
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 is located in Prestwick, Scotland.

Spirit had 967 Full Pay Relevant Employees at the snapshot date of 5th April 2019, comprising of various skill-sets including; design, engineering, transfer and project management skills, as well as a highly skilled manufacturing population.

The workforce is predominately male, with 90 female members of staff (9.3%) and 877 male members of staff (90.7%).

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 which 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.

<table>
<thead>
<tr>
<th>Distribution of all employees across the pay quartiles (at April 5, 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quartzile</td>
</tr>
<tr>
<td>Upper Quartile</td>
</tr>
<tr>
<td>Upper Middle Quartile</td>
</tr>
<tr>
<td>Lower Middle Quartile</td>
</tr>
<tr>
<td>Lower Quartile</td>
</tr>
</tbody>
</table>
Gender Pay Gap in Hourly Pay:

- Mean Pay Gap: - (0.93 %) This means that the mean average hourly rate for female employees is - (0.93%) more than for male employees.
- Median Pay Gap: 0.41% This means the median hourly rate for male employees is 0.41% 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 is 18.1%.

In the 12 months preceeding April 2019, 98.98% of males and 97.80% of females received a bonus.

Bonus GPG:

- Mean Bonus Gap: - (24.92 %) Mean (average) female bonus earnings are - (24.92%) higher than male employees.
- Median Bonus Gap: - (9.26 %) Median (middle) female bonus earnings are - (9.26 %) higher than male employees.
Steps to address the Gender Pay Gap

Apprenticeships

In 2017 we implemented our Graduate Apprenticeship Programme, which now has around 19 participants across both Engineering and Business Management degrees, with 25% female participation. We are working with Strathclyde University on enrolling further students this from September this year.

Our Modern Apprenticeship Programme continues to grow. We are actively recruiting for a further 15 Apprentices and by August 2020 we will have around 53 Apprentices employed, nearing 10% of our manual workforce being employed in this development role. Of the current 44 employees on the programme, 10% are female.

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. To support this, Spirit hosted a Women in Aviation Event on site in Prestwick in September 2019 where role models Dame Deirdre Hutton, Chair of the Civil Aviation Authority and Sumati Sharma CA, Vice President Product & Commercial, Virgin Holidays provided motivation speeches before the audience discussed practical steps to help women progress in the workplace, attract more women into our organisations, and retain talent.

In October 2019 Spirit hosted a “Bring your Daughter to Work Day” given employees daughters the opportunity to learn about various
departments and functions within an aerospace business and aims to excite and entice this future generation of females into the world of aerospace.

**Positive Steps To Recruitment**

Spirit AeroSystems recognise that females are still under-represented in STEM roles nationally and we are no different to that. In order to address this, we have various initiatives where employees promote these careers within the school environment – both at primary and secondary level. We have a number of females within the business who support these initiatives and continue to reinforce the message that there are lots of opportunities in this field.

**Opening Of Our Spoiler Facility**

As we embark on the production phase of the A320 RTM Spoiler project, our key technological differentiator is our ability to introduce advanced automation integrated with our RTM processes. Our new sophisticated manufacturing facility is in many way the first of its type in the aerospace industry. The Prestwick site has a proud history in traditional aerostructures assembly manufacture, but RTM processing is very new, and as a result of this, our ability to recruit experienced people in RTM processing would naturally be limited. Our strategy is to complement our existing workforce by employing over 100 people from a wide range of backgrounds from a traditionally semi-skilled environment that Spirit will then provide bespoke automation operation, RTM infusion and high volume assembly training to. By doing this, Spirit will open up many exciting opportunities for people who would not normally be able to be recruited into the innovative aerospace manufacturing environment.