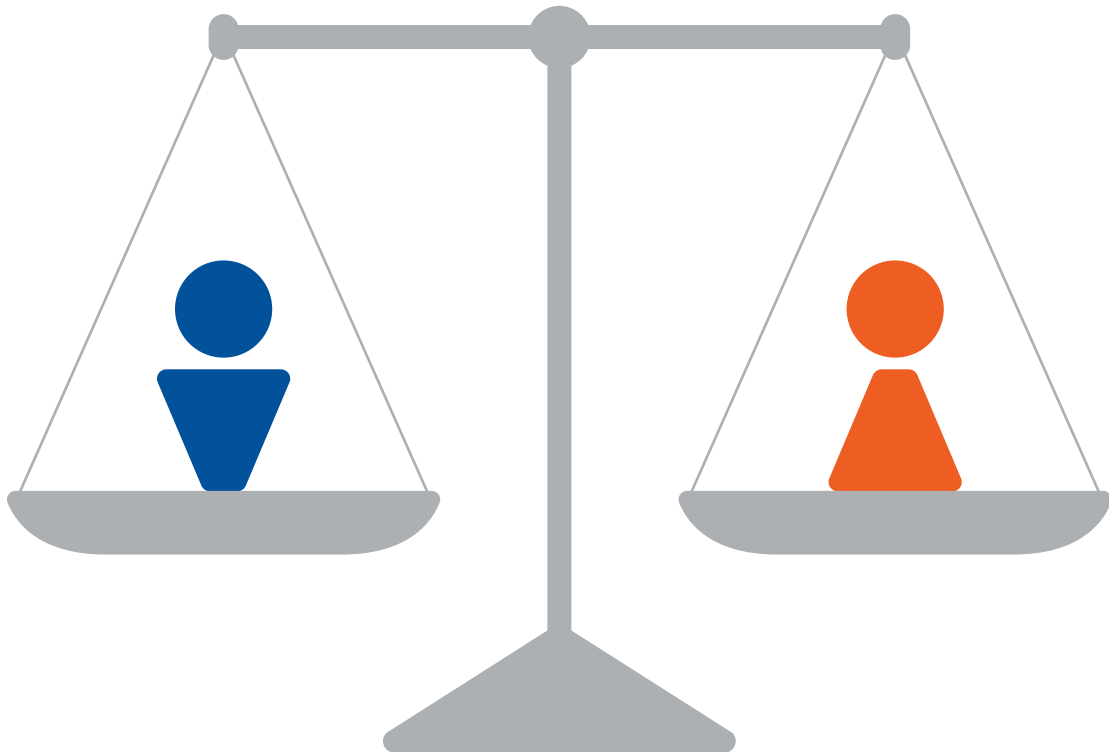


GENDER

PAY GAP RESULTS 2018/2019



General Dynamics UK is proud to be a responsible business that believes in the economic empowerment of women to help drive our growth agenda. Our ambition is to be the defence sector employer of choice, where irrespective of gender, every employee can realise their potential.

WHAT IS IT?

The gender pay gap gives a snapshot of the gender balance within an organisation. It measures the difference between the earnings of male and female employees, irrespective of their role or seniority.

It is distinct from equal pay, which is about ensuring that men and women are paid the same for carrying out equal work.

The gender pay gap data is a valuable tool to help understand why our own business and our industry are missing out on female talent. Gender pay gap reporting is a critical step in our plans to attract, retain and develop a diverse talent population.

Six calculations are required:

- **The difference in the mean pay of full-pay men and women**
- **The difference in the median pay of full-pay men and women**
- **The difference in mean bonus pay of men and women**
- **The difference in median bonus pay of men and women**
- **The proportion of men and women who received bonus pay**
- **The proportion of full-pay men and women in each of four quartile pay bands.**

The gender pay gap data is calculated using the hourly rates of pay, earned by each relevant employee during their relevant pay period, that includes the snapshot date of 5 April 2019.

