

2018 GENDER PAY GAP REPORT



Collins Aerospace (Heritage UTC Aerospace Systems)

Collins Aerospace, a unit of United Technologies Corporation (NYSE: UTX), is a leader in technologically advanced and intelligent solutions for the global aerospace and defence industry. Collins Aerospace has the capabilities, comprehensive portfolio and expertise to solve customers' toughest challenges and to meet the demands of a rapidly evolving global market. In the U.K., Collins Aerospace provides a breadth of key aviation components for the defence and commercial aviation markets.

ALL WELCOME. ALL EQUAL. ALL IN.

Diversity drives innovation; inclusion drives success.

Collins Aerospace believes a multitude of approaches and ideas enable us to deliver the best results for our workforce, workplace, and customers. We are committed to fostering a culture where all employees can share their passions and ideas so we can tackle the toughest challenges in our industry and pave new paths to limitless possibility, irrespective of gender. We consider all qualified applicants for Collins Aerospace roles and are committed to ensuring our recruitment processes do not discriminate on the basis of race, gender, sexual orientation, gender identity, disability or any other protected status.

THE DIFFERENCE BETWEEN GENDER PAY & EQUAL PAY

The gender pay gap shows the difference in average pay between men and women and, in many cases, reflects the representation of women across all levels in the organisation. Equal pay is a distinct concept which requires that men and women employed by the same organisation, who are performing work of equal value, must receive equal pay.

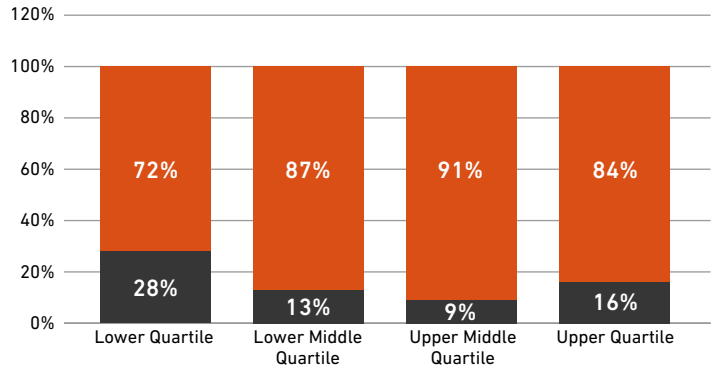
OUR STATISTICS

Collins Aerospace is committed to creating a working environment where there are equal opportunities. We recognise that compensation is important to attract top talent, to reward employees for their work and commitment and to encourage employees to stay with us over the years, irrespective of their gender. We are committed to paying market-competitive pay packages that reward our employees fairly for the work that they do. Our compensation philosophy combines market-competitive pay and individual performance-driven incentives that recognise both individual and collective contributions to the company's success. A solid pay foundation means that our compensation packages are consistent within the labour markets where we compete for talent.

We have a number of mechanisms within our reward policies and processes to promote consistency in pay for men and women performing similar roles. This includes a consistent approach to job sizing, a pay-for-performance philosophy and fixed pay scales in our manufacturing facilities.

At the snapshot date of 5 April 2018, the combined reportable business units with Collins Aerospace U.K. (formerly the UTC Aerospace Systems business units) employed 2,810 people of which 2,350 (84%) are male and 460 (16%) are female. Our organisation is committed to attracting and retaining female talent. Like similar technology organisations, however, we sometimes face challenges recruiting female employees with

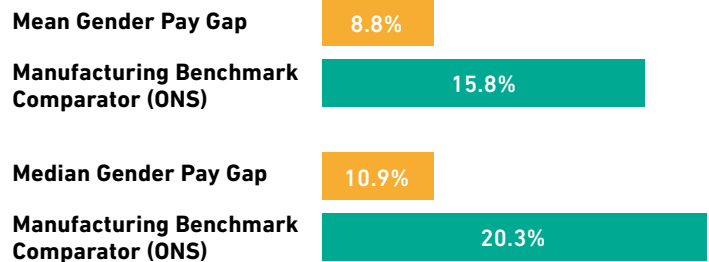
Science, Technology, Engineering & Maths (STEM) qualifications and experience. Our employee makeup is reflective of the marketplace in which we sit and whilst we are committed to promoting gender diversity, this will take many years to filter through and the current gender imbalance contributes to the gender pay gap calculated across the organisation.



