

Arconic UK

# Gender Pay Gap Report 2024



ARCONIC



# What is the **gender pay?**

A measure of the difference in the average pay of men and women - regardless of the nature of their work - across an entire organisation, business sector, industry or the economy. It can be impacted by the shape of the organisation, and by the number of both men and women across all roles.

**Gender pay is not the same as equal pay which deals with the pay differences between men and women who carry out the same, similar or equivalent work.**

We have provided the gender pay gap number for all of our Arconic UK businesses in addition to those we are legally required to report, so that we can provide a clear and transparent view on the gap that exists within our business.

## **We currently are required to report on the following 6 key measures:**

### **Hourly pay**

- Difference in the mean (average) hourly pay of male and female employees.
- Difference in the median hourly pay of male and female employees.
- The proportion of males and females when the workforce is divided into four groups or quartiles from the lowest hourly pay to the highest.

### **Bonus**

- Difference in the mean (average) bonus pay of male and female employees.
- Difference in the median bonus pay of male and female employees.
- Proportion of male and female employees who have received bonus pay.

## **Our numbers and what it includes:**

**Pay** as stated in the regulations as of 5th April 2023

- Pay is based on earnings which include: basic pay, any additional allowances including shift premium, bonus pay.
- Earnings that are not included: overtime pay, expenses, the value of any salary sacrifice schemes, benefits in kind, redundancy pay and tax credits.

**Bonus** (any bonus pay received during the period of 12 months to 5th April 2024)

- Any payment that has been classed as bonus in our payroll system.

## **Our commitment to reducing the gender pay gap:**

While we have recovered from the impacts of the Global Pandemic, we continue to feel the economic pressures of Brexit and the war in Ukraine. As an energy intensive organisation, the cost of energy on our profit margins has been phenomenal and our teams have worked hard to look for creative ways to make our products maximising productivity, operational efficiency and sustainability.

Following on from our report last year our pay gap is on average (mean) -5.56%. The negative pay gap that is seen across our results is indicative of the structure of our business as our female employees are in general more prevalent in our middle management and professional groups.

We remain committed to building a strong pipeline of female talent and a greater number of females joining our business so we may continue to drive our number in a positive direction.

# Arconic UK (all sites)

■ Males ■ Females

## Pay

Our UK business is predominately male which significantly impacts our gender pay gap figures.



Hour Pay	Mean		Median	
	2023	2024	2023	2024
Difference %	-5.56%	-2.14%	-5.81%	-1.66%
Difference £	−£1.14	−£0.47	−£1.04	−£0.33

Bonus	Mean	Median
Difference %	14.57%	2.12%
Difference £	£422.43	£35.72

On average women are earning higher bonus than men.

## Bonus

% of Male population & Female Population in receipt of a bonus.

