



GENDER PAY GAP REPORT 2018

UK Gender Pay Gap Report 2018

Under UK regulations Cobham is required to report gender pay gap data for legal entities with at least 250 employees. This report covers gender pay gap data for three businesses based on hourly rates of pay at the snapshot date of 5 April 2018 and bonuses paid in the year to 5 April 2018.

The Gender Pay Gap is different from Equal Pay in that it is an average of hourly pay levels of all female employees compared to all male employees. This does not account for their role and level. Cobham is committed to paying employees doing equivalent jobs in the organisation equally regardless of their gender or other characteristics.

Cobham has voluntarily disclosed figures for all UK employees to show the broader picture. This combines the reportable entities with other employees from smaller UK sites outside regulatory scope.

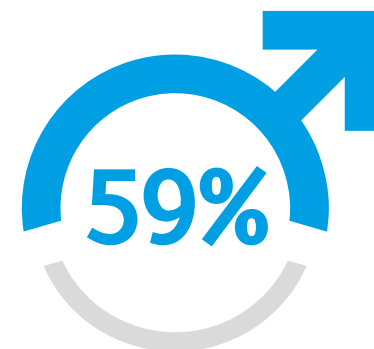


Gender Pay Figures for Cobham's UK Operations

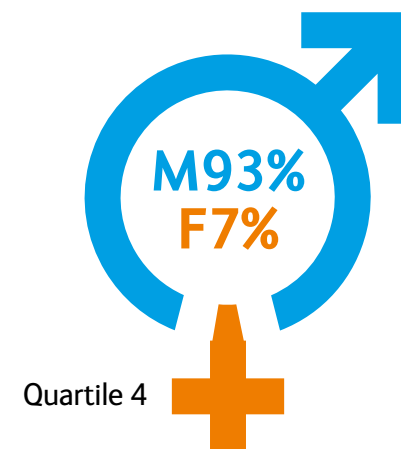
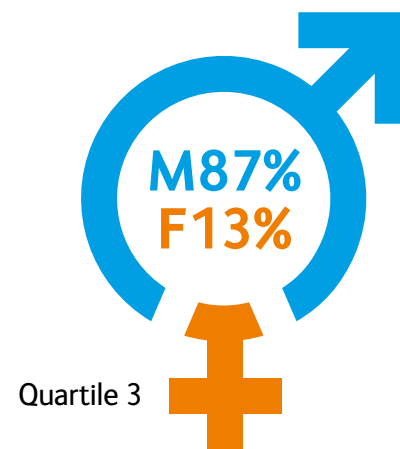
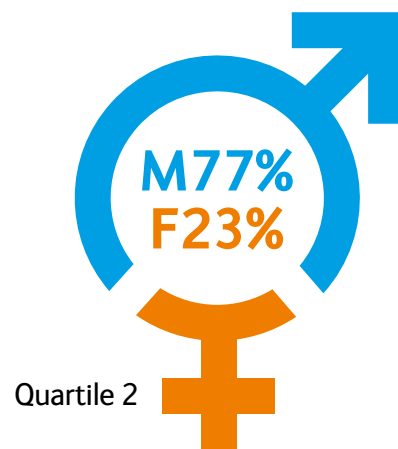
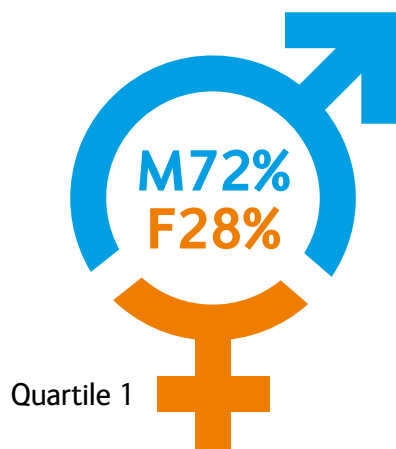
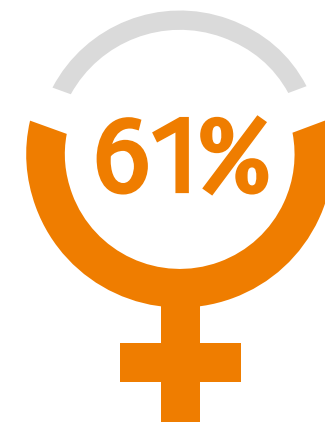
Cobham's Gender Pay Gap is slightly above the UK average and analysis shows that the gender pay gap in the businesses is driven by the fact that there are proportionally fewer women in senior and technical higher-paid roles within the businesses.