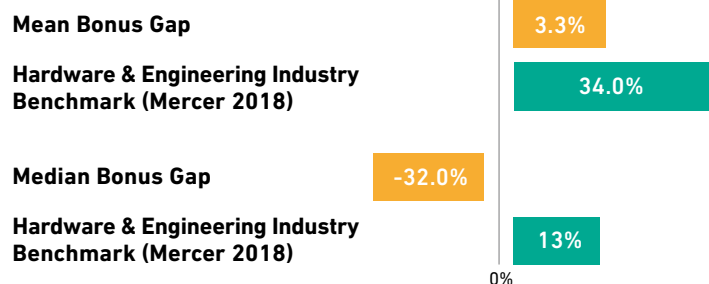
Distribution of women within the former UTC Aerospace Systems U.K. business units based on four quartiles, each containing an equal number of employees.

Male
Female

The gender pay gap is a snapshot of the difference in the average and median hourly pay of women compared to men, expressed as a percentage of men's average pay, irrespective of the roles that they perform. The hourly pay figure used to calculate the pay gap includes all items specified in the regulations, such as allowances, shift pay and recognition payments.



Proportion of Employees Receiving a Bonus	
Males	84%
Females	82%



Closing the Gap

Collins Aerospace (heritage UTC Aerospace business units) saw a 4% increase in female employees as a percentage of the total workforce since 2017. While gender diversity remains an opportunity for our industry, Collins is focusing on gender parity in two areas: Firstly, we are engaging young women in STEM early to get them excited about careers in engineering – and helping maintain that enthusiasm through University and beyond. Secondly, we are committed to retaining women by closing the gender pay gap at all levels of the organisation and offering women equal opportunities for advancement.

Below are the initiatives we have in place at the business unit level, across Collins Aerospace, and in partnership with our parent company, United Technologies Corporation:

OUTREACH TO FUTURE GENERATIONS — OUR STEM COMMITMENT

STEM education, can be a key driver to alleviating the gender gap that exists throughout the world. In the U.K., women make up just 14.4% of the higher-paid, professional STEM workforce. Collins is involved in the following programs to engage young women in STEM:

- **Introduce a Girl to Engineering Day:** Sponsoring the first U.K. team for middle school girls who were invited to a facility to learn about careers in engineering, hear from female engineers at our company and participate in hands-on engineering activities.
- **Women in Science & Engineering (WISE):** Expanding our partnership to encourage and support young women considering or pursuing STEM careers.
- **U.K. Big Bang Fair:** Participating in STEM-focused career fairs to attract young women still forming career choices.
- **Women in Engineering Week:** Sponsoring regional STEM events and participating with a local West Midlands school to engage female students.
- **Cosford Airshow STEM Hangars:** Sponsoring exhibits that highlight diverse and exciting STEM careers.

FILLING THE FUNNEL

Additionally, the need to tap into new talent is critical to the aerospace and defence industry because a more diverse workforce will maximize innovation, creativity and competitiveness. Collins is involved in the following programs that promote and support women pursuing STEM careers – from early career through to senior leadership positions.

- **Arkwright Scholarships:** Sponsored two female candidates in 2018.
- **Keynote Speaking Engagements:** Females in leadership positions from local Collins sites participated in the International Women in Engineering event at the Institute of Engineering & Technology, and the UTC Women in Finance European Annual Conference.

