Gender Pay

Report 2020
Equity, diversity and inclusion are part of our values at Boeing. Every day tens of thousands of employees from around the world uphold our commitment to create an environment in which every teammate is respected, valued and inspired to contribute to our shared long-term success.

To do so, we need to empower one another to speak up and voice concerns. We need to get ideas on the table, seek out and surface issues before they become major problems, and challenge behaviours. We need to listen to and learn from one another, lifting all voices so we can better innovate and operate. Together, we’ll make meaningful changes to our company culture, creating an open, candid and respectful environment that empowers every teammate to bring their best.

Diverse backgrounds, experiences and perspectives bring innovative ideas, stronger teams, a high-performing culture and better results. We are committed to equal pay for equal work and building our future with a talented, engaged and diverse workforce at all levels. As you see from the data in this report, we can still improve. It is our ongoing challenge to improve on these numbers, and we are wholeheartedly committed to making progress.

Between 2016 and 2020, gender representation of our global workforce was consistent with the aerospace industry. Being “on par” with the industry, however, is not good enough. We want to set a new bar for gender balance in aerospace.

In 2020, we continued to build our talent pipeline through our support of young women in STEM and professionals returning to the workforce after taking a career break. We also continued to develop and promote our family-friendly and flexible working policies for all employees in the UK.

Our women’s Business Resource Group, Boeing Women Inspiring Leadership (BWIL), offers personal and professional opportunities to women across the enterprise. BWIL has played a key role in providing high-potential, diverse talent an opportunity to engage with leaders about strategies for success, and 1 in 4 BWIL members identifies as male and is a member as an ally to women.
Recognition by organisations such as DiversityInc.—which ranked Boeing 27th out of more than 1,800 companies for diversity in 2020—is encouraging. We’re making progress. But we cannot stop striving to be better, more diverse, more equitable and more inclusive.

We will continue to work to fuel the diversity of our workforce through education, outreach, transparency and accountability. These commitments will help us reach our goal of creating enduring change at Boeing and in our world.

We’re committed to building diverse teams and holding ourselves accountable to equitable processes that promote trust and transparency. We recognise we have more work to do.

Boeing has established robust frameworks in the areas of recruitment, career development, training and talent retention that support and promote inclusive work practices. Boeing leaders across the globe are committed to fostering a workplace where employees can be true to themselves and can contribute fully to our mission to serve all the people who rely on our products and services every day.

We each bring something uniquely valuable to Boeing, and we all have the opportunity and responsibility to create an environment in which everyone is respected, valued and inspired to contribute to our long-term success.

We confirm the data contained in this report is accurate.

Sir Martin Donnelly  
President, Boeing Europe  
Managing Director, UK and Ireland

Sally Hoyle  
Human Resources Director,  
Boeing Europe and Israel

Anna Keeling  
Managing Director,  
Boeing Defence UK Ltd
About Boeing in the United Kingdom

The UK Government gender pay regulations ask for pay data on employing legal entities in the UK with more than 250 employees. Boeing has three such entities, Boeing Defence UK Ltd (BDUK), Boeing UK Ltd (BUKL) and Boeing Commercial Aviation Services Europe Ltd (BCASEL).

This report provides gender pay data on BDUK, BUKL and BCASEL; however, our Global Equity, Diversity & Inclusion strategy, actions and opportunities apply across all business units of our global enterprise so that all colleagues benefit.

<table>
<thead>
<tr>
<th>Gender Pay Gap</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>UK national mean gender pay gap</td>
<td>18.10%</td>
</tr>
<tr>
<td>2020 BDUK mean gender pay gap</td>
<td>14.37%</td>
</tr>
<tr>
<td>2020 BUKL mean gender pay gap</td>
<td>22.36%</td>
</tr>
<tr>
<td>2020 BCASEL mean gender pay gap</td>
<td>13.45%</td>
</tr>
</tbody>
</table>
Gender Pay Gap Is Different to Equal Pay

The gender pay gap is a comparison between median hourly pay for all women and men within a business, between mean hourly pay for women and men, and between incentive awards for men and women. These figures take into account both part-time and full-time employees. Importantly, these numbers do not reflect whether an employer provides equal pay for equal work—as Boeing does.

