

incora™

GENDER PAY REPORT

2023

Developed with the support from
Gallagher | Reward & Benefits Consulting



Gallagher

Incora | 2023



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1. Introduction

In light of the Government Regulations regarding Mandatory Gender Pay Gap Reporting, which applies to all employers in England, Wales and Scotland with at least 250 employees as of the 5th of April 2022 snapshot date, Gallagher Reward Consulting have been tasked with writing the Gender Pay Narrative to support the gender pay gap reporting requirements for Incora.

2. Foreword

As a business we have a passion for excellence, providing innovative supply-chain solutions for companies and the military around the world. Everything we do, from our financial disciplines to our human resource policies, is focused on that aspiration. As an organisation, our promise to our customers is to reduce complexity and increase reliability so that they can deliver mission-critical solutions that improve our world.

We recognize that the Coronavirus (COVID-19) pandemic impacted on women with increased childcare and home schooling responsibilities and that these pressures are shrinking an already pressurised female talent pool and continue to create the potential for the gender pay gap to widen as a result across the UK. We believe at Incora it is therefore even more critical to remain committed to and focused on equality as we work towards a more gender balanced workforce.

We care for our people and recognise that they are our greatest asset. We want to ensure our workforce is diverse and inclusive and our culture continues to be open and fair. We are passionate about being an inclusive organisation and seek to provide job opportunities for everyone regardless of gender, age, background and nationality. We are committed to building an organisation which leverages individuals' unique talents so that we deliver a world-class service to our customers.

We continue our journey towards a more gender balanced organisation, building upon the action plan we established to improve our programmes and activities already in place. We have a mean gender pay gap of 9.8% favouring males, with our median gender pay gap at 10.5% favouring females. These figures compare favourably to the national figures reported by the Office for National Statistics. When looking at year on year trends, it is important to note that this is our second year reporting as Incora, with both Westco Aircraft and Pattonair data combined. We actively continue to invest in providing access to training and development opportunities to our entire workforce to encourage and promote progression across the organisation.

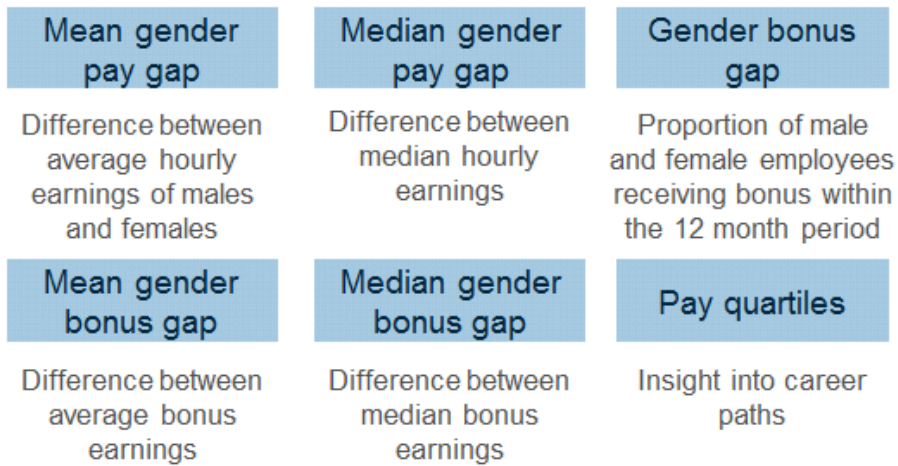
Females currently represent 37% of our overall workforce. Last year 32% of employee promotions were female, with 44% of those being promoted into management positions..

In our sixth reporting year, our leadership team continues to strive towards making our organisation a fair and balanced workplace. Our newly launched D&I Council, supported by our Executive Sponsor, is well underway formalizing a number of diversity initiatives for launch over the next 12 months which we believe will collectively be influential in taking strides to move Incora towards a more gender balanced workforce.

We continue to ensure our HR policies encourage and support flexible working within the organisation and are working to ensure that what we have in place works for everyone. Our HR team actively supports our diversity message across the organisation by positively influencing and challenging our hiring managers to ensure they recognise how their individual behaviours and actions impact our overall ability to create an open, fair and inclusive workplace culture which reflects our company values.

3. Gender Pay Gap

Mandatory Gender Pay Gap Reporting applies to all private and voluntary sector employers in England, Wales and Scotland with at least 250 employees as of the 5th of April 2022 snapshot date. Those organisations are required to publicly report their gender pay gap metrics as follows on the government-sponsored website, with the aim of eliminating the gender pay gap:



As of the 5th April 2022 payroll, our mean gender pay gap stood at 9.8% favouring males, with our median gender pay reversing in favour of females sitting at 10.50%:

Mean Hourly Pay Differences		Median Hourly Pay Differences	
Male Hourly Rate	£21.54	Male Hourly Rate	£15.13
Female Hourly Rate	£19.43	Female Hourly Rate	£16.71
Pay Gap	9.80%	Pay Gap	-10.50%

These are both below the national mean (13.9%) and well below the median (14.9%), sitting in favour of males, as reported by the Office of National Statistics, 2022.

