

Gender Pay Gap Report 2022

A note from our CEO, Gareth Hall



At Ontic, being inclusive and treating our employees equitably is essential. Not only does it underpin our corporate values and behaviours, it builds on one of our core competencies. We are an organization where solving complex problems is an everyday activity for all employees so it is vital that we have the ability to expand our thinking with diverse thought and experiences enabling Ontic to support its customers. Ultimately it makes us a stronger business, has a positive impact on our employees, customers and communities.

In 2020, the first year of private ownership, our business underwent considerable change. We strengthened specific functions to support future business growth and added new roles across our global business, welcoming 56 new UK employees. Many changed roles during the course of the year, 21 of whom took up a promotion.

We have worked hard to deliver against our previous commitments to create broader appeal to a more diverse talent pool; develop our high performers, enabling them to reach leadership positions in Ontic, and 'growing our own' by expanding our apprenticeship and graduate offering. This five-year strategy is beginning to yield results and I am pleased to see the improvement we have made during the last two years. I am equally pleased that we have continued to attract and retain our female population despite the impact of the Covid 19 pandemic on the job market during the reporting year.

We have also seen notable improvements in the gender pay and bonus gap, reducing our median pay gap from 12.1% in 2018 to 6.9%.

I am confident that we are on track to reduce our pay gap further and importantly that our organization continues to be one where everyone is welcome, where they can feel like they belong, where employees can thrive, and reach their potential, regardless of their background, ethnicity, race, gender or age.

A handwritten signature in black ink, appearing to read 'G. Hall'.

Gareth Hall
CEO

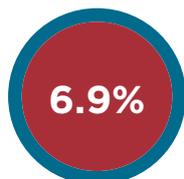
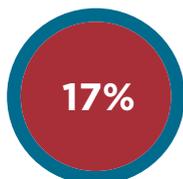
Our gender pay and bonus gap

Ontic UK's gender pay gap, based upon hourly rates of pay of 5 April 2021, sees women earning 6.9% (median) and 17.15% (mean) less than men:

Gross Hourly Pay Gap

Mean

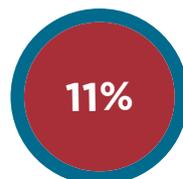
Median



Bonus Pay Gap

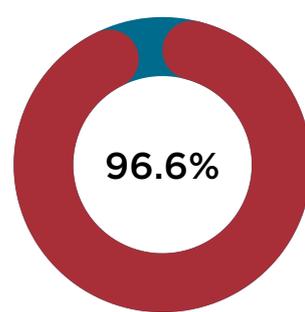
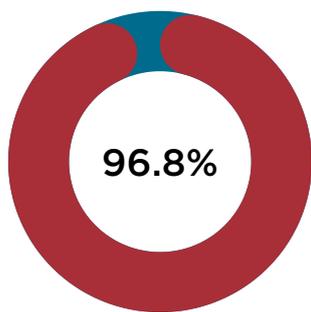
Mean

Median



Proportion of employees receiving a bonus

All employees who meet the eligibility criteria to participate in Ontic's bonus scheme*



Proportion of males and females in each pay quartile

| Pay Quartiles | | 2021 | |
|---------------|--------------|--------|--------|
| | | Female | Male |
| Upper | 1st Quartile | 22.50% | 77.50% |
| Upper Middle | 2nd Quartile | 20% | 80% |
| Lower Middle | 3rd Quartile | 29% | 71% |
| Lower | 4th Quartile | 40% | 60% |

*All employees are eligible to participate in Ontic's bonus scheme providing they meet the criteria. The figures shown take into consideration starters and leavers during the bonus year and the payment date of the bonus.

Our gender pay gap explained

The pay gap is reducing between our male and female employees. It is not derived from intentional inequality, rather, it is the composition and nature of our workforce. Ontic has a high retention rate of staff with employees transferring from other organisations as a result of a TUPE transfer many of whom have significantly higher valued technical competence or experience.

Within Ontic, a greater proportion of senior positions are held by men. In 2021, we expanded these, adding a number of new roles. Appointments were made to roles that are in typically male-dominated functions despite our best efforts to attract a diverse talent pool. This has impacted the proportion of males and females in our upper quartile.

We are now yielding a positive outcome in the percentage of females represented in our upper middle quartile, moving from 14% to 20% against last year, demonstrating our commitment to supporting burgeoning female leaders.

Our commitment to readdressing the balance

We fully understand the importance of having a diverse workforce for our employees, our business, our industry, and society as a whole, and addressing our gender balance is crucial to help foster an inclusive culture at Ontic.

Activities for 2021 included:

- The '#Women in Ontic' social media campaign enhancing awareness of career opportunities
 - Introducing a 'Women in Aerospace' mentoring scheme to support female colleagues with their career development
 - Strengthening our relationship with local schools and colleges, targeting the equal placement of males and females to the graduate scheme
 - Providing all employees with free tools and resources to help their continuous development to further their career (should they wish).
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Our next steps

We continue to focus on promoting the exciting range of aspirational careers on offer at Ontic, recruiting and retaining the best people for the job and fostering a fair and supportive culture that promotes opportunities for all.

A snapshot of our planned activities for 2022:

1

Ongoing analysis of recruitment metrics to identify the ratio of male to female job applications using differing attraction methods

2

Further STEM activity targeted at young females to ensure the aerospace and engineering industry is an appealing career choice

3

Ongoing development for managers

4

Continuation of support for emerging talent with further diverse opportunities being offered

Our Commitment

While we have made progress over the last 12 months and significant progress in the last three years, Ontic is committed to delivering further progress year on year.

We will continue to take decisive and transparent action, building a workforce that is fit for the future and in a culture that is thriving.