The table right shows mean and median hourly gender pay gap and bonus gap.

| | MEAN | MEDIAN |
|------------|------|--------|
| Hourly Pay | 18% | 24% |
| Bonus | 34% | 16% |



Proportion of employees receiving a bonus



The charts above illustrate gender distribution across Cobham in the UK in four equally sized pay quartiles

Gender Pay Figures for Cobham's UK Operations

Ensuring the Group's culture supports the creation of a diverse workforce will enable the company to attract and retain key talent with the right skills and capabilities from all backgrounds. Cobham is committed to developing an inclusive workplace where employee differences are valued, enabling everyone to contribute fully.

Overall there was some improvement in the UK business gender pay metrics compared to 2017. However, this was primarily due to business restructuring with the focus on company turnaround. Headcount reductions and payroll reorganisation makes a year on year comparison challenging.

In 2018, women were employed in 14% (2017: 16%) of all senior management roles. The slight reduction from 2017 is reflective of the restructuring mentioned above. The Group recognises that there is a significant opportunity to increase the number of women in leadership positions and is developing plans to proactively address this issue.

Ensuring a diverse talent pipeline continues to be a critically important area of focus and whilst the emerging talent programmes have seen some progress with 18% and 32% female representation on current Apprentice and Graduate programmes respectively there is still more work to do.



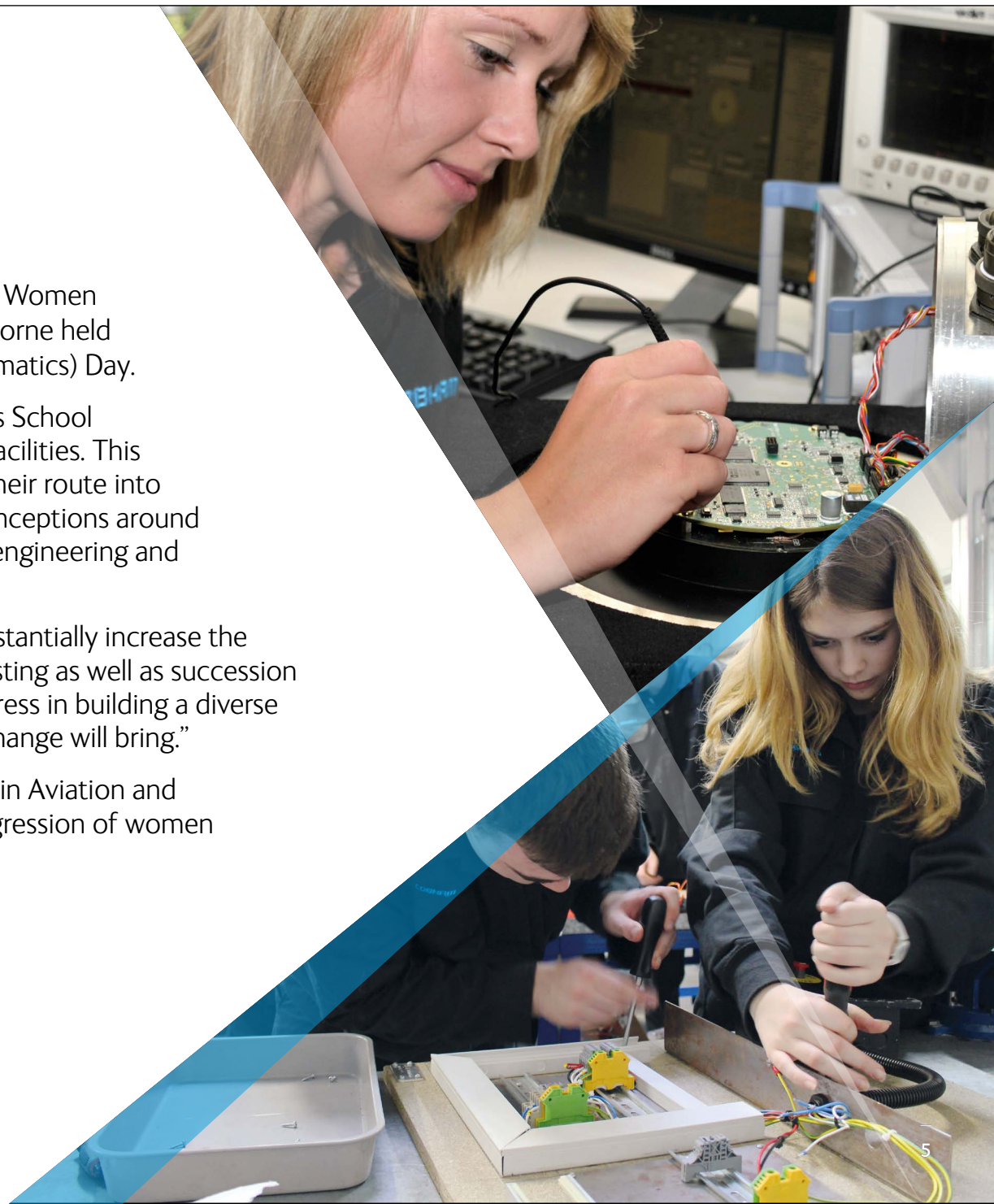
Gender Pay Figures for Cobham's UK Operations

