

2018 GENDER PAY GAP REPORT



Collins Aerospace (B/E Aerospace U.K. Ltd.)

Collins Aerospace, a unit of United Technologies Corporation (NYSE: UTX), is a leader in technologically advanced and intelligent solutions for the global aerospace and defence industry. Collins Aerospace has the capabilities, comprehensive portfolio and expertise to solve customers' toughest challenges and to meet the demands of a rapidly evolving global market. In the U.K., Collins Aerospace provides a breadth of key aviation components for the defence and commercial aviation markets.

B/E Aerospace U.K. Ltd., part of the Collins Aerospace group, is a market leader in the manufacture of aircraft interior products. In Leighton Buzzard we design and manufacture crew rests and galley structures for the aircraft industry, as well as providing aftermarket support for all our seating and galley models.

ALL WELCOME. ALL EQUAL. ALL IN.

Diversity drives innovation; inclusion drives success.

Collins Aerospace believes a multitude of approaches and ideas enable us to deliver the best results for our workforce, workplace, and customers. We are committed to fostering a culture where all employees can share their passions and ideas so we can tackle the toughest challenges in our industry and pave new paths to limitless possibility, irrespective of gender. We consider all qualified applicants for Collins Aerospace roles and are committed to ensuring our recruitment processes do not discriminate on the basis of race, gender, sexual orientation, gender identity, disability or any other protected status.

THE DIFFERENCE BETWEEN GENDER PAY & EQUAL PAY

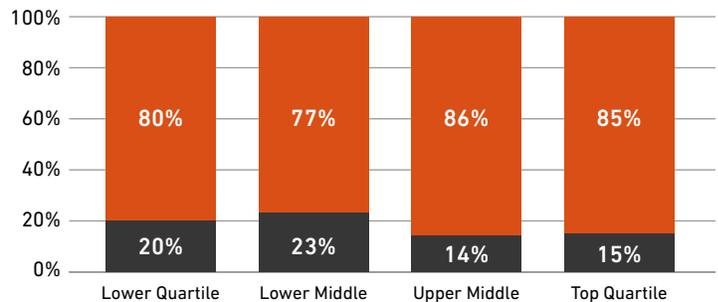
The gender pay gap shows the difference in average pay between men and women and, in many cases, reflects the representation of women across all levels in the organisation. Equal pay is a distinct concept which requires that men and women employed by the same organisation, who are performing work of equal value, must receive equal pay.

OUR STATISTICS

Collins Aerospace is committed to creating a working environment where there are equal opportunities. We recognise that compensation is important to attract top talent, to reward employees for their work and commitment and to encourage employees to stay with us over the years, irrespective of their gender. We are committed to paying market-competitive pay packages that reward our employees fairly for the work that they do. Our compensation philosophy combines market-competitive pay and individual performance-driven incentives that recognise both individual and collective contributions to the company's success.

We have a number of mechanisms within our reward policies and processes to promote consistency in pay for men and women performing similar roles. This includes a consistent approach to job sizing, a pay-for-performance philosophy and spot rates in our manufacturing facilities.

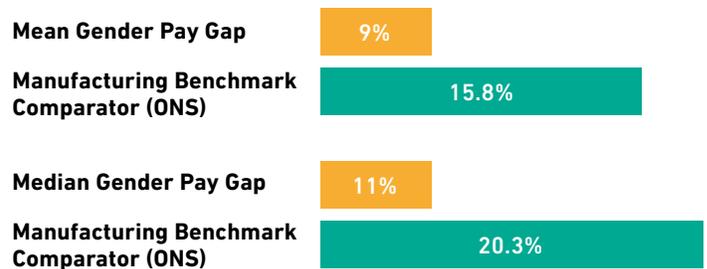
At the snapshot date of 5 April 2018, B/E Aerospace U.K. Ltd. employed 481 people of which 393 (82%) are male and 88 (18%) are female. Our organisation is committed to attracting and retaining female talent. Like similar technology organisations, however, we sometimes face challenges recruiting female employees with Science, Technology, Engineering & Maths (STEM) qualifications and experience.



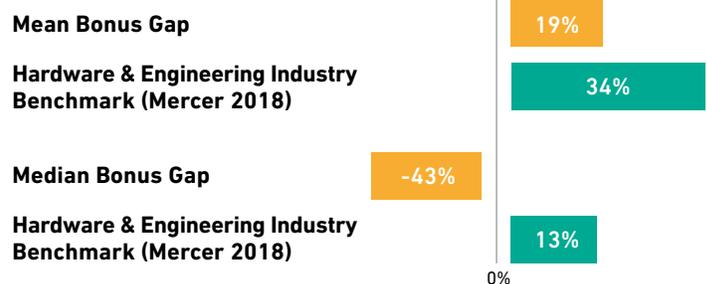
Distribution of women within the B/E Aerospace U.K. Ltd. organisation and is based on four quartiles, each containing an equal number of employees.

Male
Female

The gender pay gap is a snapshot of the difference in the average and median hourly pay of women compared to men, expressed as a percentage of men's average and median pay, irrespective of the roles that they perform. The hourly pay figure used to calculate the pay gap includes all items specified in the regulations, such as allowances, shift pay and recognition payments.



Proportion of Employees Receiving a Bonus	
Males	32%
Females	26%



Closing the Gap

While gender diversity remains an opportunity for our industry, Collins Aerospace as a whole is focusing on gender parity in two areas: Firstly, we are engaging young women in STEM early to get them excited about careers in engineering – and helping maintain that enthusiasm through University and beyond. Secondly, we are committed to retaining women by closing the gender pay gap at all levels of the organisation and offering women equal opportunities for advancement.

Below are the initiatives we have in place at the business unit level, across Collins Aerospace, and in partnership with our parent company, United Technologies Corporation:

OUTREACH TO FUTURE GENERATIONS — OUR STEM COMMITMENT

STEM education, can be a key driver to alleviating the gender gap that exists throughout the world. In the U.K., women make up just 14.4% of the higher-paid, professional STEM workforce. Collins is involved in the following programs to engage young women in STEM:

- Women in Science & Engineering (WISE) – To encourage and support young women considering or pursuing STEM careers
- Building relationships with educational institutions to inspire students for future careers in STEM
- Attending Career Fairs

FILLING THE FUNNEL

Additionally, the need to tap into new talent is critical to the aerospace and defence industry because a more diverse workforce will maximize innovation, creativity and competitiveness. B/E Aerospace leadership is committed to flexible working patterns that attract, retain support the progression of female talent.

DEVELOPMENT, ENGAGEMENT AND PROGRESSION

Collins Aerospace is also focused on retaining women and supporting female advancement in the industry. B/E Aerospace U.K. Ltd. is supporting the progression of female talent through targeted personal development plans. We have also refocused our development programmes to deliver improved female representation at all levels from early careers apprenticeship programmes through to senior leader management development programmes.

UTC supports the Paradigm for Parity initiative which is part of a coalition of business leaders dedicated to addressing the corporate leadership gender gap. We have committed to achieving the ultimate goal of full gender parity by 2030, with a near term goal of 30%.

EXTERNAL RECOGNITION

UTC has been recognised for its gender diversity and wider inclusion initiatives through awards from Forbes for the Best Employer for Women (2018), from Fairygodboss for the Best Company for Women to Work (2018) and DiversityInc Top 50: “Noteworthy” Company (2017 and 2018).

We confirm that the data set out in this report is accurate as at the snapshot date of 5 April 2018.

Keith Delderfield
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