DEVELOPMENT, ENGAGEMENT AND PROGRESSION

Collins Aerospace is also focused on retaining women and supporting their advancement in the industry. To help address retention and advancement we have launched:

- **WILL (Women in Line Leadership) Rise:** Collins Aerospace and Pratt & Whitney have partnered to create a bold, grassroots program with a mission to accelerate the growth and advancement of women in aerospace line leadership positions.
- **UTfleX:** Programme designed to promote flexible working arrangements across the business.
- **Managing Inclusion & Conscious Inclusion:** Training for managers across Collins Aerospace.
- **Paradigm for Parity Initiative:** UTC is part of a coalition of business leaders dedicated to addressing the corporate leadership gender gap. We have committed to achieving the ultimate goal of full gender parity by 2030, with a near term goal of 30%.

EXTERNAL RECOGNITION

UTC has been recognised for its gender diversity and wider inclusion initiatives through awards from Forbes for the Best Employer for Women (2018), from Fairygodboss for the Best Company for Women to Work (2018) and DiversityInc Top 50: “Noteworthy” Company (2017 and 2018).

2018 GENDER PAY REPORT

The U.K. Gender Pay Reporting regulations require a legal entity with 250 or more employees to report prescribed gender pay data in accordance with statutory calculations. Collins Aerospace has five such entities within its heritage UTC Aerospace business. The gender pay statistics for each entity are below. To compare to 2017, please refer to the 2017 Gender Pay reports.

GOODRICH ACTUATION SYSTEMS

Actuation Systems U.K. is a global leader in actuation design and manufacturing and includes CTG, a centre of excellence for advanced composite products.

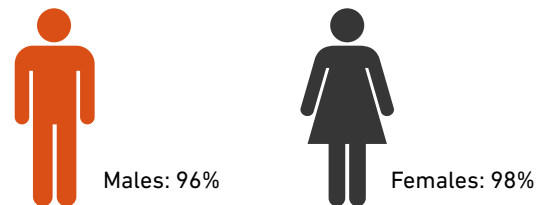
Pay and Bonus Difference between Men and Women

At the snapshot date of 5 April 2018, Goodrich Actuation Systems Ltd. employed 1,184 people in the U.K. of which 1,051 (89%) are male and 133 (11%) are female.

	Mean	Median
Gender Pay Gap (hourly pay)	1.5%	1.8%
Gender Bonus Gap	9.4%	-236.6%

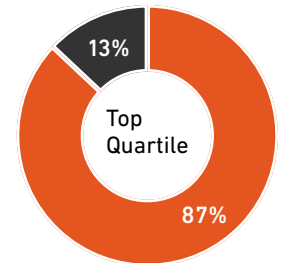
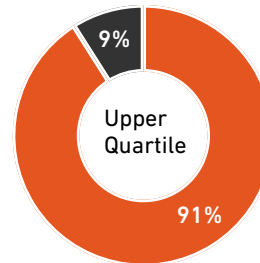
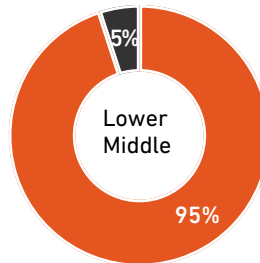
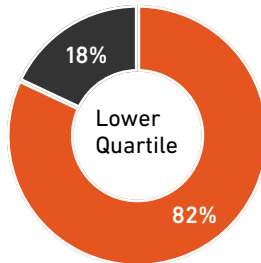
Proportion of Men and women receiving a bonus

Based on the 12 months preceeding 5 April 2018.



Pay Quartiles

At the snapshot date of 5 April 2018.



GOODRICH CONTROL SYSTEMS

Goodrich Control Systems, includes three operating units in the U.K.: the Motor Drive Systems Centre based in Hemel Hempstead and Solihull, which develops and supports high-performance motors and power electronics; a facility in Marston Green, West Midlands, which supports aftermarket activities for hydro-mechanical and electronic units for commercial aircraft; and a U.K. Corporate Office based in Solihull, West Midlands.

Pay and Bonus Difference between Men and Women

At the snapshot date of 5 April 2018, Goodrich Control Systems employed 632 people of which 465 (74%) are male and 167 (26%) are female.