To support our talent pipeline and to coincide with International Women in Engineering Day, during July our Mission Systems site at Wimborne held a Women in STEM (science, technology, engineering and mathematics) Day.

A number of 13 and 14-year-old students from nearby Corfe Hills School were invited for a site tour of the office, shop floor and testing facilities. This was followed by a series of talks from female employees about their route into STEM careers. The aim of the afternoon was to dispel the misconceptions around what STEM careers are and to look at how science, technology, engineering and mathematics play a part in everyday life.

Cobham's CEO David Lockwood said, "Cobham is working to substantially increase the number of women in senior positions through senior role shortlisting as well as succession planning. The Group Executive is committed to making real progress in building a diverse workforce. It recognises the cultural and financial benefits this change will bring."

In 2018 Cobham proudly became a signatory to the UK Women in Aviation and Aerospace Charter committing the company to support the progression of women into senior positions.



Gender Pay Figures for Cobham's UK Operations

In July at the Farnborough International Air show, Gillian Duggan, Executive Vice-President for HR and Communications recognised the Group's female talent at the company's first 'Women in Aerospace and Defence Day'. The day focused on encouraging networking and sharing ideas about promoting a more inclusive and diverse workplace.

With over 80,000 visitors and more than 600 participating companies, the show provided the perfect opportunity to recognise female talent through our first 'Women in Aerospace & Defence Day'. A number of our female employees, from apprentices to senior management, largely from the UK, were invited to attend the day, which celebrated the female talent we have within Cobham, and encouraged employees to network and share ideas about promoting a more inclusive and diverse workplace.

"There's still a lot to do to improve gender diversity in this industry, and specifically in Cobham, as we have a severe lack of women in leadership positions – only 14% of our leadership positions are held by women," Gillian explained. "We must do more to improve this."

The conversation continues in the Cobham Women's Network, a virtual employee resource group set up after the event.



Gillian Duggan

Executive Vice President Human Resources and Communications



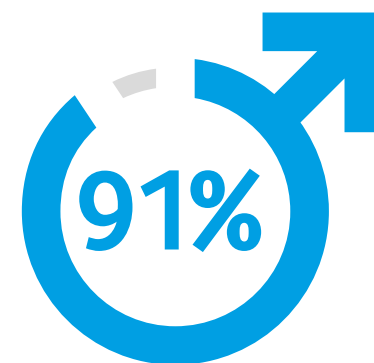
Legal Entity Reporting

The following data covers the three legal entities Cobham is required to report on.

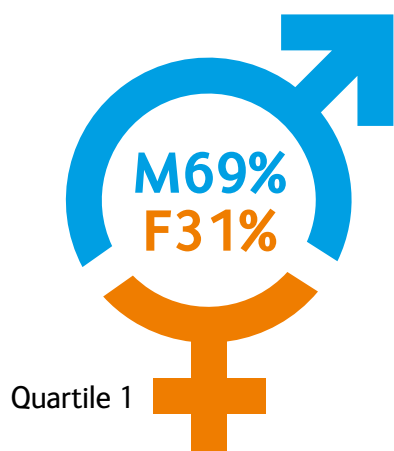
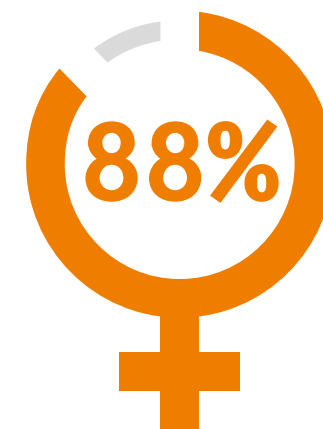
Chelton Limited

| | MEAN | MEDIAN |
|------------|------|--------|
| Hourly Pay | 31% | 25% |
| Bonus | 48% | 23% |

