



GENERAL DYNAMICS
United Kingdom Limited

Gender Pay Gap Results

2019/2020

What is Gender Pay Gap?

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. The reporting is a critical step in our plans to attract, retain and develop a diverse talent population.

Six calculations are required:

- Average gender pay gap as a mean average
- Average gender pay gap as a median average
- Average bonus gender pay gap as a mean average
- Average bonus gender pay gap as a median average
- Proportion of men to women receiving a bonus payment
- Proportion of pay for men to women when divided into quartiles.

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 2020. The bonus pay gap data is calculated using the bonuses paid to relevant employees during the period 6 April 2019 to 5 April 2020 inclusive.



Key numbers



1,314

total number of employees

23.5%

76.5%

percentage of women
+0.5% from 2019



12.2%

of women are in technical roles
+0.7% from 2019



8.5%

of engineering population are women
+1.6% from 2019



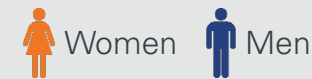
18.1%

of employees in leadership roles
are women
+3.7% from 2019



19.4%

of apprentices/graduates are women
+3.2% from 2019



Number of women and men

2020

309 23.5%

1,005 76.5%

2019

278 23%

932 77%

2018

249 22.2%

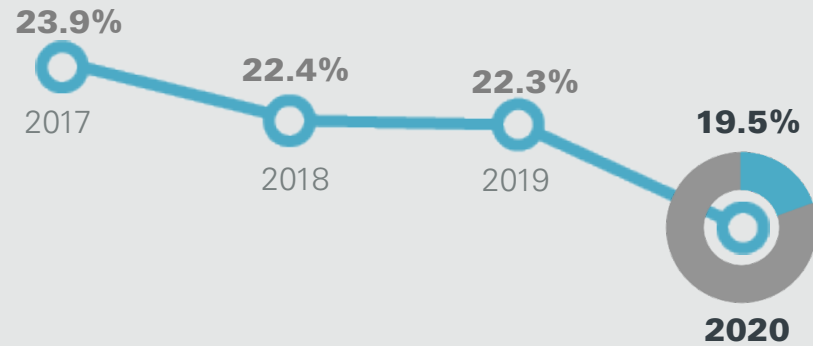
874 77.8%

2017

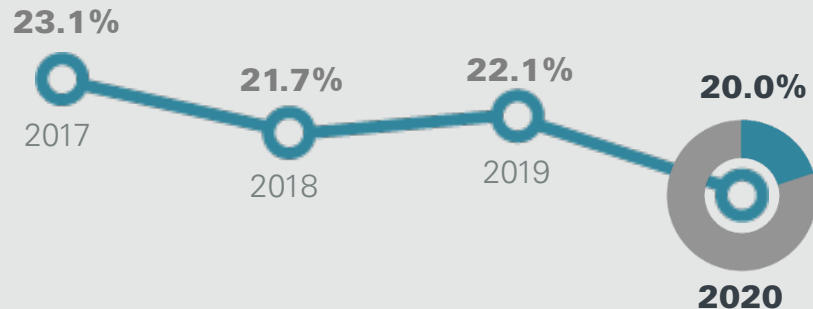
213 21.8%

766 78.2%

Mean hourly pay gap



Median hourly pay gap



Gender pay gap in hourly pay

Our hourly pay gap has decreased. This movement is a result of the combined actions completed from previous Gender Pay Gap reports, which includes our focus on:

- **Recruitment:** We introduced salary ranges on all our job adverts and state that work can be done flexibly - internally and externally - and recently updated our flexible working policy to include the right to request from day one
- **STEM:** We attended a number of virtual STEM careers events throughout the year and partnered with organisations such as Women in STEM. We also supported local schools by offering virtual work experience
- **Growth and progression:** We worked closely with Chwarae Teg, and offered leadership training to all women across the organisation. We also focused on increasing transparency of processes - sharing our salary ranges and highlighting the stages of our promotion process
- **Culture:** Our Inclusion, Diversity and Belonging steering group has worked hard - continuing to focus on creating an inclusive and diverse environment, where each colleague has the opportunity to fulfil their potential.