	Mean	Median
Gender Pay Gap (hourly pay)	16.3%	21.6%
Gender Bonus Gap	-11.1%	31.8%

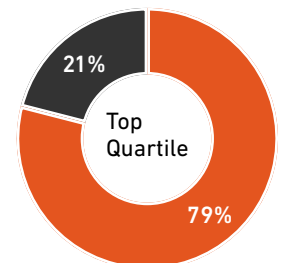
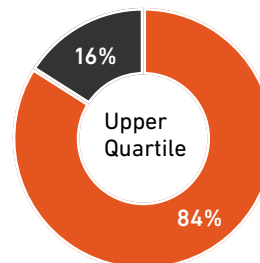
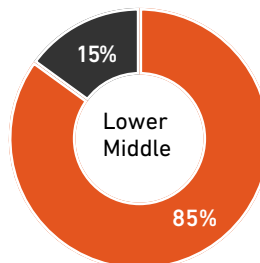
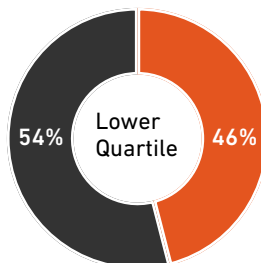
Proportion of Men and women receiving a bonus

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Pay Quartiles

At the snapshot date of 5 April 2018.



ATLANTIC INERTIAL SYSTEMS

Atlantic Inertial Systems Ltd. is a market leader in inertial technology. Products include a broad portfolio of Micro Electro-Mechanical Systems (MEMS) inertial sensors and inertial measurement units used in a range of Precision Guided Munitions, complemented by our TERPROM® Predictive Ground Proximity Warning system which is used on over 5000 military aircraft worldwide.

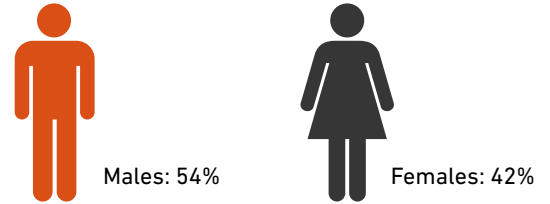
Pay and Bonus Difference between Men and Women

At the snapshot date of 5 April 2018, Atlantic Inertial Systems employed 277 people in the U.K. of which 204 (74%) are male and 73 (26%) are female.

	Mean	Median
Gender Pay Gap (hourly pay)	19.6%	22.1%
Gender Bonus Gap	56.4%	39.5%

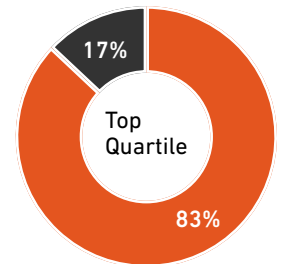
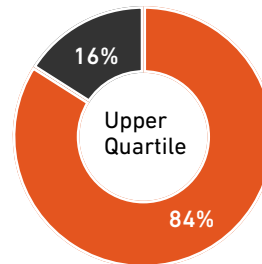
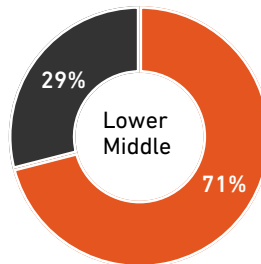
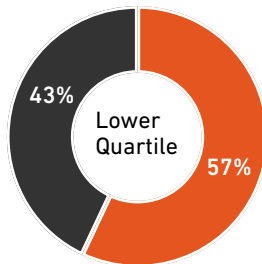
Proportion of Men and women receiving a bonus

Based on the 12 months preceeding 5 April 2018.



Pay Quartiles

At the snapshot date of 5 April 2018.



ROHR AERO SERVICES LTD.

Rohr Aero Services Ltd, is a Prestwick based Service Centre specialising in the maintenance, repair and overhaul (MRO) of aircraft engine nacelle systems; Thrust Reverser, Inlets and EBU/QEC Components, Multiple Autoclaves & Inventory Management. Our customer base is extensive, providing support to both small and large aerospace operators.

Pay and Bonus Difference between Men and Women

At the snapshot date of 5 April 2018, Rohr Aero Services Ltd employed 312 people of which 275 (88%) are male and 37 (12%) are female.