The bonus pay gap data is calculated using the bonuses paid to relevant employees during the period 6 April 2018 to 5 April 2019 inclusive.

The national median gender pay gap for all employees in 2019 was

17.3%*

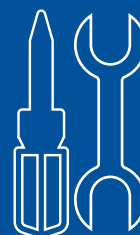
Our 'gender pay gap' is shown overleaf. This is a snapshot of the difference between the hourly pay levels of women compared to men, irrespective of their role or level in the organisation, expressed as a percentage of male earnings.

For comparison, the UK's national median gender pay gap is 17.3 per cent.

* Office for National Statistics,
Gender Pay Gap in the UK 2019

THE GENDER PAY
GAP IS WIDEST IN THE
SKILLED TRADE
OCCUPATIONS

22.4% in 2019



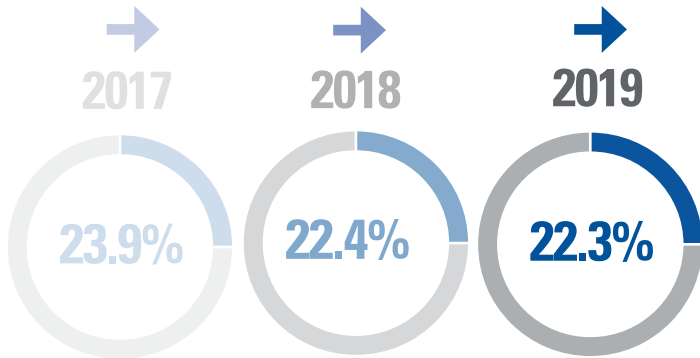
**GENERAL
DYNAMICS
UK 22.1%**
in 2019

2019 GDUK RESULTS

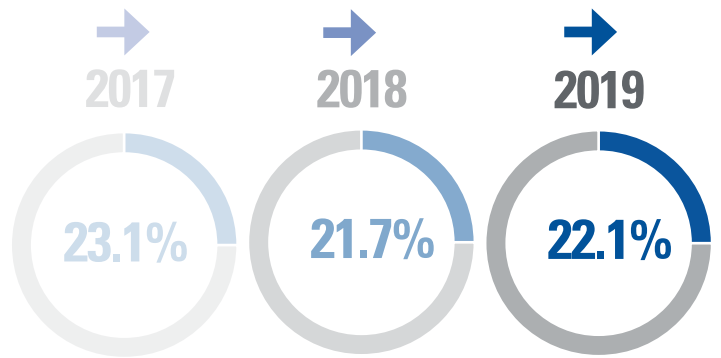
NO. OF MEN AND WOMEN IN 2017
 NO. OF MEN AND WOMEN IN 2018
 NO. OF MEN AND WOMEN IN 2019