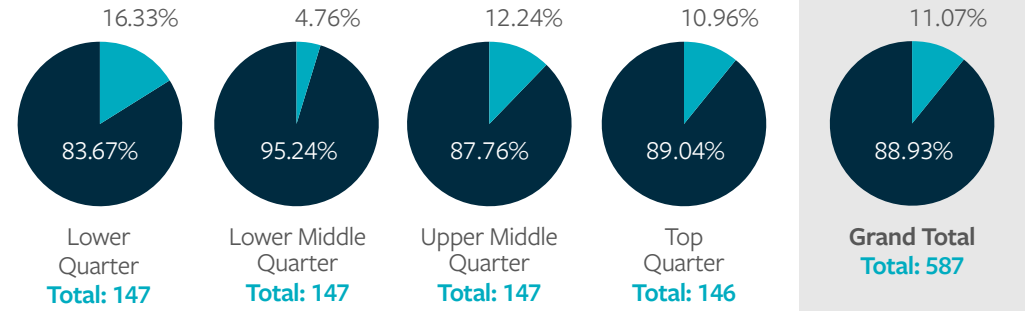


## UK Figures

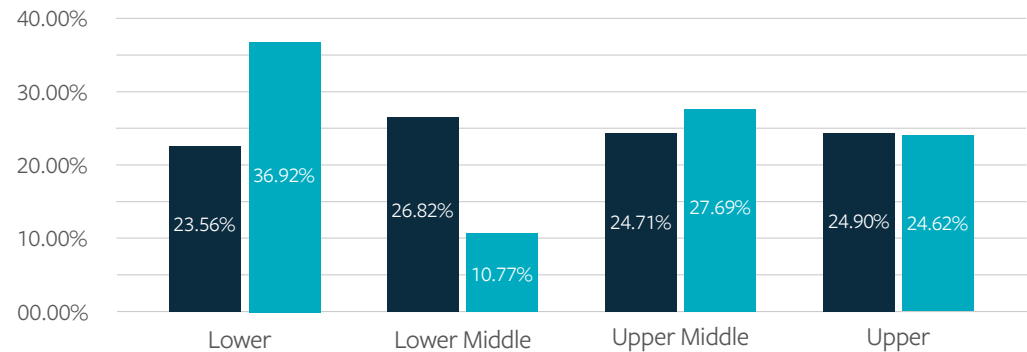
	Pay Gap
UK Mean*	7%
Arconic UK Mean	-2.14%
Arconic UK Median	-1.66%

\* UK figures are from ONS.

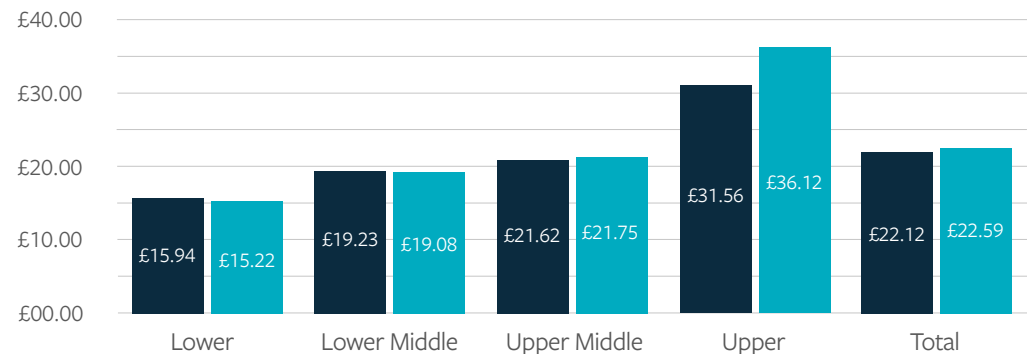
## Quartiles



## Arconic Distribution of Workforce by Gender in Each Quarter



## Arconic Average Hourly Rate by Gender and Quarter





## Understanding **the gap**

The composition of the workforce and the distribution across the quarters is a significant contributor to the Mean gender pay gap of -£0.47 which is -2.14% while the Median is -£0.33 which is -1.66%. The workforce of Arconic is predominantly male with women accounting for 11% of our total workforce, with women over represented in the upper quartile, this means that women in the Upper Quartile are earning more.

The differences in mean pay, is due mainly to the distribution patterns within the organisation.

Our bonus schemes are gender neutral by design, but the shape of the workforce and the eligibility for bonus drives the mean bonus gap in the same way it impacts the pay gap. Bonus is significantly influenced by the Business Unit's financial performance each year and payments vary across our business, the majority are paid as a percentage of salary.



## The gap in simple terms

For every £1 that male employees earn, female employees earn £1.02 based on both the median and mean gender pay gap.

# Our figures

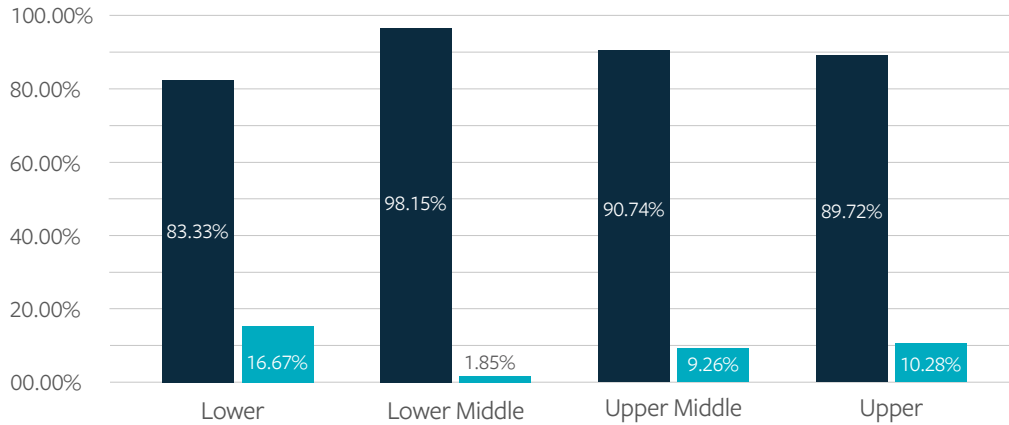
## Arconic currently owns and operates two locations across the UK,

