

Tyco Electronics Gender Pay Gap Report 2020



GENDER PAY GAP REPORT

TYCO ELECTRONICS UK LTD | Faraday Road, Swindon, SN3 5HH

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Introduction

Tyco Electronics is a global organisation and has been operating in the UK since 1955. It is a multi-disciplined organisation with two legal entities in the UK: Tyco Electronics UK Ltd and Seacon. The Seacon entity has <250 employees. We help customers turn technical challenges into market opportunities and we are advancing robust, reliable and efficient connectivity in industrial robotics, vehicle electrification, renewable energy, medical devices, 5G communications and data centres – from hyperscale to the edge.

The Company's core businesses, the Communications, Transportation and Industrial segments, are all present in the UK and our employee population encompasses Manufacturing, Product Development, Engineering, Customer Service, Sales and Testing. In the UK we have over 1000 employees, 5 manufacturing sites, and colleagues who work from home throughout the UK.

Our focuses

Our long-term strategy to improve our gender pay balance is a journey supported by our senior leadership team throughout the UK. We continue to focus our efforts on increasing female representation across all levels of the organisation. We strongly believe that a team that has a diverse mix of backgrounds, experiences, cultures and beliefs is more creative and effective.

Whilst 2020 has been an unprecedented year, the Company has adapted to different ways of working and responded to the everchanging market conditions. Despite ongoing challenges, the Company's commitment to fostering a diverse workforce that isn't only focussed on gender, but rather on all inclusion and diversity, has only grown stronger.

What is Gender Pay Gap Reporting?

A Gender Pay Gap Report shows the collective comparison between the average earnings of all men and all women across a workforce. The reporting supports the commitment to create greater diversity within the workforce.

Gender pay gap reporting is different to equal pay. Equal pay relates to men and women receiving equal pay for equal work, whilst the gender pay gap is a measure of the disparity in pay between the average earnings of all men and all women regardless of the work they do.

Although Manufacturing is traditionally a male dominated Industry, we are continuing to explore opportunities to diversify our workforce and create more opportunities for women to successfully progress into senior roles. We are taking a business led approach to improving our Inclusion and Diversity by taking the following steps:



Segment driven I&D plans aligned to enterprise I&D priorities, supported by ERG efforts



Scorecards with business-relevant diversity metrics to drive accountability



Engagement and Inclusion indices at Segment, BU and Manager level to measure progress



Global, TE-wide I&D training and development



I&D incorporated into all enterprise leadership development



Continued focus in Women's and African Heritage Leadership Development

Inclusive leadership and mitigation of bias reinforced in all talent processes

Celebrating International Women in Engineering by having our own TE Girl Day

Results and Summary

In accordance with Regulation 15 of the United Kingdom's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017/172 (the GPG Regulations), this report details the following differences between the earnings of men and women employed by the Company:

General Pay Differential between Male and Female Employees		
	Mean Male vs. Female	Median Male vs. Female
Hourly Pay	+22.1%	+20.7%
Bonus	+61.0%	+20.7%

The pay data represented in the table above (i.e. General Pay Differential between Male and Female Employees) is as of April 5, 2020 and the bonus data reflects the 12-month period ending April 5, 2020. The reported figures do not account for gender pay comparisons between job category or job level and represent an aggregate view of all employees in the Company.

The pay differences identified in the above table are primarily due to the numbers of women versus men across the Company and the jobs that they hold. Approximately three-quarters of the workforce are men. While we are actively working to recruit, hire and further develop more women in leadership roles, at present most of the more highly compensated senior leadership roles within the Company are held by men.

With regards to bonus compensation in the table above, the median data shows that there is a difference between what women and men receive, in favour of men. The mean bonus gap is markedly higher and favours men. This is the result of more men being employed in senior positions, where the bonus/incentive component is a more significant lever of the total compensation package. The year on year increase in the mean bonus gap reflects the differing performance of the Company's Business Units. The Business Units where most of our senior men are located had lower business results.

Pay Differential for Substantially Similar Groups (SSGs)
Male vs Female % Pay Differential
Base Pay: +4.3%
Target Total Direct Compensation: +3.3%
Actual Total Direct Compensation: +3.2%

The table above (i.e. Pay Differential for Substantially Similar Groups (SSGs)) reports the percentage of pay difference between men and women once they are organized into substantially similar groups based on skill, effort, responsibility, and working conditions (e.g., Sales, Manufacturing, etc.). Controls were then applied for job-related factors that reflect the company's policies and practices for setting and determining pay (i.e., career band & level, location, tenure, years of experience).

The pay differential amounts to 4.3% for base pay, 3.3% for target total direct compensation (which includes base pay, target bonus and target long-term equity) and 3.2% for actual total direct compensation (which includes base pay, actual bonus and actual long-term equity). Our goal is gender pay equity for employees in similar jobs at similar levels and steps are being taken to address this difference.

Percentage of Employees Receiving Bonus	
Men	94.0%
Women	92.0%

The table above (i.e. Percentage of Employees Receiving Bonus) shows the percentage of men and women receiving bonuses in the 12-month period ending April 5, 2020. All men and women in the Company are eligible to participate in one of the global bonus schemes if they are employed by the threshold date and are meeting performance expectations to receive a bonus payment.

		Gender Distribution by Pay Quartile			
	Total Composite for the Company	Lower quartile	Lower middle quartile	Upper middle quartile	Upper quartile
Men	76.8%	57.9%	81.2%	84.7%	83.4%
Women	23.2%	42.1%	18.8%	15.3%	16.6%

The above table (Gender Distribution by Pay Quartile) shows the percentage of men and women in each pay quartile, as an aggregate, across the Company.

We will continue our efforts to address and remediate any disparity in pay levels between men and women across the Company. The Company prioritises diversity, inclusion and engagement and recognises that, as an industrial technology leader, we have a responsibility to improve the overall balance of gender, particularly in senior-level roles. We strive to achieve this through our recruitment practices, partnerships with educational institutions, employee resource groups, career development and succession planning, which provide equal opportunity to all regardless of gender.

We confirm the data in this report is accurate.



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Ashley Fulford

Director TEOA and Quality