Boeing provides equal opportunity to all, irrespective of age, disability, gender identity, marriage or civil partnership, pregnancy and maternity, ethnicity, religion or belief, and sex or sexual orientation.
Our Gender Pay Figures

The enclosed figures are based on hourly rate of pay as of 5 April 2020 and incentive awards (bonuses) paid between 1 April 2019 and 31 March 2020, for BDUK, BUKL and BCASEL.

The data shows that there is a gender pay gap across the three Boeing entities, with BDUK (the only entity that has had to report in prior years) showing gradual improvement year on year.

We reaffirm Boeing’s commitment to addressing the gender pay gap and to continue developing female talent in the business at all levels. In doing so, we also recognise that the 2019-2020 period was exceptionally challenging for the commercial aviation sector. The response to market realities has unfortunately resulted in fewer overall opportunities for promotion and advancement within the organisation as well as incentive compensation. This is reflected, in particular, in the bonus gap, since the majority of the company’s employees did not receive an annual bonus in the period reflected in this report. Some employees earned bonuses through other incentive plans, such as long-term incentive plans or sales incentive plans, and therefore received payouts in 2020 for incentive compensation previously earned, but overall opportunities to earn incentive compensation and the amount of incentive compensation were more limited than in prior years. We further understand that the gender pay gap has occurred due to the lower number of women in higher-paid roles overall. We are confident, however, that men and women are paid equally for doing the same job.
### Mean and Median Salary Pay Gap

<table>
<thead>
<tr>
<th></th>
<th>Mean %</th>
<th>Median %</th>
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<tbody>
<tr>
<td>BDUK</td>
<td>14.37</td>
<td>15.62</td>
</tr>
<tr>
<td>BUKL</td>
<td>22.36</td>
<td>23.68</td>
</tr>
<tr>
<td>BCASEL</td>
<td>13.45</td>
<td>11.18</td>
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### Mean and Median Incentive Awards

<table>
<thead>
<tr>
<th></th>
<th>Mean %</th>
<th>Median %</th>
</tr>
</thead>
<tbody>
<tr>
<td>BDUK</td>
<td>47.92</td>
<td>–9.88</td>
</tr>
<tr>
<td>BUKL</td>
<td>76.39</td>
<td>–1.99</td>
</tr>
<tr>
<td>BCASEL</td>
<td>82.66</td>
<td>12.87</td>
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### Proportion Receiving an Incentive Award

<table>
<thead>
<tr>
<th></th>
<th>Male %</th>
<th>Female %</th>
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<tbody>
<tr>
<td>BDUK</td>
<td>68.07</td>
<td>77.03</td>
</tr>
<tr>
<td>BUKL</td>
<td>71.76</td>
<td>71.62</td>
</tr>
<tr>
<td>BCASEL</td>
<td>30.00</td>
<td>45.07</td>
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</table>
Our Commitment

This report is a starting point for the culture we are dedicated to building—that is, one in which every one of us is valued, respected and inspired to bring our best to work every day.

Our Goals

To address our representation gaps and build a culture of inclusion, we have established a set of aspirations we will achieve by 2025:

- Increase Black representation by 20 percent in the U.S.
- Achieve parity in retention rates of all groups.
- Close representation gaps for historically underrepresented groups.
- Eliminate any statistically significant differences between the workplace experiences of underrepresented and at-representation groups.
- Advance common understanding, shared experiences and mutual respect.
- Report diversity metrics and progress annually.

We have had candid conversations about our goals. The road is long, but we will keep moving forward, as a team, together.

Here’s how we’ll get there.
To achieve our aspirations, we are galvanising our entire workforce to advance equity, build diverse teams and create inclusion wherever they are. Our strategy supports these principles:

- **Equity for All:** Fair and transparent systems and processes
- **A Team of All:** Diverse representation at every level of our organisation
- **Inclusion by All:** Every teammate supporting each other on our journey to greater inclusion

We will continue to fully integrate global equity, diversity and inclusion insights and strategies across the company and extend our focus even deeper into the organisation to create enduring change.

Still, we have a lot of work to do.

