

WABTEC FAIVELEY UK

Gender Pay Gap Reporting – Supporting Statement



Along with an industry-leading portfolio of products and solutions for the rail and transit industries, Wabtec bring mining equipment, marine, stationary power, drill, and industrial solutions to the world. For the automotive industry, Wabtec offer turbochargers and motorcycle brake pads and shoes, and in addition, custom manufactures rubber products and cast parts according to customer specifications.

Wabtec Faiveley UK, part of the Wabtec Corporation, have Sites and legal entities across the UK. The legal entities with 250 employees or more, which we are reporting Gender Pay Gap data on, are;

- Wabtec Rail Ltd which incorporates our businesses at Doncaster, Kilmarnock and Brush
- LH Group
- Bearward Engineering

With effect from 5th April 2017 an organization with more than 250 employees is required by law to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The Gender Pay Gap is different to Equal Pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value. The Gender Pay Gap shows the differences in the average pay between men and women.

The pay data used to obtain the calculations is from the pay bill of April 2019. We are required to publish the results by the 4th April 2020 on the Government website and on the Company's website. Six calculations are required which will show the difference between the average earnings of men and women in the Company. The calculations are;

The mean gender pay gap

The median gender pay gap

The mean bonus gender pay gap

The median bonus gender pay gap

The proportion of males and females receiving a bonus payment

The proportion of males and females in each quartile pay band

These results are as a percentage and do not detail individual rates of pay.

Wabtec Rail Ltd (WRL) – Doncaster, Kilmarnock & Brush

Doncaster Site, located on 22 acres alongside the East Coast mainline focuses on the life extension, overhaul, maintenance and refurbishment of railway rolling stock.

Wabtec Rail Scotland's facility at Kilmarnock repairs, refreshes and overhauls rail vehicles, wheelsets and components.

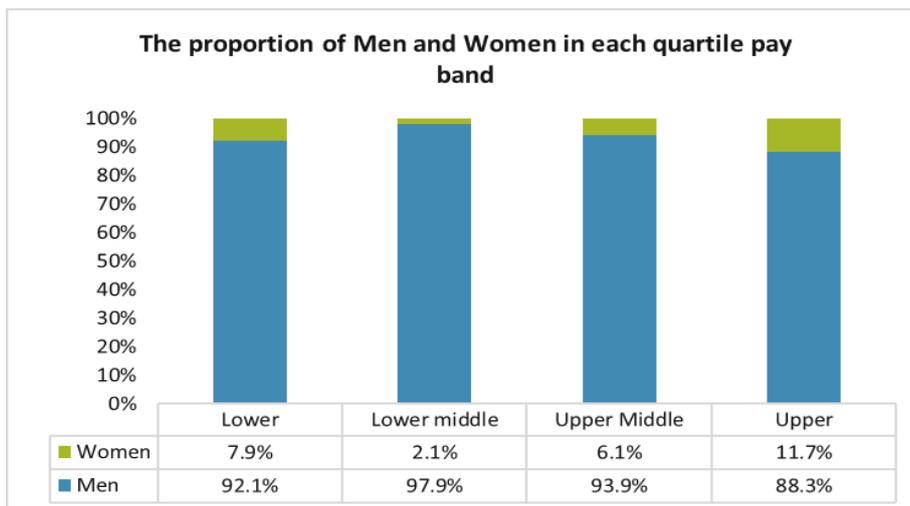
Brush Traction based at Loughborough is a supplier of freight and passenger rail vehicle services, equipment and components to rolling stock owners, operators and maintainers.

Across the legal entity of WRL, the majority of the workforce (93%), are men.

The mean and median average hourly rates of pay for men are lower by around 15% than the average hourly rate for women. This is due to a higher proportion of men in unskilled, semi-skilled and apprentice roles.

Gender pay and bonus pay		
Difference between Men & Women	MEAN average	MEDIAN middle value
Gender Pay Gap	-15.6%	-14.6%
Bonus Pay Gap	43.2%	42.4%

The average bonus payments made to men were significantly higher than those paid to women, at around 42 to 43 percent. 2.7% of the male workforce and 10.4% of the female workforce received a bonus. Looking at the spread of hourly rates of pay for men and women in the graph below, women are represented more in the upper quartile as the majority of women within WRL are in professional and management positions.



LH Group

LH Group is a re-manufacturer of power-train products based at Barton Under Needwood, Staffs. 93% of the workforce are men.