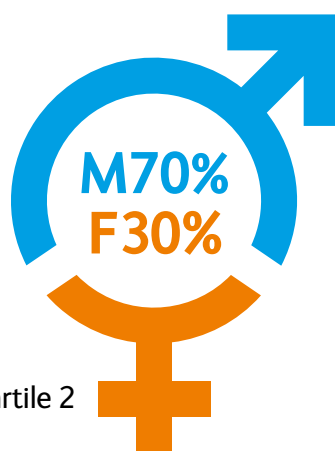
*Mean and median
hourly gender pay
gap and bonus gap*



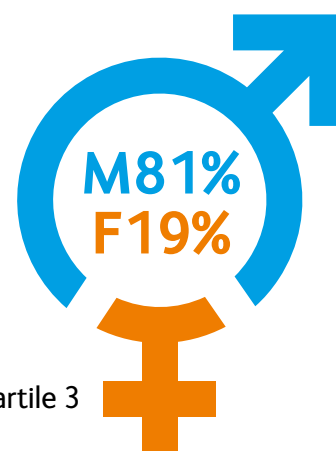
*Proportion of employees
receiving a bonus*



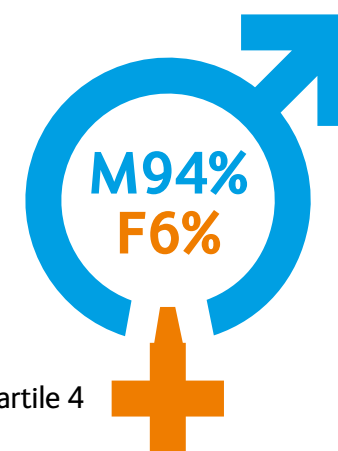
Quartile 1



Quartile 2



Quartile 3



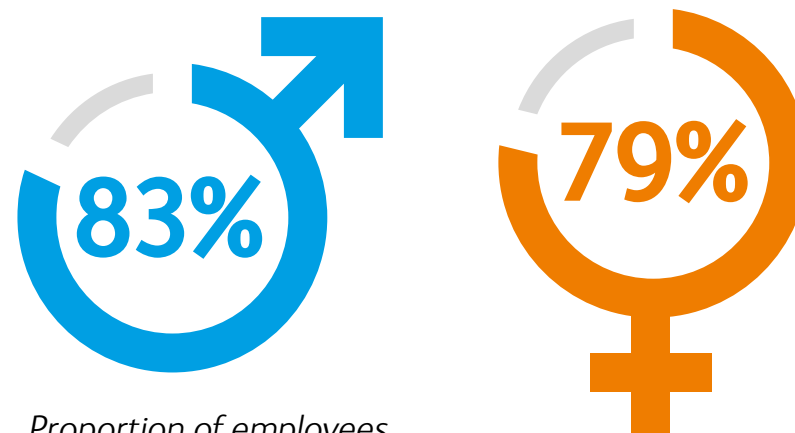
Quartile 4

The charts above illustrate gender distribution across Chelton Limited in the UK in four equally sized pay quartiles

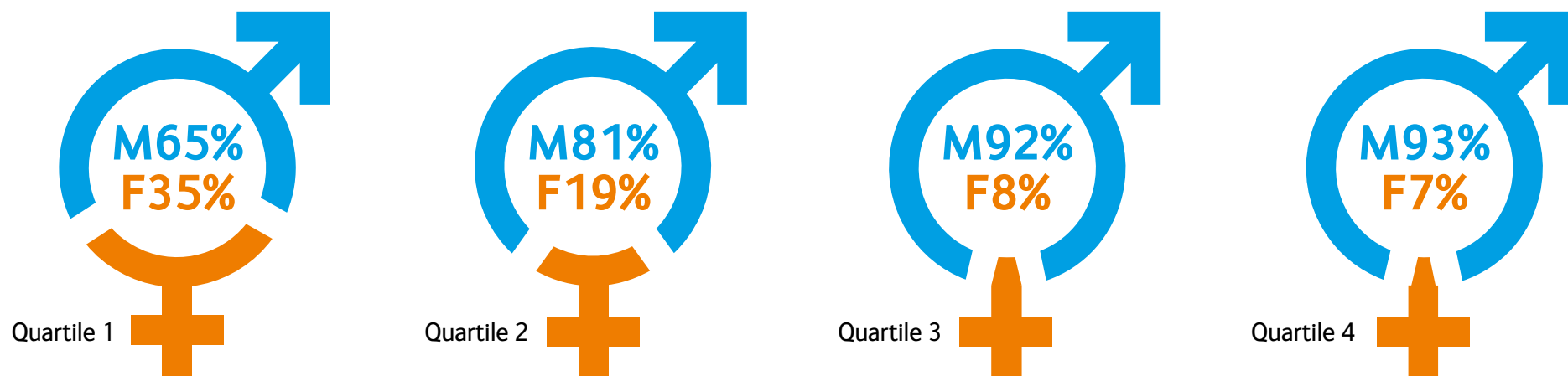
Flight Refuelling Limited (FRL)