Every day, we step closer to our vision by:

- Using meaningful, consistent measures for diversity and inclusion outcomes.
- Having regular, collaborative discussions on diverse talent across the business.
- Implementing a consistent inclusion curriculum to drive a shared enterprise vision.
- Taking a clear, comprehensive approach to strategic partnerships that fuel diversity.
- Integrating equal opportunity and diversity and inclusion initiatives.
- Establishing universal equity practices.

Boeing is determined to address the traditional gender imbalance in the aerospace and aviation sector by building balanced talent pools and working hard to reach underrepresented demographic groups.

Boeing set out three key focus areas three years ago in the 2017 gender pay report, which still constitute our long-term action plan: recruiting the best people from the widest talent pool, developing and advancing talent within the company, and retaining our best people.

We’ve made good progress over the past few years fostering a more diverse and inclusive environment. We see progress in representation of diverse talent in our executive ranks, an expanded global footprint and improved talent pipeline diversity. And we can’t wait to make even more progress.

Proportion of male and female employees in each pay quartile

This chart shows the gender split when we order hourly rate of pay from highest to lowest quartiles, as of 5 April 2020.

<table>
<thead>
<tr>
<th>Pay Band</th>
<th>Male %</th>
<th>Female %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Lowest Salary Pay Band</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BDUK</td>
<td>68.36</td>
<td>31.64</td>
</tr>
<tr>
<td>BUKL</td>
<td>48.35</td>
<td>51.65</td>
</tr>
<tr>
<td>BCASEL</td>
<td>81.25</td>
<td>18.75</td>
</tr>
<tr>
<td><strong>Lower Middle Salary Pay Band</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BDUK</td>
<td>78.91</td>
<td>21.09</td>
</tr>
<tr>
<td>BUKL</td>
<td>50.55</td>
<td>49.45</td>
</tr>
<tr>
<td>BCASEL</td>
<td>81.42</td>
<td>18.58</td>
</tr>
<tr>
<td><strong>Upper Middle Salary Pay Band</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BDUK</td>
<td>85.20</td>
<td>14.80</td>
</tr>
<tr>
<td>BUKL</td>
<td>67.03</td>
<td>32.97</td>
</tr>
<tr>
<td>BCASEL</td>
<td>81.42</td>
<td>18.58</td>
</tr>
<tr>
<td><strong>Highest Pay Band</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BDUK</td>
<td>86.91</td>
<td>13.09</td>
</tr>
<tr>
<td>BUKL</td>
<td>71.43</td>
<td>28.57</td>
</tr>
<tr>
<td>BCASEL</td>
<td>92.92</td>
<td>7.08</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BDUK</td>
<td>79.85</td>
<td>20.15</td>
</tr>
<tr>
<td>BUKL</td>
<td>59.34</td>
<td>40.66</td>
</tr>
<tr>
<td>BCASEL</td>
<td>84.26</td>
<td>15.74</td>
</tr>
</tbody>
</table>
Recruitment

Boeing strives to build high-performing, balanced and diverse teams by recruiting from the widest possible talent pool. We continue to hire and develop the brightest talent from all backgrounds through undergraduate and graduate university and professional recruitment.

To be an employer of choice, we must offer our people the advantages of a creative, inclusive workplace. That helps us attract and retain the best talent, improve performance and deliver for our customers.

Boeing has introduced a recruitment guide that includes training around inclusiveness and unconscious bias to help hiring managers contribute to a fair and transparent talent and selection process. Hiring managers are asked to invite other managers to help them make the best talent decisions through diverse interview panels.

The Government Equalities Office has identified Effective Actions as reducing the gender pay gap. Three of them relate to recruitment, and Boeing currently performs all three. We ensure women are included on shortlists of qualified candidates for roles, we use skills-based criteria to shortlist candidates, and we follow a structured interview process to prevent the influence of unfair bias in the hiring process.

Also in 2020, we continued our work to improve inclusion and candidate experience in the executive hiring process. This work included setting the expectation of gender-diverse interview panels and shortlists of candidates as standard for all executive roles.