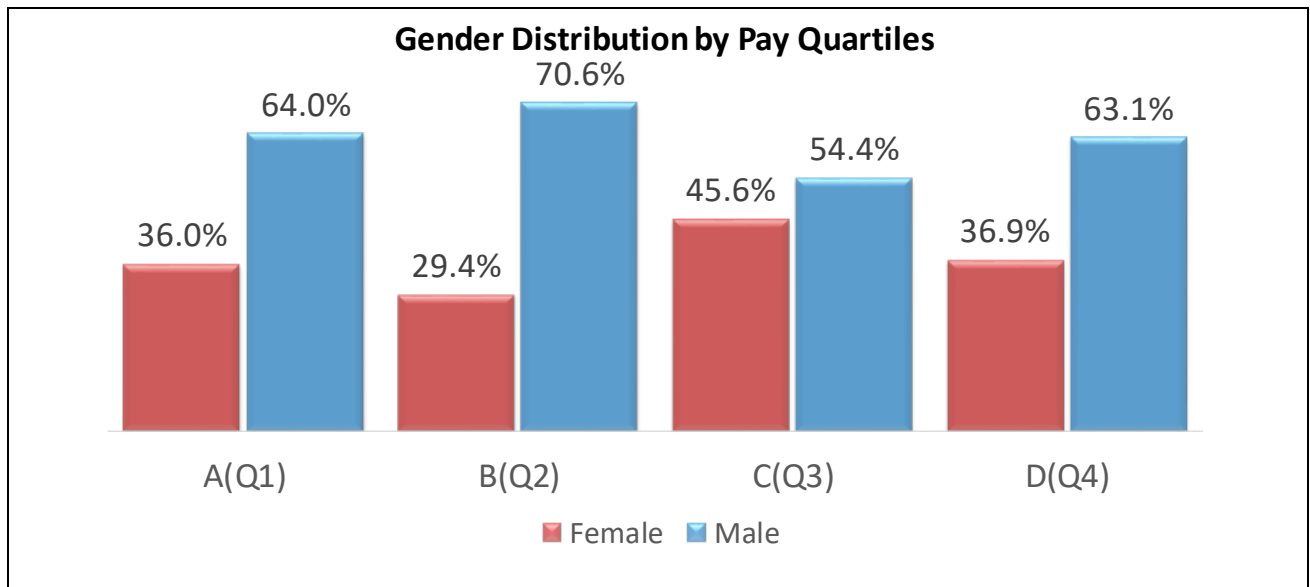
The underlying reason behind the mean gap is predominantly due to the higher representation of males in more senior leadership roles which attract higher levels of remuneration. Both the Aerospace and wider supply chain management industry sectors are typically male-dominated and this is reflected across our organisation, recognising the majority of our roles are sourced from this industry. We know we have a lack of female representation in some of our more highly-skilled roles which is contributing to our pay gap as we have a predominance of highly-qualified males in higher-paid roles which attract higher pay because of a scarcity of skills and competition in the market and were we find a predominance of males.

We are confident that all our HR processes and practices ensure that men and women are paid equally for doing equivalent jobs across our organisation. **Bonus Payments and Participation**

No bonuses were paid in the 12 month reporting cycle.

4. Career Paths and Earnings

Our gender distribution by quartiles, as defined by the regulations, show us that female employees are underrepresented in all quartiles, most notably in the second lowest pay quartile.



HR Strategy

Our HR philosophy is to attract and retain high calibre individuals and to leverage their unique talents to help create unique guest experiences every day.

Post pandemic, our industry has experienced a slow recovery over the last 12 months and this has significantly impacted upon our supply chain. We are pleased that we have been able to retain all our workforce during this time. We have continued to adapt our ways of working and where possible taking account of the requirements of the role, we offer a hybrid work environment, as we help our employees invest in their home-work balance with full flexibility. Where the requirements of the role permits, we now offer this from commencement of employment. This has been very well-received. This supports our wider Diversity & Inclusion strategy as we seek to highlight the importance of inclusion across our organisation, opening up dialogue and building awareness on issues relating to respect for diversity in business.

We actively ensure that all our HR policies and tools proactively support flexible working across the organisation as we believe that these policies encourage our talented and driven employees to deliver results and in turn advance their careers in our organisation. As part of this, we now strive to ensure that all recruitment conversations promote our flexible work culture.