| | MEAN | MEDIAN |
|------------|------|--------|
| Hourly Pay | 24% | 24% |
| Bonus | 44% | 0% |

Mean and median hourly gender pay gap and bonus gap



Proportion of employees receiving a bonus

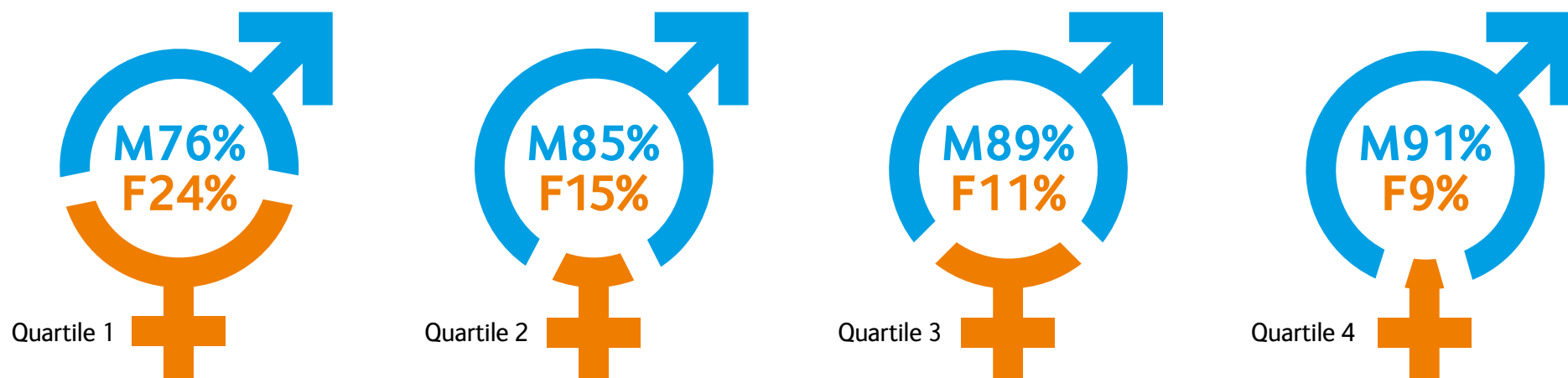
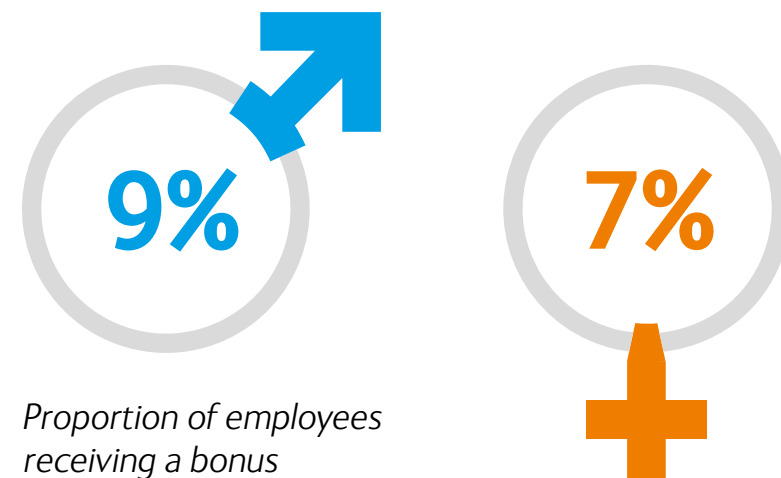


The charts above illustrate gender distribution across Flight Refuelling Limited in the UK in four equally sized pay quartiles

FR Aviation Limited (FRA)

| | MEAN | MEDIAN |
|------------|------|--------|
| Hourly Pay | 20% | 18% |
| Bonus | 57% | 37% |

Mean and median hourly gender pay gap and bonus gap



The charts above illustrate gender distribution across FR Aviation Limited in the UK in four equally sized pay quartiles

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