

**ALWAYS RESPONSIBLE**

# 2022 GENDER PAY GAP REPORT

**CUMMINS IN THE UK**



**FOR  
A WORLD  
THAT'S  
ALWAYS ON™**



At Cummins, diversity and inclusion is a core company value, we believe we win with the power of difference. We remain fully committed to diversity and balance within our company, in the UK and across the world. Without diversity, our company would not exist.

In 2022 we launched our new global Diversity, Equity and Inclusion (DE&I) strategy, designed to hold all of us accountable for having a welcoming workplace that makes room for everyone to succeed. It's because of unique and diverse perspectives that we are successful. Diversity of ideas, thoughts and experiences drives our innovation for the better.

At Cummins we are focused on a number of strategic initiatives to increase the representation of women in our business at all levels. Our efforts reach further than just within the company as

we continue to work with our local communities to encourage women to pursue careers in manufacturing and engineering.

This report shows our continued commitment and some of the programmes we have underway in the UK.



Antonio

**Antonio Leitao**

Vice President –  
Cummins Europe –  
Area Business  
Organisation



## OUR CORE VALUES

### INTEGRITY

Doing what you say you will do and doing what is right

### DIVERSITY & INCLUSION

Valuing and including our differences in decision making is our competitive advantage

### CARING

Demonstrating awareness and consideration for the wellbeing of others

### EXCELLENCE

Always delivering superior results

### TEAMWORK

Collaborating across teams, functions, businesses and borders to deliver the best work

# WHAT IS THE GENDER PAY GAP?

THE GENDER PAY GAP IS A MEASURE WHICH SHOWS THE PERCENTAGE DIFFERENCE IN AVERAGE EARNINGS BETWEEN WOMEN AND MEN. THE GENDER PAY GAP IS INFLUENCED BY A NUMBER OF FACTORS, INCLUDING THE DISTRIBUTION OF MEN AND WOMEN AT DIFFERENT LEVELS WITHIN A COMPANY.

## THE GENDER PAY GAP IS NOT THE SAME AS EQUAL PAY

Equal pay for equal work is ensuring that men and women are paid the same amount for the same work. Cummins is committed to equal pay, we apply the same processes and decisions relating to pay and benefits regardless of gender. An organisation can have equal pay and still have a gender pay gap. If there are more men than women in senior roles, and similar numbers of men and women in junior roles then this will result in a gender pay gap, even when both genders are paid the same for the same role.

## MEAN PAY GAP

The mean gender pay gap is the difference in the average hourly pay for all women compared to all men.

## MEDIAN PAY GAP

The median identifies the middle point of a population. The median pay gap is the gap between the hourly pay rate for a woman at the mid-point, compared to the pay rate of a man at the mid-point.



# CUMMINS IN THE UK RESULTS

## TAKING OUR TOTAL UK WORKFORCE, OUR 2022 GENDER PAY GAP RESULTS:

### GENDER PAY GAP

The mean pay for men is **3.9%** higher than that of women. The median pay for men is **5.7%** higher than that of women.

In comparison, in the UK manufacturing sector the gap is **11.3%** mean and **16.7%** median and the national gender pay gap across all companies in the UK shows the median pay for men to be **14.9%** higher than that of women.\*

### GENDER BONUS PAY GAP

The mean bonus pay for women is **0.7%** higher than that of men. The median bonus pay for women is **2.2%** lower than that of men.

### PROPORTION OF ALL CUMMINS EMPLOYEES IN THE UK RECEIVING A BONUS\*\*

**Males: 95.9%** **Females: 93.3%**  
2021: 96.9% 2021: 96.7%

## MEAN AND MEDIAN PAY AND BONUS GAP

YEAR	MEAN		MEDIAN	
	2022	2021	2022	2021
Gender Pay Gap	<b>3.9%</b>	<b>5.1%</b>	<b>5.7%</b>	<b>6.4%</b>
Gender Bonus Gap	<b>-0.7%</b>	<b>-14.3%</b>	<b>2.2%</b>	<b>-6.1%</b>



### PAY QUARTILES

By dividing the workforce into four equal-sized groups based upon hourly pay rates, the quartiles represent the pay rates from the lowest to the highest hourly rates, with the percentage of women and men in each quartile.

