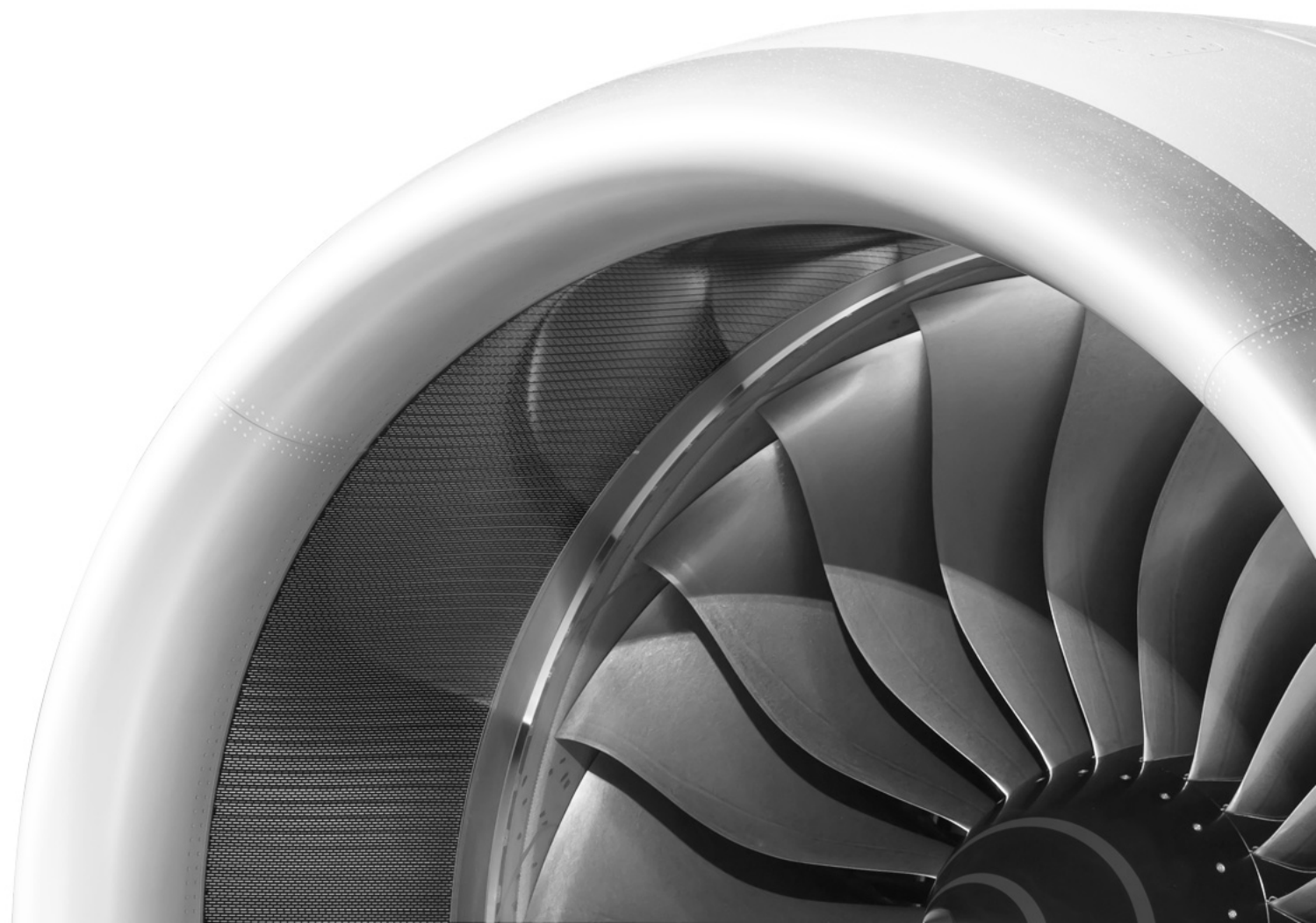


Howmet Ltd

Gender Pay Gap Report 2022



**HOWMET
AEROSPACE**



Howmet Ltd is a subsidiary of Howmet Aerospace Inc., a leading global provider of advanced engineered solutions for the aerospace and transportation industries headquartered in Pittsburgh, Pennsylvania, USA. The Company's primary businesses focus on jet engine components, aerospace fastening systems and titanium structural parts necessary for mission-critical performance and efficiency in aerospace and defense applications, as well as forged wheels for commercial transportation. Howmet Ltd covers principally the Exeter operations, which are part of the Jet engine components segment.



Howmet Aerospace is a company of innovators and makers. We are transforming the future of flying and driving with high-performance engineered solutions that are paired with advanced manufacturing expertise.

Howmet's success depends on our ability to create innovative solutions that exceed our customer's goals. We can achieve this by fostering inclusive work environments that leverage the diversity of backgrounds, experience and thought within our organization.

We firmly believe that a diverse workforce is a key success factor for our organization and make all efforts to attract female and minority employees at all levels of our organization.

What is the gender pay gap?

A measure of the difference in the average pay of men and women – regardless of the nature of their work – across an entire organization, business sector, industry or the economy. It can be impacted by the shape of the organization, and by the number of both men and women across all roles.

Gender pay is not the same as equal pay which deals with the pay differences between men and women who carry out the same, similar or equivalent work.

