

# **GENDER PAY GAP REPORT 2020**

Gender Pay Gap legislation introduced in April 2017 requires all employers of 250 or more employees to publish their gender pay gap. The gender pay gap is the difference between the average earnings of men and women, expressed relative to men's earnings.

We understand the need and expectation to be transparent about our business. As a public company, we have long shared our financial results. Recently, we've added communicating about diversity and inclusion and sustainability commitments.

We are committed to diversity in every aspect of our business. Our inclusive culture welcomes all employees and rewards and recognises people based on their achievement of individual objectives, their role in helping the company achieve its objectives, and professional competencies as aligned to our core values.

We are dedicated to creating a strong company that our employees, communities, customers, suppliers and investors are proud to be associated with.

Pay difference between men and women at L3Harris TRL for Tewkesbury-based employees at 5 April 2020 is provided below.

## **PAY DIFFERENCE**

MEDIAN %	MEAN %
32.9	24.2

At L3Harris TRL, the median pay gap is 32.9% from 31.1% the previous year. The mean pay gap is 24.2% from 25.6% the previous year.

## **CAUSE OF GENDER PAY GAP**

L3Harris TRL (Tewkesbury) has a large proportion of engineers; careers that have historically been male dominated. The gap is largely because of a lack of female representation in engineering roles.

## **BONUS**

The proportion of men and women in receipt of a bonus is provided below.





## **WOMEN'S BONUS PAY**

MEDIAN %	MEAN %
10% higher	50.8% lower

## **PAY QUARTILE**

For the 2019/2020 year, the Tewkesbury, UK workforce was 77% male and 23% female, compared to 80% male and 20% female the previous year.

57% Men 43% Women

#### **LOWER MIDDLE**

**76%** Men **24%** Women

#### **UPPER MIDDLE**

95% Men 5% Women

#### **UPPER**

87% Men 13% Women

#### HOW WE ARE ADDRESSING THESE DIFFERENCES

- > We actively engage with schools and universities to raise awareness and interest in science, technology, engineering, and mathematics (STEM) subjects, highlighting the fantastic careers they lead to both within our organisation and the wider sector.
- > We are committed to ensuring that all competitively posted roles attract a diverse group of qualified candidates who are thoroughly considered and vetted.
- > Our pay framework and supporting policies are designed to reward individual contribution and performance. These are underpinned by market data and a robust job evaluation scheme to ensure roles are measured in a consistent and fair manner. We already provide guidance to managers to ensure fair and equitable pay decisions and continue to deliver further training sessions to create even greater transparency and understanding.
- > We are proud of the policies we have in place to encourage and facilitate ongoing learning and career development. However, we have taken a fresh view of existing practices and put in place a range of action plans, including robust talent reviews, which will ensure we are attracting, retaining and developing the best talent regardless of gender.

- > At L3Harris we live our company values of Integrity, Excellence and Respect and are committed to fostering a culture of diversity and inclusion. In support of this, we have established a Diversity Council which influences and evaluates the strategies, policies and steps the company takes to advance diversity and inclusion and build a highperformance workforce.
- > Several voluntary, employee-led resource groups, which bring people with similar values together, have been established across the organisation to support diversity and inclusivity. These include a Women's group that is establishing actions to encourage a more gender-balanced workforce.
- > L3Harris UK has made pledges to 'Women in Aviation & Aerospace' and 'Women in Defence' programmes as part of a country-wide approach to improving diversity awareness across all UK-based sites.

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