

HITACHI RAIL LIMITED

Gender Pay Gap Report 2023



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ABOUT HITACHI RAIL LIMITED



Hitachi Rail's reach is global, but its business is local - with success built on investing in the people and communities that it serves and developing local talent.

Hitachi Rail's mission is to "contribute to society through the development of superior, original technology and products." The company is guided by its values of harmony, sincerity and pioneering spirit – which are just as relevant today as they were when Hitachi was founded in 1910.

Hitachi Rail has deep roots in its communities - as an employer, dedicated to developing people, skills and talent, but also as an investor - bringing economic benefits to local places.

Hitachi Rail reflects the diversity of the people and places it serves, as a global business with a multicultural heritage.

The UK is one of 38 countries where Hitachi Rail has a presence. Today, the UK business has over 2,600 employees, while globally Hitachi Rail has over 14,000 employees.

WHAT IS THE GENDER PAY GAP?

In 2017 the UK Government introduced The Equality Act 2010 (Gender Pay Gap Information) Regulations. As part of this legislation, companies with 250 or more employees are required to publish a report that outlines the pay of their workforce according to their demographic.

A gender pay gap is the difference between the average pay of a male employee and that of a female, averaged across the whole organisation.

A gender pay gap does not necessarily indicate that an organisation is paying employees unfairly, as roles compared are not always like for like. Therefore, the gender pay gap calculation cannot be used to determine whether organisations do not pay men and women equally for the same type of work.

Gender pay gap reporting is designed to reflect the underlying workforce demographics within an organisation. Six calculations are required to be reported; three based on pay and three based on bonus, calculated using the snapshot date of 5 April 2023.



HITACHI RAIL LIMITED STATUTORY DISCLOSURES

Our full-pay workforce on 5 April 2023 comprised of 2,303 men and 356 women. This equates to 13% of our workforce being female and 87% being male. This broadly reflects the average gender composition of our wider business sector.

We are required to report the difference in mean and median pay between male and female employees. The mean is calculated by adding up the total amount of pay and dividing it by the number of individuals in the data set. The median represents the middle amount in the data set.

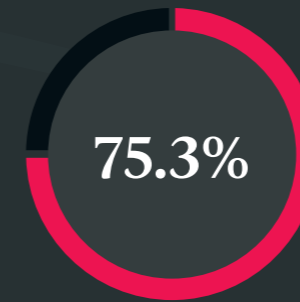
Our calculations show that Hitachi Rail in the UK has a mean gender pay gap in hourly pay of 9.5% in favour of men (4% in 2022), and a median gender pay gap in hourly pay of 7.2% in favour of men (9.6% in 2022).

Hitachi Rail's workforce overall in the UK is not evenly split between males and females with women accounting for 13% of the workforce overall.

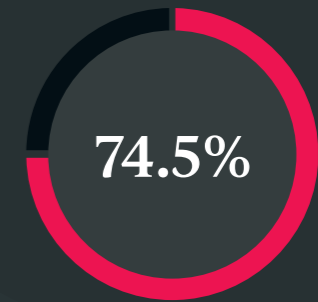
When it comes to bonus payments it is a different outlook. With 74.5% (82% in 2022) of males receiving a bonus and 75.3% (83.2% in 2022) of females.

The mean gender bonus gap is 5% in favour of women, in comparison to last year's analysis which was 18.6% in favour of women. The median gender annual bonus gap is 78.3% (80.3% in 2022) in favour of women.

Females Receiving a Bonus



Males Receiving a Bonus



Band	Description	Males	Females
A (lowest)	Includes all employees whose standard hourly rate places them <u>at or below the lower quartile</u>	80.2%	19.8%
B	Includes all employees whose standard hourly rate places them above the lower quartile but <u>at or below the median</u>	90.4%	9.6%
C	Includes all employees whose standard hourly rate places them <u>above the median but at or below the upper quartile</u>	89.4%	10.6%
D (highest)	Includes all employees whose standard hourly rate places them <u>above the upper quartile</u>	89%	11%

Trends	2021 (%)	2022 (%)	2023 (%)	Change from 2022 & 2021	Change from 2023 & 2022
Gender pay gap mean pay rate (%)	+6.1	+4	+9.5	-2.1	+5.5
Gender pay gap median pay rate (%)	+11.8	+9.6	+7.2	-2.2	-2.4
Gender pay gap mean bonus (%)	-27.7	-18.6	-5.0	+9.1	+13.6
Gender pay gap median bonus (%)	-81.7	-80.3	-78.3	+1.4	+2.0

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