We currently are required to report on the following 6 key measures:

Hourly pay

- Difference in the mean (average) hourly pay of male and female employees.
- Difference in the median hourly pay of male and female employees.
- The proportion of males and females when the workforce is divided into four groups or quartiles from the lowest hourly pay to the highest.

Bonus

- Difference in the mean (average) bonus pay of male and female employees.
- Difference in the median bonus pay of male and female employees.
- Proportion of male and female employees who have received bonus pay.

Our numbers and what it includes:

Pay as stated in the regulations this is (pay as at 5th April)

- Pay is based on earnings which include basic pay, any additional allowances including shift premium, bonus pay.
- Earnings that are not included: overtime pay, expenses, the value of any salary sacrifice schemes, benefits in kind, redundancy pay and tax credits.

Bonus (any bonus pay received during the period of 12 months to 5th April)

- Any payment that has been classed as bonus in our payroll system.

The gender pay gap at Howmet Ltd:

Our workforce is predominantly male (86%).

The few female employees within higher-level roles in the Exeter operations, Business Unit HQ and UK/European Resource Units organizations positively impact on the average earnings of the smaller female workforce, which for the majority are present in the lowest quartiles of the workforce.

The above-mentioned context explains the narrow (mean) gender pay gap ratio at Howmet Ltd in favor of female population, well below the National and Manufacturing sector levels:

- mean (average) hourly pay gap of -4.1%.
- Median hourly pay gap of 6.0%.

Workforce composition

Based on population in scope



Howmet Ltd

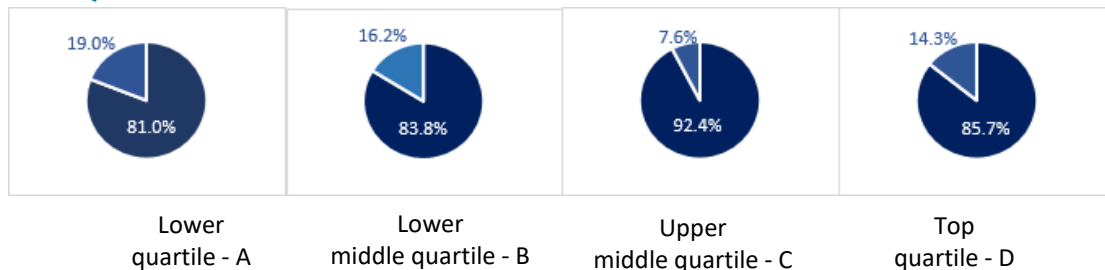
Pay gap	2022		2021	
	Mean	Median	Mean	Median
Hourly Pay	-4.1%	6.0%	1.9%	9.3%
Bonus	-40.1%	5.6%	-11.7%	8.9%

A positive percentage figure represents female employees having lower pay or bonuses than male employees. A negative percentage figure represents female employees having higher pay or bonuses than male employees.

Bonus



Quartiles



Howmet Ltd vs. UK figures

Pay gap	2022	2021
Hourly pay		
UK mean*	13.9%	14.9%
Manufacturing sector mean*	11.3%	9.8%
Howmet Ltd mean	-4.1%	1.9%

* UK / industry sector figures are from ONS (2022 preliminary)

Understanding the gap compared to the previous year

- The population in scope (relevant employees) was less by 17% in 2022 and the number of excluded employees increased to 111 from the measurement due to absences, furlough, etc. This has changed the pay-mix in each gender group.
- The majority of our female employees are in the lower quartiles where roles tend to be less technical and as a result lower paid regardless of gender. However, the few female employees within higher-level roles in the Exeter operations, Business Unit HQ and UK/European Resource Units organizations positively impacted the average earnings of the smaller female workforce sample.
- Our bonus schemes are gender neutral by design. The shape of the workforce, the eligibility to participate in the global incentive compensation (IC) plan for higher level roles, and the associated incentive plans' results may generate substantial fluctuations of pay-out amounts in each gender pool year on year, and so modify the pay gap depending on the above reasons. This was the case in 2022.

Other considerations

- Analysis of the data, and although the mean gap in Hourly pay has moved in favor of female comparing to 2021, it demonstrates that the pay gap remains largely influenced by the structure of our workforce, and sector (manufacturing). There is limited female representation (ca. 14%) in the higher banded roles and in the higher paid specialist professionals within our organization.
- The manufacturing sector predominantly requires employees to work shifts, ca. 50% of our employees' work set shift patterns, ca. 85% of these are male and whilst there is no occupational reason for male dominance in these traditional manufacturing roles, which offer little flexibility, it causes a challenge to attract females.
- Our pay award philosophy by design is for all based on pay for performance and same opportunity for the same job responsibility.
- We apply a structured approach to job sizing and attach pay ranges to our salaried roles within the business.

How we aim to make a difference

- Continue our effort to try and promote more of our female employees into managerial roles.
- Encouraging more young female to embrace careers in science, technology, engineering and mathematics (STEM), continuing closely working with schools, universities and youth organizations.
- Ensuring we encourage career progression for all in our business.
- Reward our people based on both their performance and individual contribution.

Final thoughts

Whilst our numbers are good, we need to keep the momentum by challenging how we recruit and encourage more females to join our organization, and for them to continue their career progression into more of the senior roles within our business.

We confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.



Patrick Talbot

Howmet Ltd