

ABB LIMITED

# UK Gender Pay Report April 2022

ABB is a technology leader in electrification and automation, enabling a more sustainable and resource-efficient future. The company's solutions connect engineering know-how and software to optimise how things are manufactured, moved, powered and operated. Building on more than 130 years of excellence, ABB's 105,000 employees are committed to driving innovations that accelerate industrial transformation.

We continue to welcome the UK Government's requirement for large companies to be more transparent and we have now conducted our analysis for the sixth year in respect of the UK gender pay gap regulations which came into effect in April 2017.

Whilst recognising there is still work to be done over the medium and long term, we are pleased to report that since last year, the Mean Pay Gap and Mean Bonus Pay Gap have significantly reduced. The Median Hourly Pay Gap and the Median Bonus Pay Gap have also reduced however not as significantly. The proportion of females in the Upper Quartile has once again continued to increase.

The Mean Pay Gap between males and females has decreased in the Lower Quartile, Upper Middle Quartile and Upper Quartile. Future work will be to focus on reducing the Lower Middle Mean Pay Gap.

The Median Pay Gap between males and females has decreased in the Lower Median Quartile and Upper Middle Quartile. Future work will be to focus on reducing the Lower Middle Median Pay Gap and the Upper Quartile Median Pay Gap.

We continue to work on and develop our initiatives identified in previous years to help us work towards a more balanced workforce. In addition, we have designed, developed and launched our UK and Ireland Inclusion, Diversity and Equality Board to drive awareness and education.

Throughout 2022, in the UK we continued to focus on the following areas:

- Updated Global Diversity & Inclusion program; including support and promotion of International Women's Day
- Implementation the ABB UK & IE Inclusion, Diversity and Equality Board
- Continued training for all managers to ensure no unconscious gender bias from recruitment, promotion and performance management;
- Improved flexible working and a more agile working culture;
- Engagement with the National Centre for Diversity to understand our current demographics, and to advise on areas for improvement including advice on our policies and job descriptions
- Supporting internal or external networking opportunities to increase our learning and sharing of industry leading initiatives supporting gender diversity;

- Reviewed our compensation framework to provide further alignment around target bonuses;
- Drive, communicate and educate on gender awareness policies, for example, but not limited to, Menopause Policy and Shared Parental Leave Policy
- Mentoring programmes; and
- Working towards our gender mix targets for recruitment or promotion.

Unconscious bias training continues as it forms part of our ABB First Line Manager (FLM) development program as well as sessions being delivered virtually for our Senior Management as part of the Global roll out.

In addition, we already support a range of school outreach events to encourage children into Science, Technology, Engineering and Mathematics (STEM) careers and have a particular focus on encouraging girls into STEM including working with the Primary Engineer Organisation and actively supporting the 'If you were an engineer, what would you do programme'. Our membership of the Women's Engineering Society continues as does our partnership with the Women's Leadership Association (WLA) which, alongside ABB's representation in Make UK's national employment and skills policy committee, will aid our longer-term strategic actions to increase gender diversity.

As in previous years, the gender pay gap we measure is not a direct comparison of males and females doing comparable jobs but is a measure of the difference in the average pay of all men and women across the organisation, regardless of the roles they fill.

At ABB, we are committed to solving some of the biggest global challenges of our time. This is only possible through our exceptional people who work every day, towards this endeavour. A culture of diversity, inclusion and equal opportunity is critical to our business success and makes us stronger. At ABB we strive for a culture where individual differences are not only welcomed but celebrated.

At ABB, we welcome different ways of thinking and acting, different qualities and skills, different experiences and backgrounds. We value them because we are dedicated to being inclusive, recognising and respecting all aspects of what makes someone unique.

We recognise that, along with many engineering companies, our female employees make up a smaller proportion, 21.85%, of our workforce. Year on year, the number of female employees has grown 0.35%. While this is an industry wide issue, that will take a concerted effort over many years to resolve, it is one which we have started to actively address within ABB.

We believe that the difference in our mean and median pay between male and female employees is reflective of our overall gender demographic and due to the proportion of male employees in more senior positions and a higher proportion of female employees in more junior positions.

ABB recognises that a diverse and talented workforce is a key competitive advantage. As a truly global company, our business success reflects the quality and skill of our people. Diversity expands the pool of talents, bringing fresh perspectives and creativity for more innovations so we can contribute to a better world. Through our people we can push the boundaries of what can be achieved. ABB is therefore committed to providing a working

environment where all our employees, regardless of gender, are able to thrive as we want all employees to write the future. Together.

We confirm that the data reported is accurate.



Malgorzata Moussa  
Country Holding Officer,



Craig Prendergast  
Country HR Manager,

For and on behalf of ABB Limited

## The Gender Pay Gap Results

### ABB Limited's Pay and bonus difference between women and men at 5 April 2022

	Mean pay gap	Median pay gap
Hourly Pay	13.5%	26.9%
Bonus	18.9%	15.9%

### The Proportion of employees receiving a bonus in the 12 months preceding 5 April 2022

75.8% Male      73.4% Female

### The pay quartiles across our employees at 5 April 2022

Lower Quartile		Lower Middle Quartile		Upper Middle Quartile		Upper Quartile	
Male	Female	Male	Female	Male	Female	Male	Female
66.10%	33.90%	79.60%	20.40%	87.30%	12.70%	82.603%	17.40%
Mean gap: -5.41%		Mean gap: 5.95.0%		Mean gap: -0.85%		Mean gap: -1.91%	
Median gap: -9.33%		Median gap: 9.66%		Median gap: -1.54%		Median gap: 1.24%	

#### Notes

The mean and median pay gaps between male and female employees are much lower when we look at each quartile, we believe that this demonstrates that we continue to broadly pay all employees the same where they do comparable jobs.

For the purposes of the Government Regulations, Hourly Pay is not limited to basic pay, but also includes other types of pay such as shift premium pay, on-call allowances and any bonuses paid in April 2022. However, it doesn't include overtime pay, pay relating to redundancy/termination of employment, or the value of benefits which are not in the form of pay.

The definition of Bonus under the new Government Regulations includes more traditional annual bonus schemes, but also a wide variety of other payments such as commission, long service awards, etc. Calculations of mean and median bonus pay use any bonus paid from the twelve months ending on 5 April 2022.