

2019 Spirit AeroSystems (Europe) Limited UK Gender Pay Gap Report

Introduction

Spirit AeroSystems (Europe) Limited ('Spirit' or 'the Company') values our employees and the contribution they make. We pay all of our employees commensurate with the market for the position they are in and their unique skills and experience. Spirit employees enjoy a working environment where there are equal opportunities for everyone to fulfil their potential and contribute to the success of the business, irrespective of gender.

Nature of Business

Spirit is the wholly owned subsidiary of Spirit AeroSystems, Inc., a global company. Spirit's customers include Airbus and Boeing. Spirit designs, develops and manufactures complex structures for the aerospace industry. Spirit's manufacturing facility in the UK is located in Prestwick, Scotland.

Spirit had 890 full pay relevant employees at the snapshot date of 5 April 2018, comprising of various skill sets including design, engineering, transfer and project management skills, as well as a highly skilled manufacturing population.

Although our workforce is predominately male, we are pleased to report an increase in our female population from 73 full pay relevant female employees this time last year, which was 8 percent of our total workforce, to 84 female employees, which is 9.4 percent of our total workforce. We have 806 male members of staff, which represents 90.6 percent of our workforce.

Gender Pay Calculations

The Gender Pay Gap (the 'GPG') is a measure of the difference in the average pay of men and women – regardless of the nature of their work – employed by Spirit.

Annually, companies that employ more than 250 employees must report the following:

- mean and median GPG in hourly pay;
- mean and median bonus GPG;
- proportion of men and women who receive a bonus; and
- distribution of men and women across pay quartiles.

The GPG shows the difference between the mean (average) and median (mid-point) hourly earnings and bonus payments for both male and female employees, expressed as a percentage.

Distribution of all employees across the pay quartiles (at 5 April 2018)		
	Male	Female
Upper Quartile	89%	11%
Upper Middle Quartile	95%	5%
Lower Middle Quartile	93%	7%
Lower Quartile	86%	14%

Gender Pay Gap in Hourly Pay:

- **Mean Pay Gap 0.05%:** This means that the mean average hourly rate for male employees is 0.05 percent more than for female employees.
- **Median Pay Gap 0.56%:** This means the median hourly rate for male employees is 0.56 percent more than for female employees.

Spirit's average hourly GPG is lower than the UK National Average GPG, which according to the Office of National Statistics, fell during 2018 to 8.6 percent.

In the 12 months preceding April 2018, 98.67 percent of males and 96.59 percent of females received a bonus.

Bonus GPG:

- **Mean Bonus Gap – 25.55%:** Mean (average) female bonus earnings are 25.55 percent higher than for male employees.
- **Median Bonus Gap – 9.30%:** Median (middle) female bonus earnings are 9.30 percent higher than for male employees.

Bonus

At Spirit, we ensure that there is no gender bias in the approach to bonus payments. The bonus awards differ between populations, mainly due to having different terms and conditions for different levels of roles within the company. The reason for percentage figures not reflecting 100 percent for both populations is solely based on new employees commencing with the company out-with the end of the Bonus Scheme Year.

Stock awards are also included in the bonus calculations. These form part of the terms and conditions for senior roles within the organisation, but are not available to all staff.

Workforce Development

Since implementation of the Graduate Apprentice Programme in 2018, which gives existing employees the opportunity to up-skill and the potential to progress their career, we are pleased to say at the start of 2018/19 academic year, eight employees are undertaking Engineering: Design & Manufacture BEng (Hons) Graduate Apprenticeship, and five employees are undertaking the Business Management BA (Hons) Graduate Apprenticeship with the company's intention being to offer this opportunity again for academic year 2019/20. The gender split across the population is 70 percent male and 30 percent female.

Modern Apprenticeship Programme

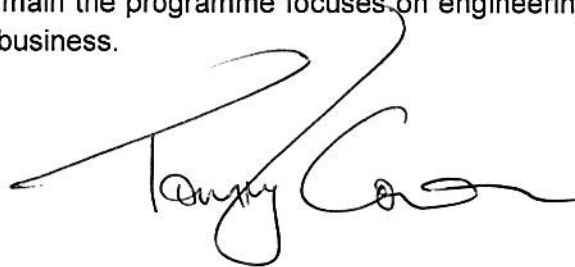
Our Modern Apprenticeship Programme currently has 35 employees enrolled, with the intended 2019 intake being 15 new hires, replicating the success of 2018. Spirit continues to work with local schools to publicise the Apprenticeship Programme, both through our new Engineering Gender Equity Programme, as well as a Spirit-hosted event in January 2019

with around 15 local secondary school teachers to raise awareness of the Programme and ensure all students are informed of the opportunity.

Recruitment

In 2018, Spirit demonstrated our commitment to see gender balance at all levels of the business by committing to the UK government's Women in Aviation and Aerospace Charter. The charter commits Spirit to drive towards an aspiration to see gender balance at all levels across the industry.

In support of this, Spirit has commenced a programme known as Engineering Gender Equity, which invites a number of female students from local secondary schools into the business to learn about the various departments and functions. The programme runs twice per year and invites the same students back each year to allow them to expand their knowledge of the different functions within the business and the industry as a whole. Although in the main the programme focuses on engineering roles, it also covers functional roles within the business.

A handwritten signature in black ink, appearing to read 'Tony Coe', with a large, sweeping flourish extending upwards and to the left.

GENERAL MANAGER

SPIRIT AEROSYSTEMS

PRESTWICK.