Boeing hiring managers in the UK are committed to making a difference by:

• Posting job requisitions even when there are eligible internal candidates.
• Being open-minded and considering a wide range of talent.
• Sourcing diverse slates of candidates, even if it takes longer.
• Assembling diverse interview panels to help them make a more well-rounded decision.
Diversifying Our Early-Career Talent Pipeline

Boeing actively works to increase the female representation of our emerging talent pipeline by attracting and developing women through our comprehensive early-career programmes.

- In our UK apprenticeship programme, 21 percent of apprentices are women, similar to 2019.
- Women comprise 44 percent of our UK graduate hires, up from 35 percent in 2019.
- The proportion of women completing Boeing UK internships was 52 percent in 2020, up from 46 percent in 2019.
- We endeavour to send diverse delegations, that mirror our intern and graduate populations, to university careers fairs.
Championing STEM

Boeing continues to proactively work with the wider academic and aerospace community to encourage more people of all backgrounds and demographics, especially women, to consider careers in science, technology, engineering and mathematics (STEM) fields. We partner in particular with six UK universities (University of Sheffield, University of Cambridge, University of Southampton, University of Bristol, Cranfield University and the University of Strathclyde) to support a broad programme of inclusive education and skills initiatives to promote the importance of STEM subjects to students and professionals. The activities are aimed at promoting the pursuit of STEM-related careers to all demographics, including women, by illustrating the wide variety of career opportunities that are available in the defence and aerospace industry and how exciting and rewarding this area of work is.

Furthermore, in 2019 the STEM Strategy Committee was created, under executive sponsorship, to cover Boeing UK as a whole, seamlessly tying in the execution and measurement of all internal and external STEM activities across the business.

2020 Boeing Sponsorships

- Awards and scholarships across the engineering and business faculties
- Design projects for a lunar robot and unmanned systems
- Business simulation events, problem-solving days, entrepreneurial events and hackathons
- Curriculum enhancement materials including equipment and laboratory upgrades
- Student entries to national and international competitions such as IMechE and Eurobot
- Joint student-industrial projects in areas including autonomous vehicles, space and racing cars
- Careers talks, lectures, mentoring schemes and feedback sessions
Boeing also sits on several university business advisory boards, providing industry input and insight to universities regarding careers, competencies and what industry looks for in employees.

In addition to the strategic University Partner activities, Boeing has for many years been active in diversity-focussed STEM outreach activities with a broad range of universities and schools across the UK.

STEM Outreach Activities

- A Girls in Engineering STEM event at the Boeing Training and Professional Services Centre in Crawley, where 28 local schoolgirls (aged 13-14) visited the facility and met with a number of female Boeing leaders to learn more about a career in engineering.
- Participation in the U.S. Embassy Women in Engineering STEM outreach event.
- Support of the Institute of Engineering and Technology Young Women Engineer of the Year Awards as headline sponsor for several years.
- Sponsorship of International Women in Engineering Day for the third year.
- Sponsorship of the Women’s Engineering Society Top 50 Apprentices competition.
- Active participation in the Women in Aviation and Aerospace charter events, as a signatory.
- Boeing employees serving as volunteer STEM Ambassadors, offering their time to schools to bring STEM to life.
- Participation in the Girls in Maritime STEM event in Portsmouth, Chatty Scientist, Girls in STEM Portsmouth and TeenTech Hampshire.
- Participation in school careers events several times a year, engaging with students aged 11-12 and 16-18 about careers in aerospace engineering.
- Sponsorship of the Forward Ladies National Awards and Summit.
- Attendance and volunteering with the Inspiring Aviation event (through Inspiring the Future) and the Girls Network (mentoring a 14-15 year old).
Boeing collaborates with a number of strategic external partners in the UK to attract and accelerate the development of high-potential women at Boeing, such as the Women in Engineering Society (WES), International Aviation Women’s Association (IAWA) and the Society of Women Engineers (SWE). Boeing UK is a sponsor and strategic partner of WES’s annual International Women in Engineering Day, and since 2017 we have organised a networking event for female secondary school students in collaboration with Cranfield University in order to spark interest in engineering as a career path and offer opportunities to discover more about engineering job options across all sectors.