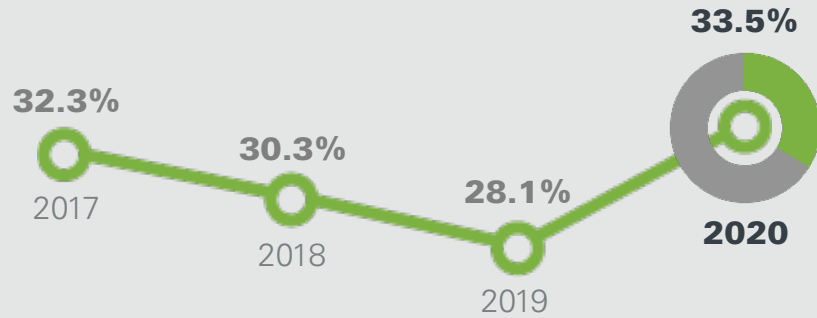


15.5%

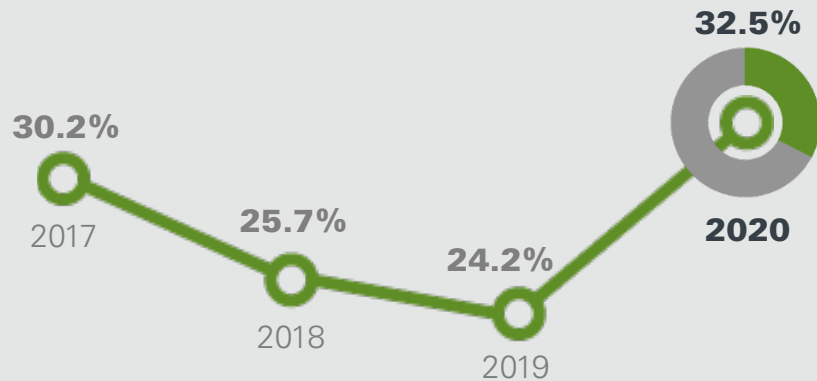
The UK national average gender pay gap

Source: Office for National Statistics, Gender pay gap in the UK: 2020

Mean bonus pay gap



Median bonus pay gap

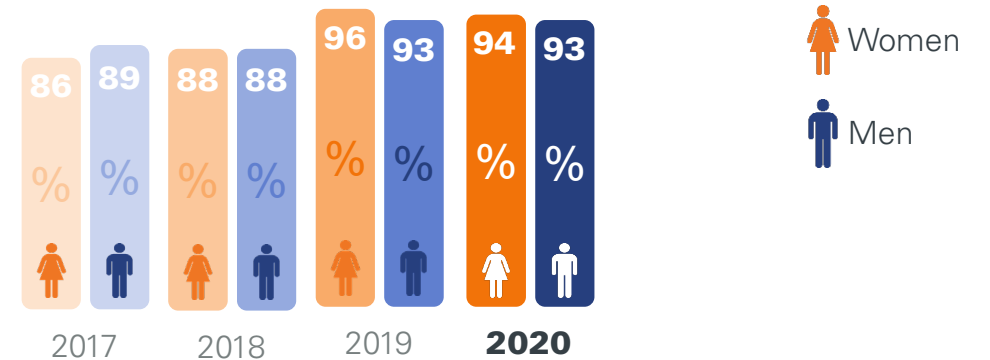


Gender pay gap in bonus pay

The proportion of women receiving a bonus has decreased slightly, driven solely by the eligibility criteria of date of joining the organisation. The bonus pay gap has increased, primarily due to...

- As a common feature of many bonus plans, our bonus plan is structured in a way that allows for a higher target percentage pay out based on job level. Whilst we're seeing more women in our leadership roles (increasing from 14.4 per cent in 2019 to **18.1 per cent** in 2020) - the higher percentage of men within these positions will impact our bonus pay gap. However, the average pay out against 'at target' percentage for the bonus paid in March 2020 was the same for men and women, at **89 per cent**
- An increased number of women being on maternity leave, with reduced earnings for the plan year by **35 per cent**. Of the women on maternity leave, more than **50 per cent** of them were in senior positions, thereby further impacting our bonus pay gap
- Women on average, being more likely to work reduced hours – impacting bonus eligible earnings. In 2019, out of all our colleagues working reduced hours, **73 per cent** were women, an increase of **seven per cent** from 2018.

Proportion of women and men receiving a bonus



Distribution across pay quartiles



Top quartile

12.9%	2020	87.1%
11.0%	2019	89.0%
10.4%	2018	89.6%
9.5%	2017	90.5%

Upper middle quartile

16.9%	2020	83.1%
16.7%	2019	83.3%
16.1%	2018	83.9%
14.4%	2017	85.6%

Lower middle quartile

22.7%	2020	77.3%
22.8%	2019	77.2%
24.4%	2018	75.6%
24.3%	2017	75.7%

Lower quartile

39.4%	2020	60.6%
38.1%	2019	61.9%
36.8%	2018	63.2%
37.9%	2017	62.1%

Our action plan

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

To develop our action plan, our Women in Defence working group helped agree the key themes to focus on for the year ahead.

Attract a diverse pipeline of talent into the organisation

We'll continue with our commitments to reduce barriers that may prevent women from joining our organisation, by...

- Advertising roles on job boards and websites that are used by female candidates
- Continuously reviewing the way job adverts are written – ensuring they encourage more diverse and more female applicants
- Offering all roles with the option of working flexibly – including our recent change of allowing the right to make a request from day one of employment
- Ensuring gender-balanced shortlists continue to be used for our leadership roles
- Enhanced reporting and metrics on gender ratios, which are regularly monitored.

Grow our diverse talent pipeline for the future

To encourage more women to consider careers in STEM, we'll continue to inspire the next generation through...

- Our comprehensive Science, Technology, Engineering and Maths (STEM) outreach programme, where our STEM ambassadors will continue to work closely with local schools, colleges and universities to deliver virtual events
- Working with students from local schools and colleges, supporting IT and engineering projects and offering virtual work experience
- Actively promoting our female role models by sharing their experience – encouraging more women to consider careers in STEM.

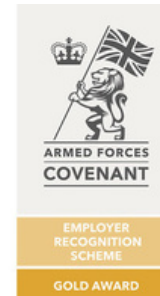
Create an environment where all colleagues can fulfil their potential

To ensure we have a Company culture that is transparent, inclusive and allows our colleagues to fulfil their potential, we'll...

- Focus on mentoring - raising the profile of our career mentoring programme and create mentoring opportunities for high potential women within the business
- Further enhance our open discussion forum for women – encouraging colleagues to contribute by sharing their stories and experiences to inspire women to grow and fulfil their potential
- Continue to share success stories of females, as well as our male allies within the organisation - focusing on those who can help our colleagues understand why gender equality is beneficial for everyone
- Annually publish our salary ranges, following the initial release of all ranges in early 2021
- Publish key metrics on our progress and achievements - both internally and externally
- Continue to build a culture where inclusion, diversity and belonging is embedded.

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

Rachel Phillips

Director of Human Resources
General Dynamics UK

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