



# 2022 GENDER PAY GAP REPORT



Cubic creates and delivers technology solutions in transportation that make people's lives easier by simplifying their daily journeys, and defence capabilities that help promote mission success and safety for those who serve their nation. Led by our talented teams around the world, Cubic is driven to solve global challenges through innovation and service to our customers and partners. Our business portfolio includes Cubic Transportation Systems (CTS) and Cubic Mission and Performance Solutions (CMPS).

In the U.K., the CTS subsidiary is the largest employer and the only division required to report on the gender pay gap under the Equality Act of 2010.

## HEADCOUNT SPLIT

On the snapshot date of April 5, 2022, CTS employed 1,025 people, with 84% men and 16% women. There were 1,004 full-pay relevant employees for the purpose of the gender pay gap analysis.

Although the overall headcount dropped slightly (-1.8%) from the previous year, we are pleased to report that our female headcount proportion increased slightly (+0.61%).

**Gender Split (%) by Pay Quartile**



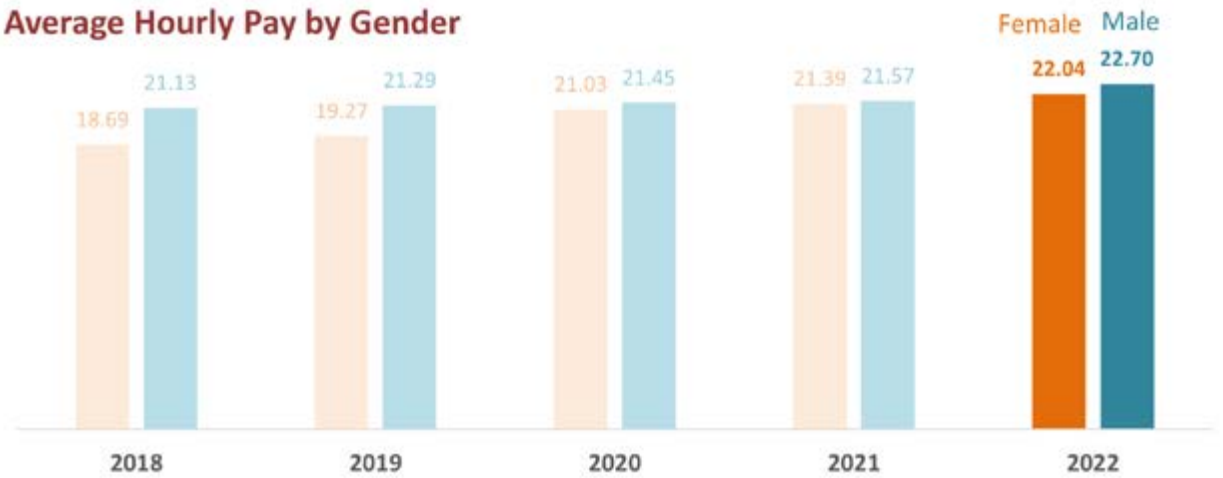
Although we continue to see an encouraging increase of women within the upper and lower middle quartiles there is still a higher proportion of women newly hired into positions that pay at the lower quartiles and this impacts the overall gender pay differential between men and women, as addressed below.

Of the 38 female employees included in the analysis who were not in the previous year's reporting, 65% were paid at a rate in the lower quartiles. However, 64% of this group have come in at entry-level positions into Technical and Engineering positions which creates future positive positioning for wage growth, as these employees develop and are promoted within the company.

