

ALSTOM TRANSPORT UK LIMITED GENDER PAY REPORT 2020

We want to ensure Alstom is a welcoming and inclusive place to work as well as one that values differences and allows our people to be themselves. Our organisation's values of Agile, Inclusiveness and Responsible mean we put people first in our business. We take this commitment seriously and have a clear strategy for achieving and maintaining it. We welcome the Government's requirement for large organisations to be transparent on gender pay.

The gender pay gap in Alstom

	2017	2018	2019	2020
Median gender pay gap	-27.7%	-23.2%	-16.5%	-15.8
Mean gender pay gap	-20.6%	-20.0%	-18.4%	-16.9

UK national median gender pay gap (ONS Nov 20 -all employees)	-15.5%
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The table above shows our gender pay gap. This is a snapshot of the difference in the overall hourly rate of pay for men and women in April 2020 whatever their job role or position in Alstom. The figures show the gap for women expressed as a percentage of the hourly rate for all men. The mean average shows women's hourly rate is 16.9% less than men and the median (or middle value) average shows 15.8% less than men. The median gap between men and women has closed by 0.7 percentage points over the last year and is consistent with the UK national median gap. The actual median value of the hourly rate for women remained virtually constant over last year at £20.57 compared to £24.42 for men.

It is important to recognise that a gender pay gap *does not* mean we pay women less than men for doing the same work or work that is considered to be of equal value. To do so would be unlawful under the Equality Act 2010 and completely at odds with our values. However, it shows there are more men than women in senior, professional and more highly paid jobs. Where women hold these senior roles then their rates of pay are consistent with their male colleagues.

We carry out regular pay reviews to ensure our rates of pay are fair, reflect market rates and are lawful.

Bonus differences between men and women 2020

	2017	2018	2019	2020
Median bonus gap	-23.8%	+12.8%	-12.4%	-31.2%
Mean bonus gap	-29.4%	-21.2%	-24.3%	-35.7%

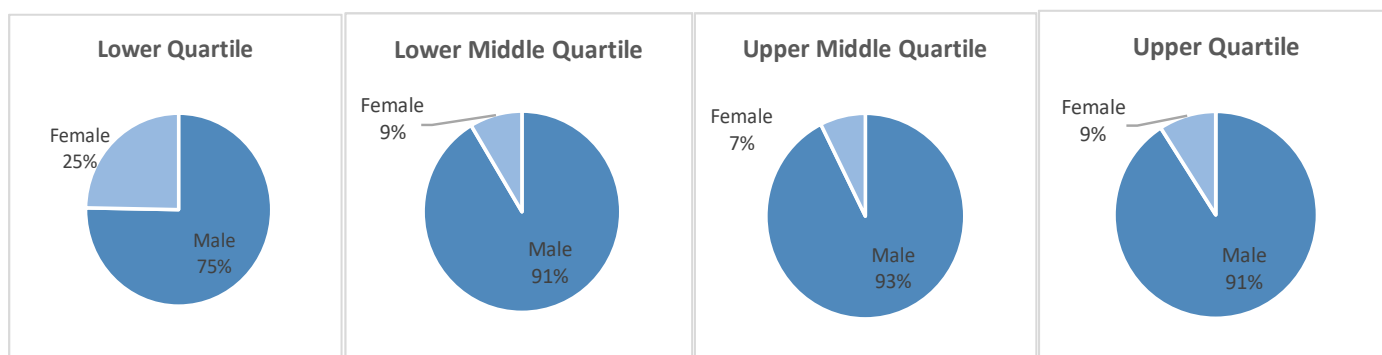
Both men and women can earn a bonus but not all do. Alstom’s policy on awarding a bonus is based on a percentage of salary and personal performance. For lower graded jobs the percentage of salary is 5% and for higher graded jobs that rate increase to 10% and higher. More women occupy lower graded jobs, of the 51 women awarded a bonus 72% are in the lower graded roles as suggested in the pay quartiles below. The effect of this is to inflate male bonuses more than female and this is reflected in the figures above, especially in a year when the bonus value was higher than in previous years

Proportion of all employees receiving a bonus



Employees pay quartiles across our business 2020

Lower Quartile 1		Lower Middle Quartile 2		Upper Middle Quartile 3		Upper Quartile 4	
M	F	M	F	M	F	M	F
256	84	310	30	315	25	309	31
75.3%	24.7%	91.4%	8.6%	92.6%	7.4%	90.9%	9.1%



The charts above show the gender distribution across Alstom in four equal hourly pay quartiles of 340 employees each. They clearly demonstrate the under representation of women across all parts of our business making up 12.5% (12.5% in 2019) of our workforce reflecting our historical heavy engineering background, combined with the national shortage of women taking STEM subjects to professional levels; However female under representation in the lowest quartile has fallen by 1.3% and female representation in the top quartile has increased by 1.1%. Although these changes are modest, they are in the right direction reflecting our continued focus on equal access for women in our business.

Addressing the gender pay gap in Alstom

Increasing the number of women entering our business and then creating an inclusive environment of equal opportunity will be central to bearing down on our gender pay gap. To support a welcoming environment, we have a programme of seminars open to all staff covering a wide range of equality and inclusion issues and in the last year over 750 colleagues attended one or more events. We also have a vibrant Voices of women involvement group tasked with encouraging more women into senior roles through challenging barriers through our new flexible working policy and providing personal development training. Our strategy and actions are aligned to both

our core values of Agility, Inclusion and Responsibility and the Women in Science and Engineering (WISE) 10 pledge commitments aimed to develop greater gender equality.

We recognise that reducing the gender pay gap is a longer-term journey. The gender pay gap reflects the cumulative choices men and women make within our business in terms of careers and roles. There is clear evidence that women experience the workplace differently to men starting with the effect of the educational system, the differing social expectations especially in terms of caring responsibilities placed on women and also the way our internal policies, practices and behaviours and attitudes that impact on women in our business.

Our strategy and actions are aligned to both our core values of Agility, Inclusion and Responsibility and the Women in Science and Engineering (WISE) 10 pledge commitments aimed to develop greater gender equality. We are working to attract female trainees into our business at levels up to and including graduates. We have strong working relationships with key schools and colleges through our network of STEM (Science, Technology, Engineering and Mathematics) ambassadors. We have female network called "Voices of Women" that is tasked to identify and remove barriers to women and in support of this we use Positive Action steps and have an ongoing developmental training programme for female employees to equip them with the skills and confidence to compete equally with men for opportunities in the company. It is our aim that all female employees will have the chance to undertake this training if they wish

Accessible and available flexible working is recognised as a key element in addressing the gender pay gap and our revised policy now means all requests for flexible working will be approached from the presumption of approval unless there is some evidenced based business reason why not. We are also introducing a new maternity policy that reflects favourably with other engineering organisations and reinforces flexible adaptable working by empowering maternity returners to trial flexible arrangements by an auto flexible working period of up to 13 weeks



Besides practical changes to reduce the gender pay gap, we recognise the educational need to underpin these and other measures such as visibly supporting the International Women Day with a company-wide pledge board. Our colleagues need to see that equality of access means sometimes people are treated differently and so we have a comprehensive on-line and classroom-based training programme running in our depots covering eight EDI topics ranging

from topics from Dignity and Managing Equality through to Culture and inclusion. Over 1200 delegates have attended these 90 minute sessions over the last two years.

If you would like to discuss Alstom's 2020 gender pay gap and our actions to reduce this gap, do get in touch with Steve Williams, our EDI specialist at stephen.v.williams@alstomgroup.com

This Gender Pay Report 2020 has been approved by the Board of ALSTOM Transport UK Limited