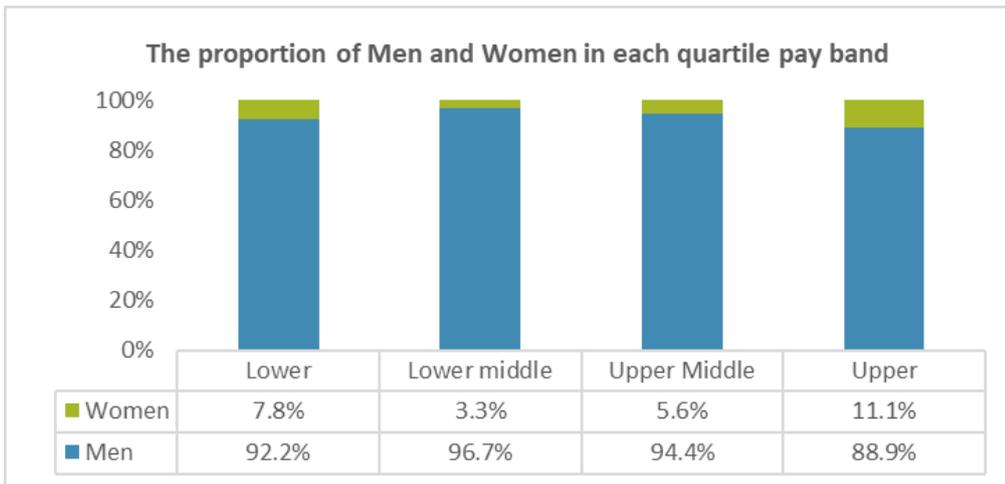
The mean average hourly rate of pay for men is 7.4% lower than the hourly rate of pay for women. The median average also shows that the hourly rate of pay for men is lower, by 9.9%, than that of women.

Gender pay and bonus pay		
Difference between Men & Women	MEAN average	MEDIAN middle value
Gender Pay Gap	-7.4%	-9.9%
Bonus Pay Gap	9.0%	-20.6%

The mean average bonus payments made were 9% higher for men but the median average shows that they were 20.6% higher for women.

2.9% of the male workforce and 3.8% of the female workforce, received a bonus.

In the graph below, the spread of hourly rates of pay for men and women show that women are represented more in the upper quartile with fewer in the lower middle quartile.



BEARWARD

Bearward Engineering, based in Northampton, produce industrial cooling systems to the generator set market and are also a key supplier to Oil and Gas, Off highway, Rail, and Off Shore markets. The majority of the workforce, 82.6%, are men.

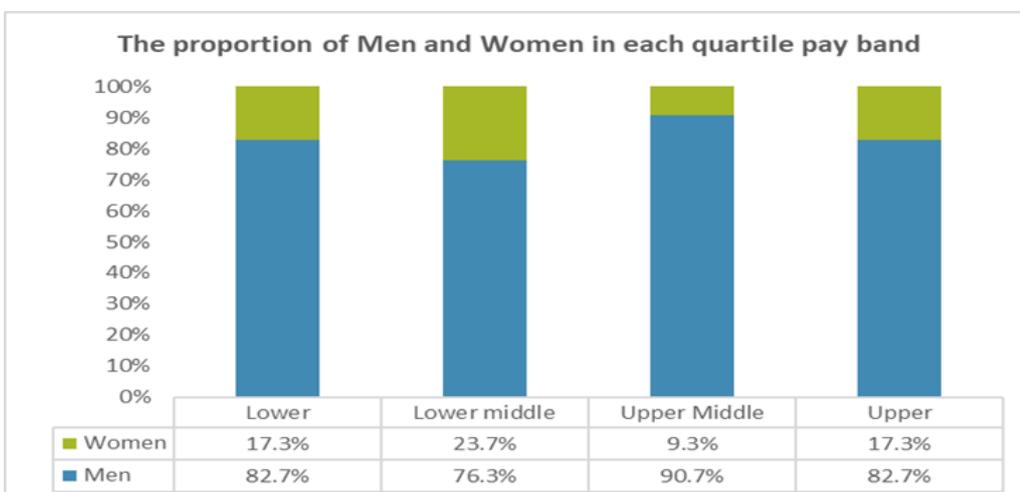
The mean and median average hourly rates of pay for men are higher than the average hourly rate for women. Therefore, Bearward has a gender pay gap of 7.4% (the mean) or 9.4% (the median).

Gender pay and bonus pay		
Difference between Men & Women	MEAN average	MEDIAN middle value
Gender Pay Gap	7.4%	9.4%
Bonus Pay Gap	58.2%	32.9%

The average bonus payments made to men were significantly higher than those paid to women at 32 to 58 percent higher dependant on whether the mean or median average is used.

2.7% of the male workforce and 10.4% of the female workforce, received a bonus.

Looking at the spread of hourly rates of pay for men and women, more women are represented in the lower middle quartile whilst more men are represented in the upper middle quartile.



In Summary

Across all 3 legal entities, the workforce is predominantly male. Efforts should continue to encourage female applicants to our industry sector, particularly at the apprentice stage.

The average hourly rate of pay for women across LH Group and WRL is higher than for men resulting in no gender pay gap for women.

At Bearward the figures show there is a gender pay gap of between 7.4% to 9.4% dependant on which average you use (mean or median) and this is in line with the gap from last year at 8%.

There are generally much larger bonus payments made to men as the majority of the most senior positions are held by men.

Attraction and promotion of women into more senior positions should continue to be a consideration and focus, across all three legal entities and the wider Wabtec Faiveley UK business.

The Company has updated it's Maternity & Paternity policies to help retain and attract women and to continue it's work to be an employer of choice.

This supporting statement confirms that the Gender Pay Gap published information, from the April 2019 payroll, is accurate at the time of reporting.



Andy Derbyshire

Group Managing Director, UK
on behalf of Wabtec Faiveley UK