♂ = 766 ♂ = 874 ♂ = 932
 ♀ = 213 ♀ = 249 ♀ = 278

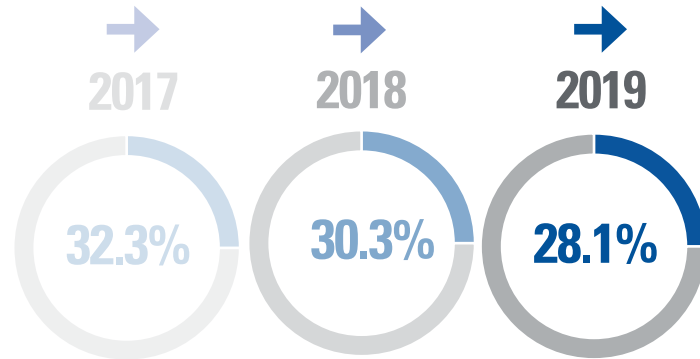
MEAN HOURLY PAY



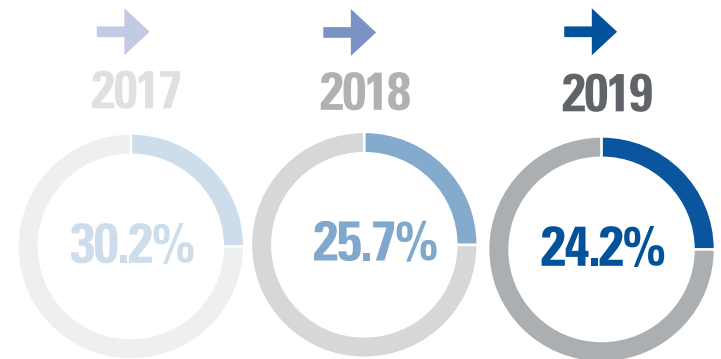
MEDIAN HOURLY PAY



MEAN BONUS



MEDIAN BONUS



% OF MEN AND WOMEN RECEIVING A BONUS

93%
88%
89%



OF MEN

2019
2018
2017



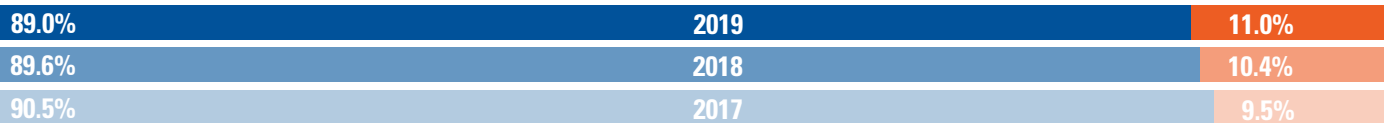
OF WOMEN

96%
88%
86%

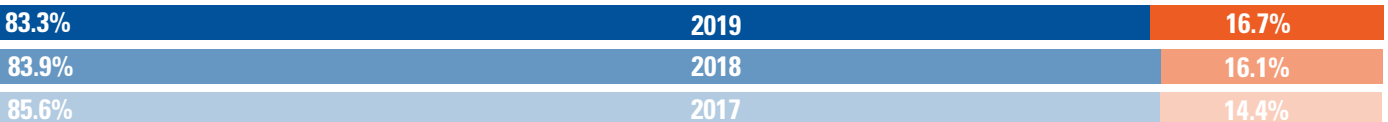
SALARY QUANTILES

♂ MEN ♀ WOMEN

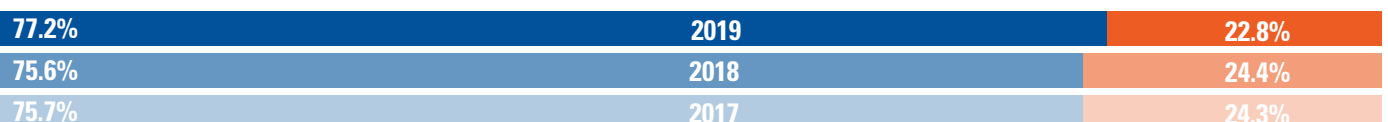
TOP QUARTILE



UPPER MIDDLE QUARTILE



LOWER MIDDLE QUARTILE



LOWER QUARTILE



WE ARE MAKING PROGRESS...

