

Gender Pay Gap Report and Supporting Narrative 2018 – 2019, Leonardo in the UK

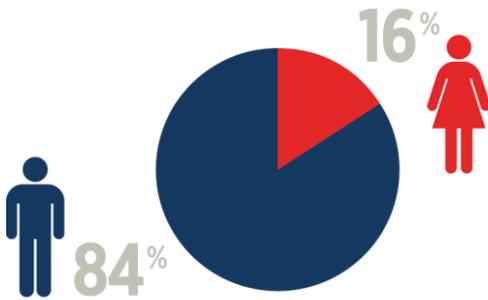
It has been a year since we published our first Gender Pay Gap report and we are continuing to work on the aims which we committed to in our 2017 – 2018 report.

We regularly review our approach to the employment proposition and where appropriate continue to develop solutions that aim to ensure our resourcing, career development and reward policies, practices and procedures are fair and transparent for all employees.

During 2018, the Company appointed a Head of Diversity whose role is to increase the focus on and provide a greater presence of the Diversity and Inclusion agenda at a senior level within the Company.

Our mean and median pay and bonus figures have shown a slight improvement in the Gender Pay Gap. This is despite there being no overall change in our gender make-up.

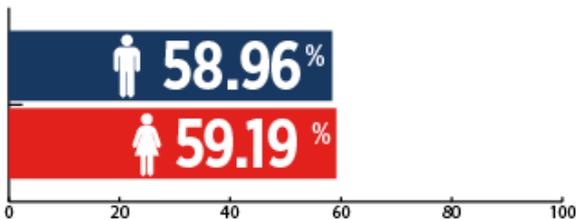
OUR CURRENT GENDER MAKE-UP



OUR CURRENT GENDER PAY GAP

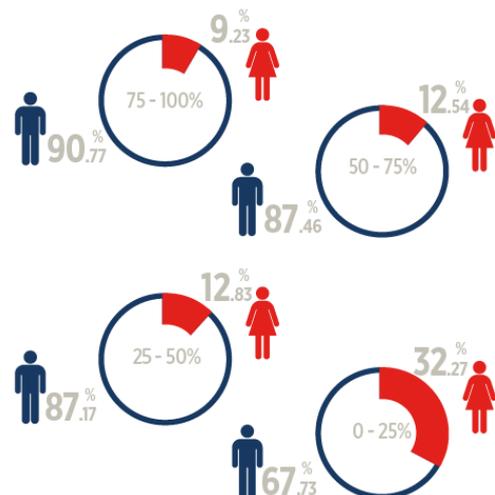
Mean Pay Gap	17.14%
Median Pay Gap	17.81%
Mean Bonus Pay Gap	33.17%
Median Bonus Pay Gap	0.00%

PERCENTAGE OF FEMALES AND MALES RECEIVING A BONUS



16% of our workforce is female and we would therefore expect to see an even distribution across each pay quartile. We have made improvements across all quartiles over the last 12 months which has helped contribute to the improvement in our Gender Pay Gap.

HOURLY PAY QUARTILES





As part of our 2017 report, we committed to three specific aims to eliminate our Gender Pay Gap.

We aspire to provide an employment proposition that will encourage and ensure female employees can access all opportunities to develop and progress their career into more senior roles within the business. Regularly reviewing how employees are routed into our talent pools and how this then feeds into the succession plans for senior job post will ensure we can measure that a proportionate gender balance is being observed.

We strive to increase incrementally the number of females employed by Leonardo MW Ltd, aiming to improve the male/female ratio to 70/30 by 2025. Continue with our focus on how to attract key female talent into the engineering sector through STEM activities in the local communities. Better educate our employees on Diversity and Inclusion which is aimed at eliminating any potential unconscious bias that may exist during the internal and external hiring process.

We aim to make flexible working the norm rather than the exception. Busting the myths around what flexible working means and encourage the business to act differently. Actively support females returning to work following maternity, adoption leave and or a career break, offering greater opportunity to conduct their work differently. Frequently review our work-life balance offerings and train our employees to make any female returners feel welcome and supported in work.



How far have we come?

A review of succession plans and talent lists took place during 2017 and 2018 and we can report that 12% of our female population were promoted into a more senior role within the business.



There has been an 80% increase of females to our early careers intake since 2016. Overall, 21% of our new starters in 2018 have been female which has ensured that the female population in our talent pipeline is increasing.

All employees have received training in Diversity and Inclusion, and it is mandatory training for new starters.



Year on year the Company is investing circa £1.45 Million on STEM-related initiatives.

We are actively reviewing our work-life balance solutions to encourage and promote a change in behaviours and culture within the Company.

We have partnered with EEF and piloted an equality awareness session for team leaders and people managers with a view to extending this across the UK.

I confirm that the data reported is accurate.

Norman J Bone
Chairman and Managing Director
 Leonardo MW Ltd