We actively create an environment where everyone is motivated to develop and progress through innovative HR policies and practices and an encouraging environment. We have extended the ability to buy leave to all employees during the reporting cycle which has been well-received. We proactively keep in touch with those on maternity leave. We look to support our career returners with different tools to positively impact their back to work experience including Keeping in Touch Days.

We recognise the motivational importance of positive senior role models to inspire confidence and success. We are pleased that 25 % of our Senior roles are occupied by females. We are pleased that one of our General Managers is now female. We acknowledge that our strategy needs to evolve to ensure that we attract a higher proportion of females into our organisation and that we actively ensure our hiring managers reflect our strategic approach to diversity.

We have a critical focus on embedding our new values and leadership behaviours so that our workforce clearly understands what we as an organisation want to recognise and reward. In turn, this helps to strengthen our Employer Brand and will be used to inform future HR and Reward initiatives.

We ensure roles are externally benchmarked, enabling us to obtain accurate market rates for each role. We acknowledge pay differentials may still remain in certain cases due to factors such as length of service, seniority and performance. Where pay differentials exist due to gender and are not justified by length of service, seniority or performance, we ensure that every effort is made to bridge those gaps. As part of our annual performance management and pay review process we ensure that our people are being paid fairly based on their role, responsibilities, experience and performance.

We have fully embedded our company-wide job levelling architecture, which has helped us determine a one-company bonus structure. As a part of this, we are developing a company-wide commercially-focussed set of bonus plans ready for launch in the coming 12 months which will seek to recognize and reward performance across the organization.

Recruitment

We continue to ensure our recruitment approaches have a strong focus on ensuring a greater gender balance in potential candidates presented, tracking all new hires by gender and reporting on a monthly basis. We strive

to ensure that all recruitment materials reflect our inclusive employer branding imagery. We actively challenge all our hiring managers to ensure their behaviour reflects our values in all their interactions.

We are committed to promoting our industry and as part of this, are actively looking to develop partnerships with local colleges and universities. We are actively promoting our corporate presence through new networks, having recently joined “Women in Aviation” as a corporate member, as we look to encourage the advancement of women in all aviation career fields and interests.

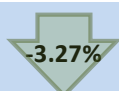
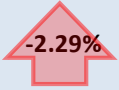
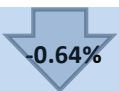

Development

Employee Development is a critical focus within our organisation and we are committed to making the most effective use of the talent, skills and abilities of our employees. We support the training and development of all our employees and apply a gender lens to all our talent development and succession planning discussions.

Our recently launched Global D&I Council, supported by our Diversity Executive Champion, have formulated their 3-year strategy and as part of this and have been busy formalizing a variety of different diversity initiatives for the coming year. We are pleased that we have a strong gender and ethnicity representation involved. We continue to operate a programme of events to highlight the importance of inclusion by using story-telling across our organization for key calendar points throughout the year, including Black History Month and International Women’s Day, leveraging our intranet and e-learning experiences.

5. Year on Year Comparison

When we consider year on year comparison, we note a slight widening gender pay gap at the median in favour of females, with a narrowing at the mean. We note that there were no bonus awards in the pay cycle.

	2020	2021	2022	2022 Vs 2021
Mean Gender Pay Gap	12.65%	13.07%	9.80%	 -3.27%
Median Gender Pay Gap	13.27%	-8.21%	-10.50%	 -2.29%
Mean Gender Bonus Gap	40.05%	-182.08%	-	-
Median Gender Bonus Gap	52.22%	-173.99%	-	-
Males receiving bonus	59.67%	0.64%	0.00%	 -0.64%
Females receiving bonus	59.83%	0.40%	0.00%	 -0.40%

6. Closing remarks

We know and understand the reasons why we see a gender pay gap within our organisation and are committed to actively managing this differential, as we try to move towards a more gender balanced workforce.

We constantly develop and improve our HR policies and practices to encourage and promote the development and progression of all our employees. We will continue to leverage technology to help us identify areas of our organisation that need renewed focus to drive continuous improvement relating to gender equality.

Building on our values detailed below, we will continue to work with all of our employees, and regardless of ethnicity, gender, age, disability, religion or sexual orientation, provide them with opportunities to build their confidence and help them in reaching their full potential.

Our Values

- **Courage:** we will step outside our comfort zone, challenging ourselves and each other to be better
- **Collaboration:** we will success through the power of working together as one, accepting and celebrating difference and sharing ideas
- **Commitment:** we will show dedication and initiative to solve problems, achieve outstanding results and always deliver with flawless execution