- Arconic Manufacturing (GB) Ltd (Kitts Green, Rolled Products, Resource Units / Corporate functions)
- Kawneer UK Ltd (Runcorn, Building and Construction Systems, not required to report data)

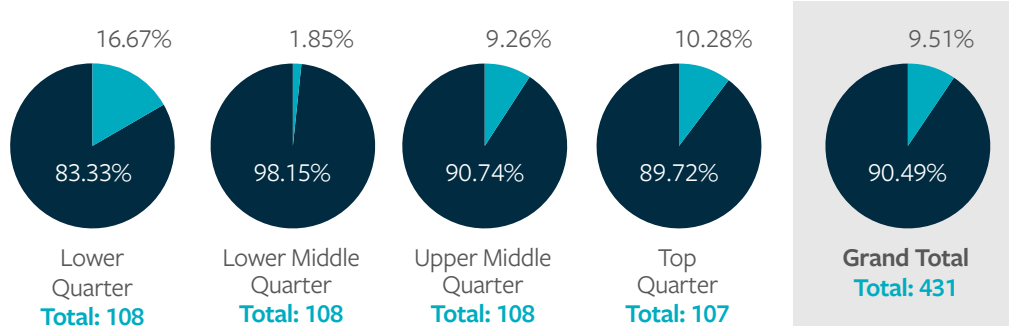
## and is reporting data on the following legal entities:

**Arconic Manufacturing (GB) Ltd** (Kitts Green, Rolled Products, Resource Units / Corporate functions)

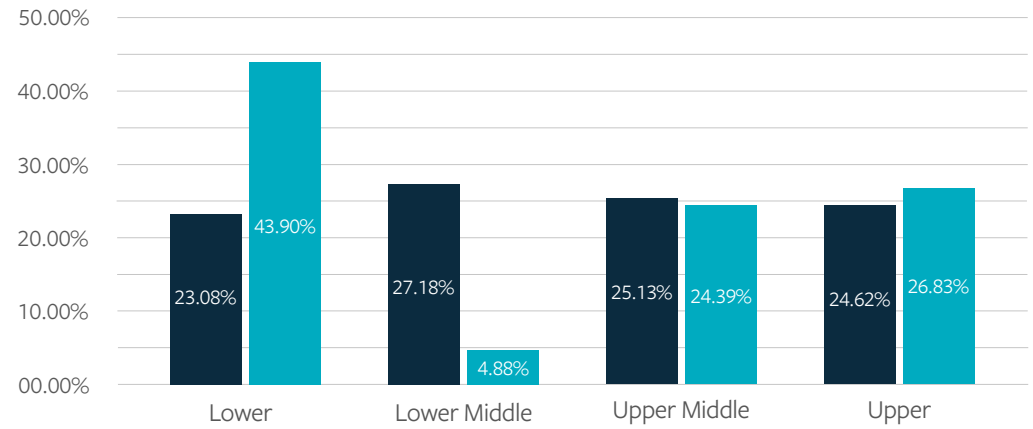
## Kitts Green Employee by Gender per Quarters