Boeing has supported an extensive community engagement programme in the UK for many years, and one of the three strategic focus areas is Our Future—developing future innovators through initiatives that build 21st-century skills among young people. For more than 16 years Boeing has sponsored STEM-focussed Achieve Club workshops with The Prince’s Trust, designed for young people at risk of disengaging with school. Boeing has sponsored more than 60 secondary school students to gain a solo gliding pilot licence with The Air League. Of all Boeing flying scholars since 2013, half have been young women. Furthermore, Boeing sponsors Royal Academy of Engineering STEM Coordinators—teachers who train and up-skill other STEM educators in their region using specially designed enhanced classroom materials.
02.

Development and Progression

Equal opportunity is an integral element of Boeing’s talent development strategy, ensuring that our talented people, women and men, have the same platform to develop, succeed and progress within the company.

Inclusion fundamentally underpins how we identify, discuss and develop talent, including the selection of high-potential talent, promotion opportunities, rigorous succession planning, inclusive internal hiring for leadership roles and career development discussions that aim to develop a robust, gender-diverse pipeline at all levels. In 2020, Boeing commenced posting executive director positions competitively to continue encouraging transparency of the process and the selection of the best possible talent by providing the opportunity for talent to self-identify interest.

Boeing is transparent about salary ranges for each role level, which encourages candid conversations about salary expectations at every level of the business. We also have an open and transparent process and policy around decision-making for promotions, including evidence-based pay and reward process tools. Both of these recommendations were rated as Effective Actions by the Government Equalities Office.

Senior leaders are responsible for leading and driving diversity and inclusion efforts. All managers are encouraged to lead regular conversations to connect candidly with their teams about inclusion using our new, inclusion training resources, including a manager toolkit, available on the Digital Campus and Global Equity, Diversity & Inclusion microsite.

Boeing’s UK leadership commitment to women actively enables a work environment in which high-potential women are developed through formal mentoring programmes, placed on leadership succession plans, and spotlighted at country and regional talent reviews for senior leader visibility and development action. Boeing offers a comprehensive mentoring programme and opportunities for formal and informal networking.
Programmes and Initiatives of Note

- Consistent with 2019, 25 percent of our VP high potentials in the UK are female, and we are committed to improving this statistic. High-potential employees are nominated for accelerated leadership development courses, provided opportunities for mentorship, highlighted in talent reviews for leadership support and action, placed on succession plans, and actively engaged in opportunities for experiential development (rotations, stretch assignments, promotion, etc.).

- Of the 27 Learning Ambassadors in the UK, 41 percent are female. Learning Ambassadors are employees who volunteer their time to act as experts, ambassadors and local knowledge-sharers for the Boeing Leadership, Learning & Organizational Capability function.

- In the December 2020 Regional Boeing International leadership team talent review (led by Sir Michael Arthur, president of Boeing International), 86 percent of UK talent spotlighted in the review was female (compared to 33 percent in 2019).

- In 2020, four out of seven Leadership Next (LX) participants in the UK were female. LX is Boeing’s emerging leader development programme, a two-year leadership programme that includes training, assessments, group coaching, peer and executive mentorship, and high-impact projects.

- Participating in the Department of Digital, Culture, Media and Sport–endorsed initiative to support greater gender equality within cybersecurity roles, BDUK is working in partnership with other organisations to provide women an avenue to transition through an all-encompassing recruitment, training and development programme to advance their professional aspirations.

- Our Emerging Talent in Europe Council is an internal advisory forum for generating new ideas by engaging emerging leaders about their vision for the company and business strategy. The 12-member council actively collaborates with Boeing’s UK leadership on strategy and vision. There are currently five high-potential women on the council, and both 2020 co-leads of the council were female.

- In the total leadership development training courses, such as Leading at Boeing, Inside Out Coaching and Accelerating Leaders for the Future, 38 percent of participants were female, and 40 percent of the participants in the Leadership Next accelerator programme were women.
Business Resource Groups

Boeing’s nine Business Resource Groups are employee associations whose members share a common interest in helping to fulfill Boeing’s commitment to advance inclusion and raise awareness and understanding of diversity. Membership in a Business Resource Group is open to all employees.

