst
4th July 2023