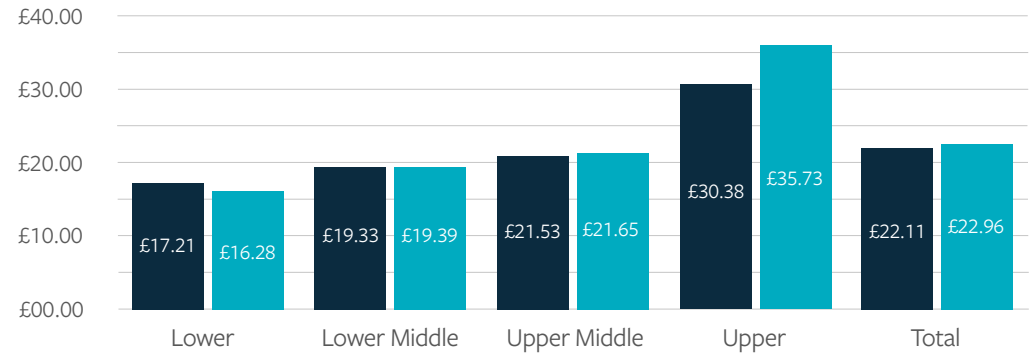
## Quartiles



## Kitts Green Distribution of Workforce by Gender in Each Quarter



## Kitts Green Average Hourly Rate by Gender and Quarter



Mean Gender Pay Gap						
Kitts Green	Men	Mean Hourly Rate in Group	Women	Mean Hourly Rate in Group	Mean Gender Pay Gap	
Difference					(£)	(%)
All Employees	390	£22.11	41	£22.96	-£0.84	-3.82%

Median Gender Pay Gap						
Kitts Green	Men	Median Hourly Rate in Group	Women	Median Hourly Rate in Group	Median Gender Pay Gap	
Difference					(£)	(%)
All Employees	390	£19.80	41	£20.00	-£0.21	-1.04%

Bonus					
	Kitts Green Employees	Bonus Recipients	% Of Workforce	Average Payment	Median Payment
Men	409	405	99.02%	£2,878.77	£1,686.22
Women	45	45	100.00%	£3,449.55	£1,885.22
Difference				-£570.78	-£199.00

Women Bonus Pay Is		
Mean	19.83%	Higher
Median	11.80%	Higher

### Bonus

**Male 99% / Female 100%**

The information that must be published is based on the number of employees as at 5th April 2024. As per the reporting requirements employees on leave who are receiving less than full pay are excluded.





# How we make a difference

We take pride in our work and our innovative products and technologies that advance sustainable solutions for a better world. We strive to create a safe, inclusive and collaborative workplace with competitive benefits, development opportunities and a culture that values and rewards employees on all levels of the organization.

This is Arconic's Employee Promise, which we introduced in 2023 following a comprehensive review of feedback received from employees across the company, **we will continue to strive to increase female participation in all areas of our business by:**



- **Promoting an inclusive workplace culture** through initiatives such as awareness-raising campaigns, diversity and inclusion training and networking opportunities continuing to build a workplace which is fair and equitable. We will continue to train our leaders in the importance of inclusion and in particular their roles as Allies in supporting women in the workplace. We will continue to promote Employee Resource Groups (ERGs) within our organization to ensure everyone has a voice. Our 'Thrive' network in particular is focusing on shaping the future for women in Arconic, strengthening global networks and promoting inclusion and gender equity both through female as well as male members.
- **Addressing gender bias in reward, recruitment and promotion** by using inclusive language in job advertisements, promoting diverse interview panels and candidate pools, and promoting mentoring opportunities. We reward our people based on both their performance and individual contribution.
- **Sharing and recognising examples of best practice** by creating spaces for teams to share their experiences and reward outstanding practices. We encourage more young females to embrace careers in science, technology, engineering and mathematics (STEM), continuing closely working with schools, universities and youth organisations through our community activities and grants of Arconic Foundation, an independently endowed U.S. 501(c)(3) private foundation.

- **Supporting work-life balance by providing flexible working arrangements**, implementing return-to-work policies, promoting the uptake of paternity leave, and offering on- or near-site subsidised childcare, among other initiatives.
- Target Setting
- We aim to grow our talent pipeline through female apprentices and graduates, focusing our employer branding to appeal to all.
- We aim for even gender diversity among candidates for all our professional level roles.
- We will continue to drive female participation at all levels of our organisation.
- We encourage career progression for all employees and support ERGs, such as Thrive, whose mission is to provide an inclusive forum in Arconic for collaboration, development, and advocacy to create opportunity for women.

*J. Wallace*

**Jim Wallace**  
Arconic Corporation (GB) Ltd



**ARCONIC**

#WomenOf**Arconic**