\*PROVISIONAL FIGURES AS REPORTED BY THE OFFICE OF NATIONAL STATISTICS

\*\*REFER TO PAGE 7 FOR MORE INFORMATION ON EMPLOYEE BONUS

A NEGATIVE FIGURE SHOWS THAT WOMEN EARN ON AVERAGE MORE THAN MEN

CUMMINS SNAPSHOT DATA TAKEN ON 5TH APRIL 2022

RESULTS OF OUR LARGEST ENTITY CUMMINS LTD. CAN BE SEEN ON PAGE 7

### COMMENTARY

Our mean and median gender pay gaps have reduced further still from the low levels in our 2021 report. The results show that there are proportionally more men with higher salaries than women and that a similar proportion of men and women received a bonus. The proportion of females in the top pay quartile has increased, as has the proportion of women in the lower quartile. These changes are due, in part, to changes to our manufacturing operations in UK and also our continued focus on recruitment of women into developmental programmes – for example graduate and apprentice schemes. How we continue to address our learnings from the Gender Pay Gap Report is outlined in the ‘Our Commitment’ section.

QUARTILES	MALES	FEMALES
Upper	<b>80.4%</b> 2021 – 80.5%	<b>19.6%</b> 2021 – 19.5%
Upper middle	<b>83.1%</b> 2021 – 85.6%	<b>16.9%</b> 2021 – 14.4%
Lower middle	<b>84.7%</b> 2021 – 82.6%	<b>15.3%</b> 2021 – 17.4%
Lower	<b>70.8%</b> 2021 – 72.6%	<b>29.2%</b> 2021 – 27.4%

## OUR COMMITMENT

By keeping true to our values, and especially our value of diversity and inclusion, we will continue to succeed as a business. Our values also translate into concrete actions that help to increase the proportion of women across Cummins, to maintain and further strengthen an inclusive environment where all employees are inspired and encouraged to achieve their full potential.

### GENDER EQUALITY – THE WIDER ISSUE

Cummins celebrates its fifth year of ‘Cummins Powers Women’ which aims to accelerate the advancement of women and girls around the world. This programme continues to build on its achievements. It represents the most far-reaching Cummins community initiative so far and is brought to life with a multimillion-pound investment to create large-scale improvements in the lives of women and girls globally.

Through this programme we aim to fix problems at a root-level, finding solutions that deliver the greatest impact for women and girls to unlock their full power, by partnering with many non-profit organisations across our regions and communities.



In the UK, Cummins is partnering with Rosa, the first and only UK-wide women's fund working for equality and justice for all women and girls. In partnership with Rosa, Cummins is supporting a range of programmes, including mentorship, and an emerging female leader accelerator programme. Cummins has also partnered with Equimundo, a global leader in promoting gender justice and preventing violence by engaging men and boys in partnership with women, girls, and individuals of all gender identities. Cummins is supporting with engagement in schools in the UK.

### CHANGING MINDSETS

Within Cummins we have seen devolved and employee-led initiatives make a valued contribution to improving both the profile and results in our diversity mission. The Women's Empowerment Network is an employee resource group that encourages inclusiveness, diversity and development.

Cummins has hosted a number of gender diversity events and training across its UK sites, aimed at driving the personal development of its employees and enabling them to develop their strengths, and fulfil their potential. Cummins has held Diversity, Equity and Inclusion conferences, encouraging employees to 'be the difference' and a catalyst for positive change.

We continue to ensure we have 50-50 balance on our core leadership development courses within Cummins. For the recruitment of senior leadership positions, we have a recruitment council in place to increase overall diversity representation.

Flexible working is through our Enhanced Ways of Working strategy. Working flexibly allows employees to grow their careers and manage work and life priorities while delivering business results. It also enables us to be an employer of choice in attracting and retaining top talent.

### ADDRESSING THE PIPELINE

To tackle the talent pipeline of females, into technical roles in the UK, Cummins has invested in a number of Science, Technology, Engineering, and Maths (STEM) schemes, for example the **Fundamentals of Power Solutions**. Engaging girls and boys in fun activities with technical challenges helps them to get an understanding of what working in an engineering company might be like. Cummins will be the lead sponsor of **STEMFEST North East**, a 3 day event highlighting the benefits of studying and entering STEM-related careers.

To encourage those who have taken a career break to return to the work place, Cummins promotes its **RePower scheme**, with a particular focus on candidates with a STEM background. Our Daventry site ran a part-time working project for shop floor positions; out of the positions offered 80% of the successful candidates were female.

We continue to work with the UK Government to raise the profile of women in manufacturing and engineering.

## OUR STORIES

### JESSICA HIGHFIELD COMMUNICATIONS CO-ORDINATOR



“Diversity and Inclusion are instilled values from the moment you start your onboarding training to everything you do in your day-to-day role at Cummins. A few weeks into my role I completed Springboard training, which was invaluable, the course was

ran over a couple of sessions and each session focused on a different aspect of development, whether this be personal or professional.

Recently I took over as leader of the Women’s Empowerment Network (WEN) at my site. The group aims to advance equity and inclusion for our women through empowerment, advocacy for equal representation and participation and enablement of personal and business success.

