

At TT Electronics we strive to build a supportive, diverse and engaging place to work. We are committed to “Building Expertise” to develop the engineering solutions of the future.

Creating a positive work environment where all employees want to build their expertise and progress is of paramount importance to TT. We strive to build a supportive, diverse and engaging place to work built around the “TT Way”.

As you will see from this report, we are confident that men and women are paid equally for doing equivalent jobs of equal value. We aim to always employ the best person for the job, and we endeavour to make sure that our recruitment, training and development and our remuneration policy are fair and do not contain any unintentional bias.

The gender pay gap paints a picture of the level and type of roles that men and women fill. Across the UK Manufacturing industry, there are more male

employees than female employees, with women making up 20%¹ of employees. Within TT and following the acquisition of Stadium Group plc., women make up 36% of our UK workforce.

Our gender pay gaps arise because women hold fewer senior positions within the organisation than men, for both managerial and technical roles. Across the UK 25% of women earn at or above our median pay level. Like many employers within our industry, we engage with our local communities to encourage more women to pursue technical and engineering based careers. With only 14%¹ of engineering and technology graduates in the UK being female, collectively we must continue to address the diversity skills gap.

Gender Pay Statistics

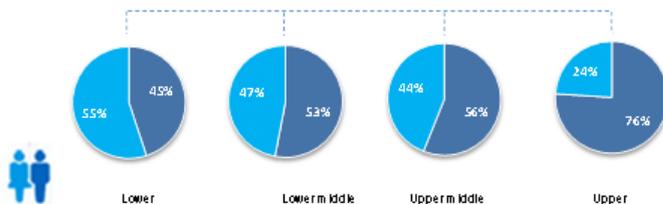
TT Electronics had thirteen employing entities in the UK on the snapshot date. Under the gender pay reporting regulations, information for the one entity with 250 employees or more is set out below.

Gender Pay Statistics: Welwyn Components Limited

Pay gap	2018	2017
Median hourly pay difference between men and women	13.7%	7.3%
Mean hourly pay difference between men and women	16.4%	14.3%

Bonus gap	2018	2017
Median bonus difference between men and women	1.6%	1.8%
Mean bonus difference between men and women	25.2%	-9.4%

Male and Female earnings by pay quartile



Proportion of men and women receiving a bonus

	2018	2017
Male employees receiving bonus pay	92.3%	92.6%
Female employees receiving bonus pay	90.4%	94.7%

¹ WISE UK statistics, 2018

Understanding our gender pay gaps

We are confident that men and women are paid equally for doing jobs of equal value within our businesses. We know this because our approach to pay, performance and incentivisation is free of discrimination. Our analysis shows that our pay and bonus gaps are reflective of women holding fewer senior managerial and technical positions than men.

This is similar to the UK national workforce where 12% of professional engineers are women and 13% of management roles in STEM (Science, Technology, Engineering and Maths) are held by women¹. Within TT women held 36% of our roles in the UK in April 2018 and 25% of those earned at or above our median pay level.

The composition of our workforce has a similar influence on our bonus gaps. Some of our entities, such as Welwyn Components Limited, have annual bonus profit share schemes, which by design are free of discrimination and received by most employees. More senior positions are eligible to join the TT Group annual incentive scheme and the most senior positions are eligible for Long Term Incentive awards. The higher proportion of men in these roles results in mean bonus gaps across the UK as a whole.

Tackling our gender pay gap

The challenge for TT is not about equality of pay but more about encouraging and nurturing diversity within, and into our organisation and industry. The difference, in both our pay and bonus gaps, tells us there is much more work to be done to create a diverse workforce across all levels of the organisation.

Within TT, we will continue to make improvements at an organisational level. However, we recognise that in order to create sustainable changes to the gender pay gap, meaningful change to attitudes and mindsets are required in society.

Evoking societal change within our communities

As a responsible employer we are committed to tackling the UK's diversity imbalance and inspiring future generations of engineers through our

Corporate Responsibility programme, details of which are available in our Annual Report and Accounts (insert link). Across the organisation we engage with a range of partners and networks which enable us to continue our initiatives to "Build Expertise" in STEM subjects within education systems. We believe that focusing within our local communities and engaging with the workforce of the future will help us to address both the shortage of skills and diversity of potential employees across STEM subject areas in our industry.

Organisational improvements

Creating a positive work environment where all employees want to build their expertise is of paramount importance to TT. We strive to build a supportive, diverse and engaging place to work, built around the "TT Way". We operate market leading UK maternity and paternity provisions and seek to facilitate flexible working where we can.

We champion diversity and the successes of women within the workplace. We continue to promote apprentice schemes, which target diverse intakes, champion talent and nurture our leading experts of the future. During 2019 we will be launching a Women's Forum and a Young Talent forum.

We are committed to the continual improvement of our recruitment processes, and are constantly looking for new channels through which we can attract key and diverse talent to TT. We require all our managers to facilitate development conversations with their people, resulting in meaningful development plans. Our talent boards continue to focus on diversity in our succession planning as we seek to create a work environment where all employees can fulfil their potential.

Statement

We confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Neil Carson
Chairman, TT Electronics plc

Sarah Hamilton-Hanna
EVP HR, TT Electronics plc

¹ WISE UK statistics, 2018