WOMEN MAKE UP

23% OF OUR ORGANISATION

2018
22.2%



2019
23%

INCREASE
OF WOMEN IN
ENGINEERING
ROLES

2018
6.8%

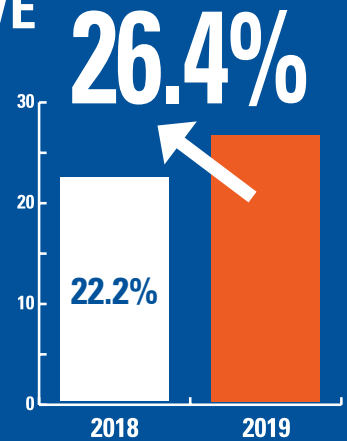
TO

2019
6.9%

ACROSS OUR GRADUATE SCHEME AND APPRENTICESHIP PROGRAMME WE HAVE

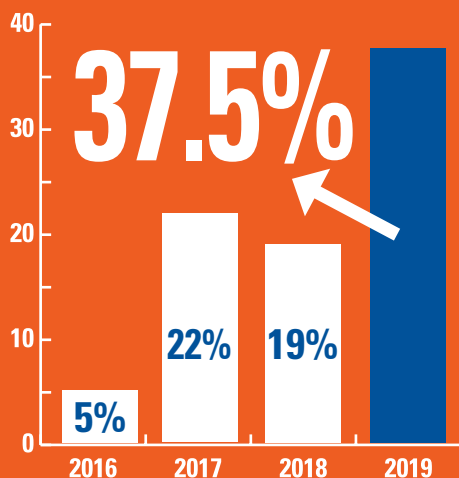


INCREASED
THE INTAKE OF
WOMEN



ACROSS OUR GRADUATE SCHEME, WE HAVE

INCREASED
THE INTAKE OF
WOMEN



2.9%
INCREASE

IN THE PROPORTION OF
WOMEN
IN LEADERSHIP ROLES



1.9%

INCREASE OF
WOMEN IN
TECHNICAL ROLES

2018
9.6%

2019
11.5%

23%

OF ALL DELEGATES
ON OUR LEADERSHIP
PROGRAMME WERE



Our action plan

We continue to make progress by investing in areas that foster an inclusive, diverse and transparent working environment for all our employees.

To help develop our action plan, we formed a Gender Pay Gap working group with key employees from across the business, to help agree the key themes to focus on.

Attracting a diverse pipeline of talent into the organisation

We've made conscious effort in reducing barriers that may prevent women from joining our organisation. We intend to maintain focus by using our branding and media to appeal to as diverse an audience as possible. Changes made to our recruitment approach, include:

- Advertising roles on job boards and websites that are used by female candidates
- Reviewing the way job adverts are written – ensuring they don't unintentionally discourage female applicants
- Advertising all roles with the option of working flexibly
- Introduction of gender-balanced shortlists for leadership roles
- Enhanced reporting and metrics on gender ratio, which are regularly monitored.

Growing our diverse talent pipeline for the future

We know that, as a Company and industry, we need to do more to encourage women to consider careers in Science, Technology, Engineering and Maths (STEM). We're committed to growing our future talent, at grassroots level by:

- Having a comprehensive STEM outreach programme supported by our employee STEM ambassadors, who work with local schools, colleges and universities
- Continuing to actively promote our female role models, encouraging more women to consider STEM careers. In 2019, Ellie-May Bettinson, one of our engineering apprentices, was a finalist in the 'Women in STEM' category at the Chwarae Teg Womenspire awards ceremony – showcasing the fantastic STEM career opportunities that exist in the Company
- Continuing to focus on increasing the number of women joining us in our FutureTalent roles. Our September 2019 intake increased the percentage of women from 19 per cent in 2018 to 37.5 per cent in 2019.

Creating an environment where all employees can fulfil their potential

There are a number of ways we're ensuring that we have an internal environment that improves transparency and allows employees to fulfil their potential in the organisation, including:

- Being one of the first signatories of the 'Women in Defence' Charter
- The introduction of transparency for our promotions boards and salary ranges. Salary ranges are included on all external job adverts, and we intend to release all salary ranges internally in 2020
- A range of leadership development opportunities, which includes online and face-to-face training
- Our active and engaged inclusion and diversity strategy and working group – who look at all areas that impact our culture and working environment
- A focus on our approach to flexible working, sharing employee stories on the options and benefits to the individual and Company, of working flexibly
- Recently relaxing our dress code to allow employees to 'dress for their day' – reinforcing our inclusive culture
- Our intention to continue our partnership with the Welsh gender equality charity Chwarae Teg where we've been recognised as a Silver standard 'Fairplay Employer'. Through their Agile Nation2 development programme, we intend to focus on women in engineering roles, in 2020.



I confirm that General Dynamic UK Limited's pay gap data has been collected and presented within this report in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Steven Rowbotham, Vice President – Government Relations

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