The groups help recruit and retain a diverse workforce, drive innovation and serve as a cultural resource, available to help the company do business in a global, multicultural environment. In addition to promoting diversity, the groups enable people to come together to further personal and professional development, enhance networking, and engage in company outreach and community volunteerism. Each Business Resource Group has an Executive Council sponsor.

In 2018, Boeing launched the Europe branch of the Boeing Women Inspiring Leadership (BWIL) Business Resource Group. BWIL’s aim is to proactively drive change in support of women at Boeing. BWIL, that has a diverse membership, provides personal and professional career development, networking and mentoring opportunities. Following the successful launch, which attracted more than 150 members across the region, BWIL hosted multiple employee engagement, mentoring and STEM events in the UK throughout 2020.
03. Retention

At Boeing, we have a range of family-friendly and flexible working policies, which enable our employees to balance their day-to-day responsibilities. Providing support to retain the people and skills we need in our business is fundamental to our success.

Boeing has a flexible working policy that gives all employees the opportunity to request changes to their work location, hours and working patterns while ensuring business needs are met—including, but not limited, to part-time, remote-work, compressed-hour and job-share opportunities.

We also have leave policies covering maternity, paternity, adoption and shared parental leave, all offered at the same level as enhanced maternity pay. Boeing provided future parents guidance and personal support to understand the shared parental leave scheme to encourage the uptake of the benefit.

Lastly, Boeing has a strong focus on well-being for employees, including free regular health checks, private health care options and access to our Employee Assistance Programme, a confidential service offering counselling and professional support with life issues.
Inclusion is the right thing to do for employees, customers, suppliers and communities, and it’s the smart thing to do for our continued growth in the global aerospace industry. Boeing thrives on innovation and competition, and diversity helps us innovate and compete. We know that diverse teams bring unique ideas and can help us innovate, perform and lead. Time and again, we’ve proven our company is tough to beat when we bring our different perspectives together, which makes our integrated enterprise-wide global approach a true competitive advantage.

We need diverse individuals with the technical knowledge, skills and abilities to meet our expectations. The unique qualities, viewpoints and experiences each employee brings to the workplace enable us to develop the innovative products, services and solutions we need to compete in a dynamic global marketplace.
Definitions

**Gender Pay Gap**
The gender pay gap is a comparison between median hourly pay for all women and men within a business, between mean hourly pay for all women and men, and between bonuses. These figures take into account both part-time and full-time employees.

**Median Gender Pay Gap**
The median gender pay gap is the difference between the median (middle) value of hourly pay rates (when ordered from lowest to highest) for all men in an organisation and the median value of hourly pay rates for all women, expressed as a percentage of the median hourly rate for men.

**Mean Gender Pay Gap**
The mean gender pay gap is the difference between the mean (average) hourly pay rate for all men in an organisation and the mean hourly pay rate for all women, expressed as a percentage of the mean hourly rate for men.

**Median Bonus Pay Gap**
The median bonus pay gap is the difference between the median (middle) value of bonuses (when ordered from lowest to highest) for all men in an organisation and the median value of bonuses for all women, expressed as a percentage of the median bonus for men.

**Mean Bonus Pay Gap**
The mean bonus pay gap is the difference between the mean (average) value of bonuses for all men in an organisation and the mean value of bonuses for all women, expressed as a percentage of the mean bonus for men.
All of us at Boeing aspire to create the most equitable, diverse and inclusive company on earth. We’ve made progress towards this goal, but we know we still have work to do. Our vision is bold, one that will require we live our commitments every day, at all levels. Join us on the path forward, so we all can be part of the journey to full inclusion together.

**Equity for All**
- Ensure fairness for every team member at every stage of their employment
- Commit to structural and systemic equity
- Share diversity metrics and progress to hold ourselves accountable

**Team of All**
- Achieve diverse representation at every level of the organisation
- Find, hire and keep talent that represents the diversity in our marketplaces
- Strengthen community and supplier partnerships around the globe

**Inclusion by All**
- Build a culture where all team members feel seen, heard, valued and respected
- Support each other on the journey to disrupt bias, racism and discrimination
- Embed seek, speak and listen habits into our cultural DNA