Gender Pay Gap Report 2019/20

The gender pay gap measures the difference between the average pay of men and women across all roles within the organisation. It is a different measurement to equal pay which focuses on comparing individual salaries that are paid to men and women who perform the same work. At KLM UK Engineering, we are confident that men and women are paid equally for undertaking equivalent jobs across our business.

Our business profile

KLM UK Engineering has been in business for over 40 years and employs approximately 390 people, with the majority based at our facility at Norwich International Airport. Our business employs a range of qualified engineers, mechanics and professional support staff to deliver a high-quality repair and maintenance service for a variety of aircraft types across our 3-hangar facility and various line stations throughout the UK. We also deliver on site technical training at our facility within the International Aviation Academy allowing individuals to become highly skilled in their chosen field.

We have a long serving and highly skilled employee base and, like many other businesses within the engineering sector, most our roles are filled by men and our gender profile across the business is currently 90% male and 10% female. Although this is historical position it can still be challenging to attract a high percentage of women through the science, technology, engineering and mathematics (STEM) pathways and we need to ensure that we do all that we can to create an inclusive and diverse culture that welcomes talent across all genders.

Our gender pay gap

In this report, we will look at several different measurements of the pay gap;

The mean gender pay gap – this calculates the average hourly pay rate for men and women in the organisation. The gap is expressed as a percentage.

The median gender pay gap – this is the difference between the middle value of hourly pay rates for both men and women when ranked from highest to lowest. The gap is expressed as a percentage.

The quartile pay distribution – this looks at the proportion of men and women in each 25% of our pay structure. We have 93 employees in each of our quartiles.

The mean gender bonus pay gap – this calculates the average annual bonus pay for men and women in the organisation. The gap is expressed as a percentage.

The median gender bonus pay gap - this is the difference between the middle value of annual bonus pay for both men and women when ranked from highest to lowest. The gap is expressed as a percentage.

The bonus pay distribution – this looks at the proportion of men and women who received a bonus payment in the period.
Mean & Median Hourly Rates

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>GPG %</td>
</tr>
<tr>
<td>Mean hourly rate</td>
<td>£18.23</td>
<td>£12.66</td>
<td>30.6</td>
</tr>
<tr>
<td>Median hourly rate</td>
<td>£16.98</td>
<td>£11.50</td>
<td>32.3</td>
</tr>
</tbody>
</table>

Pay Quartiles

Annual Bonus Payments

<table>
<thead>
<tr>
<th></th>
<th>2019/20</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>GPG %</td>
</tr>
<tr>
<td>Mean bonus pay</td>
<td>£501.36</td>
<td>£437.29</td>
<td>12.8</td>
</tr>
<tr>
<td>Median bonus pay</td>
<td>£225.00</td>
<td>£225.00</td>
<td>0.0</td>
</tr>
</tbody>
</table>

PROPORTION OF MEN PAID BONUS

PROPORTION OF WOMEN PAID BONUS

Gender Pay Gap Report Published 14th May 2020
Our Action Plan

We are committed to ensuring that all employees have access to the same opportunities. We are focused on the development of individual performance and use this as a driver for success. To support our work in this area we are currently delivering against the following actions:

- We are committed to recruiting apprentices to feed our talent pipeline and actively encourage students of all ages, backgrounds and genders to participate in this process.
- We actively support a policy of flexible and agile working to create an environment that is suitable for all current and potential employees.
- We have recently relaunched our performance management process to ensure that it is measuring the most relevant skills and behaviours and creates clear and accessible pathways for development.
- We continue to work on delivering our people plan which supports an inclusive, innovative and diverse working environment. Our organisational success depends on us attracting, recruiting and engaging talent across all genders and backgrounds.

Declaration Statement

We confirm that the data and information within this report is accurate as of the snapshot date of 14th May 2020.

Peter van der Horst, Managing Director
Melanie Holl, Head of Human Resources