I’m also a STEM ambassador. I love helping the younger generation feel inspired and with STEM I can show them that this industry is thriving, and you can make a career out of it. I’ve attended job fairs where a lot of people have misconceptions of engineering, so it’s great to help them realise what it’s really like. It makes me proud to work for such a great company.”

### ANISAH A SHAH PARALEGAL

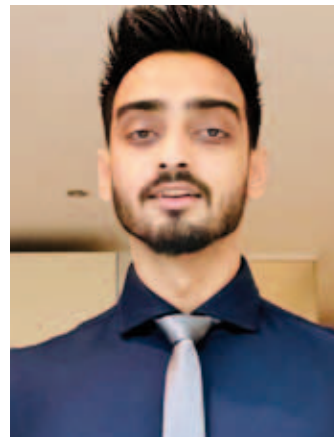


“It is important for me to work in an environment that aligns with my personal values and beliefs. I am thrilled to see how engaged employees are in discussions about diversity, equity and inclusion (DE&I), from the most junior level to the most senior, it’s clear that Cummins

is committed to being a leader in this space.

Cummins works closely with Breaking Barriers, an organisation aiming to facilitate the process of entering meaningful employment for refugees in the UK through advice, experience, and education. I have been incredibly fortunate to be a part of the internal team at Cummins that focuses on Refugee Employability - my role has been to organise volunteer events so that Cummins employees can support Breaking Barriers’ clients. I have also applied for grant funding from the Cummins Foundation in support of our partnership with Breaking Barriers help them expand and offer their services to more clients.”

### SHASHANK MAURYA EUROPE MARKETING AND SALES DEVELOPMENT PROGRAMME ASSOCIATE



“I first knew of Cummins from my time in Pune, India because of the excellent community work the company was doing there. Cummins supports the ‘Engineering College for Women’ in India which shows the company’s attitude towards challenging the

stereotypes and having a workplace that promotes all equally. This kind of positive work happens across the world.

Diversity and Inclusion to me is something I learned more about when I started working for Cummins. I am now actively participating in multiple Europe-wide employee resource groups (ERGs) that attend to different elements of diversity such as gender, sexual orientation, disability inclusion, race and ethnicity, and military status.

I am part of a team working on the roll-out of a DE&I conference for colleagues in the UK and mainland Europe. I think it is important to highlight the importance of DE&I for any organisation to flourish. It needs to have the right environment and different perspectives, ideas, opinions, and uniqueness are critical for our success.”

# CUMMINS LTD. RESULTS

**STATUTORY DISCLOSURE** The Gender Pay Reporting regulations require legal entities with more than 250 employees to provide entity-specific data. Cummins has four legal entities in the UK, one entity, Cummins Ltd. meets this criteria.\* The following information illustrates the data which is also available on the UK Government Gender Pay Reporting website.

## CUMMINS LTD. AT 5 APRIL 2022 – TOTAL EMPLOYEES 4276

### GENDER PAY GAP

MEAN	MEDIAN
3.1%	6.1%

### GENDER BONUS GAP

MEAN	MEDIAN
-6.2%	3.6%

### PROPORTION OF EMPLOYEES IN EACH PAY QUARTILE

QUARTILES	MALES	FEMALES
Upper	79.7%	20.3%
Upper middle	84.6%	15.4%
Lower middle	85.3%	14.7%
Lower	69.8%	30.2%

### \*\*PROPORTION OF EMPLOYEES RECEIVING A BONUS

**Males: 95.8% Females: 93.4%**



CUMMINS SNAPSHOT DATA TAKEN ON 5TH APRIL 2022

\*GIVEN THE RELATIVELY SMALL SIZE OF THREE CUMMINS LEGAL ENTITIES IN THE UK (EACH WITH LESS THAN 250 EMPLOYEES), CUMMINS VOLUNTARILY REPORTS ALL FOUR COMBINED, AS WELL AS CUMMINS LTD., THE ONE ENTITY SUBJECT TO THE GENDER PAY REPORTING REQUIREMENTS.

\*\*CUMMINS OPERATES A GLOBAL BONUS PROGRAMME FOR ALL EMPLOYEES. TO BE ELIGIBLE FOR OUR COMPANY BONUS, EMPLOYEES MUST BE EMPLOYED BY CUMMINS PRIOR TO 1 JANUARY, AS BONUS RELATES TO COMPANY FINANCIAL PERFORMANCE FOR THE PREVIOUS CALENDAR YEAR.

TO ENSURE WE ARE ROBUST IN OUR REPORTING WE USED PROFESSIONAL ADVISORS TO HELP US PRODUCE THESE FIGURES.