	Mean	Median
Gender Pay Gap (hourly pay)	-6.2%	-16.8%
Gender Bonus Gap	82.4%	-20.4%

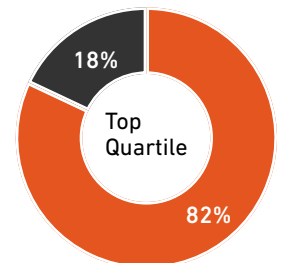
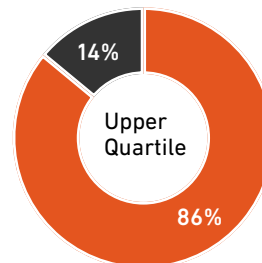
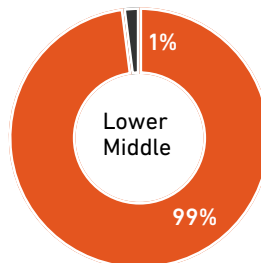
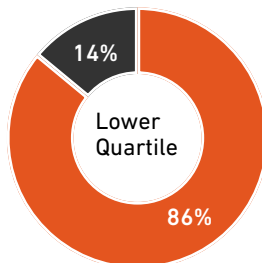
Proportion of Men and women receiving a bonus

Based on the 12 months preceeding 5 April 2018.



Pay Quartiles

At the snapshot date of 5 April 2018.



HS MARSTON AEROSPACE LTD

HS Marston Aerospace Ltd in Wolverhampton, provides a wide range of heat transfer and fluids management products and services for the military and commercial aerospace markets.

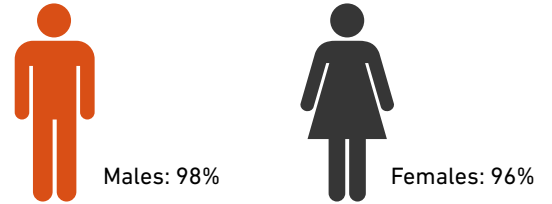
Pay and Bonus Difference between Men and Women

At the snapshot date of 5 April 2018 HS Marston Aerospace Ltd employed 405 people in the U.K. of which 355 (88%) are male and 50 (12%) are female.

	Mean	Median
Gender Pay Gap (hourly pay)	11.8%	6.7%
Gender Bonus Gap	75.8%	0.0%

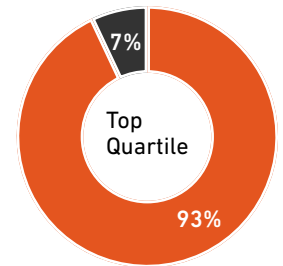
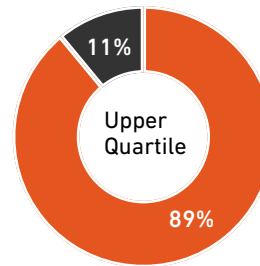
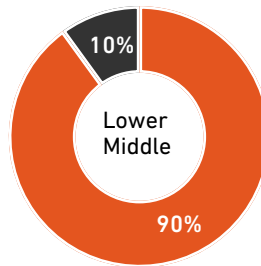
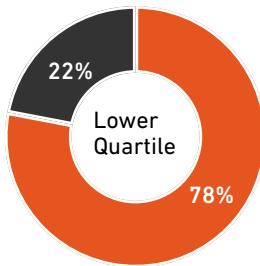
Proportion of Men and women receiving a bonus

Based on the 12 months preceeding 5 April 2018.



Pay Quartiles

At the snapshot date of 5 April 2018.



We confirm that the data set out in this report is accurate as at the snapshot date of 5 April 2018.

Peter Ross
Director
Goodrich Actuation Systems Ltd.

Stuart Barnes
Director
Atlantic Inertial Systems

Michael Robinson
Director
HS Marston Aerospace Ltd

Susan McKenna
Director
Goodrich Control Systems

Andrew Hodge
Director
Rohr Services Ltd.



Collins Aerospace