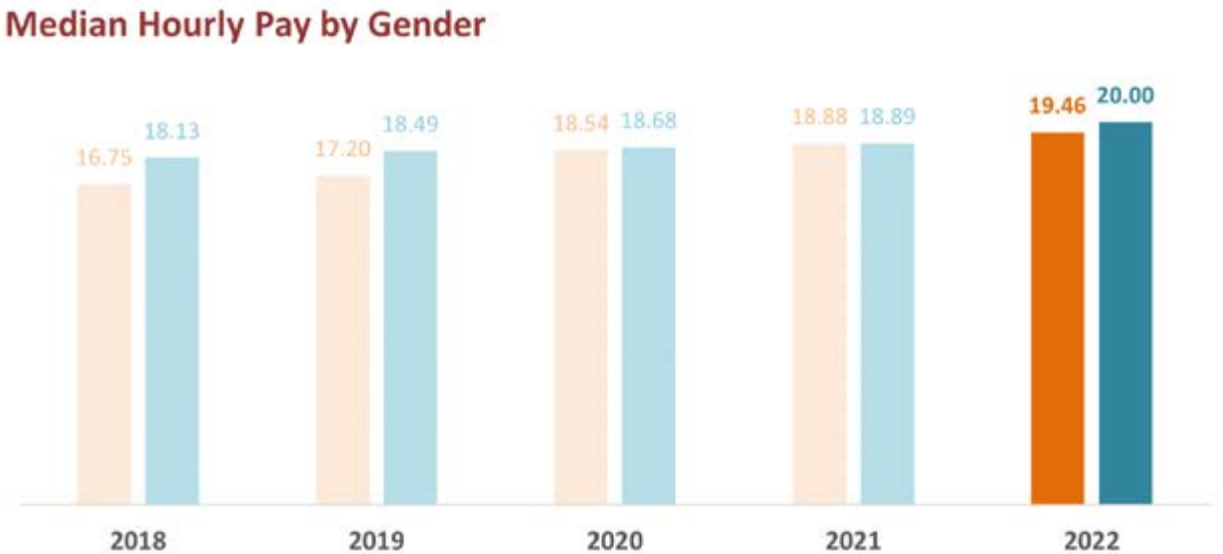
## GENDER COMPARISON BY HOURLY PAY

The average amount men were paid on the snapshot date was £0.64 (2.93%) more than women. The median was £0.54 (2.71%).

Average Hourly Pay by Gender



Median Hourly Pay by Gender



We are pleased to report that our gender pay gap has narrowed since we began reporting in 2018. We attribute this improvement to increased hiring of women into more senior level roles, many of whom have been promoted internally, over the past 4 years.

We commit to developing a strategy to continue to target hiring women for senior roles, at least in the same proportion, if not higher, as women hired into lower level roles in the organization.

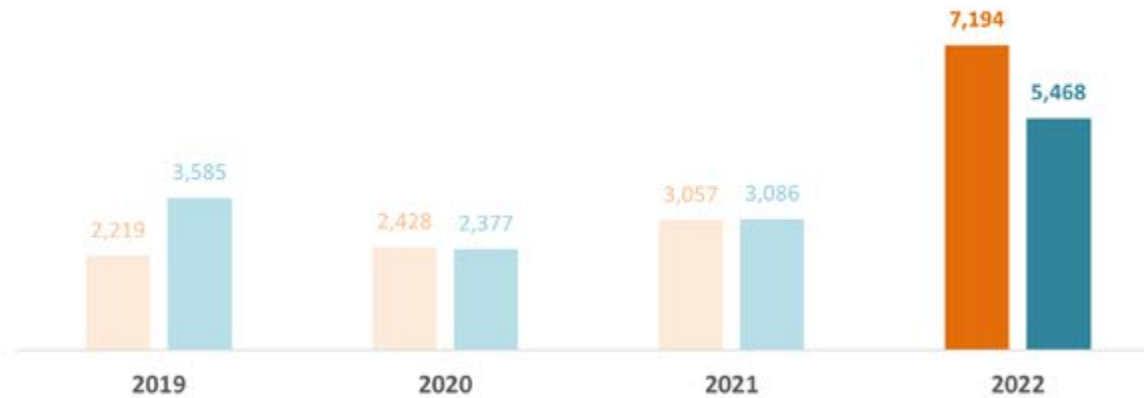
# GENDER COMPARISON OF BONUS PAY

**53%** of female employees received a bonus in the year to the snapshot date while **47%** of male employees received a bonus in the same period.

Headcount in receipt of bonus payment



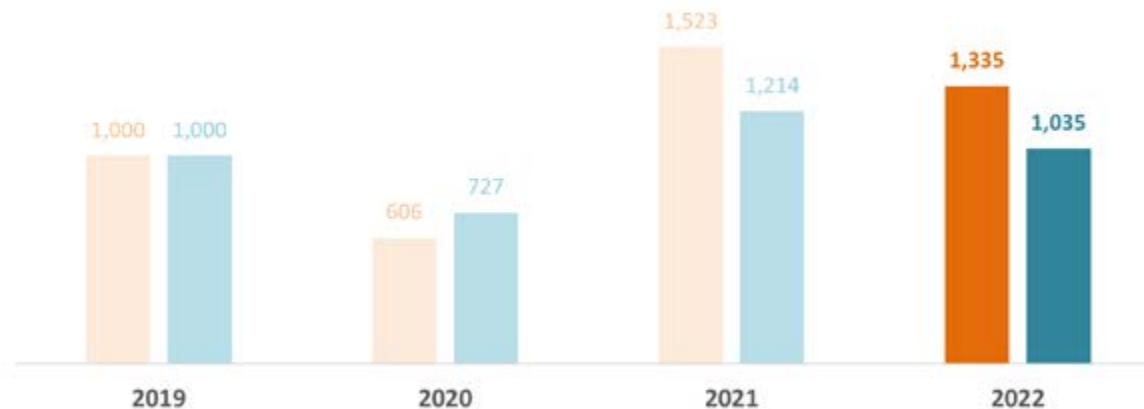
### Mean Bonus Pay by Gender



The disparity between the average payments, for both men and women, compared to previous years is a result of the transfer of Cubic from being a publicly traded company into private ownership. This triggered long-term stock awards to mature early as well as retention payments being made to key personnel. We expect this trend to return to normal levels over time.

**The average bonus paid to women was 32% higher than the average paid to men. This is a result of high payments being received by a small number of women that disproportionately impacted the average.**

### Median Bonus Pay by Gender



# COMMITMENT

As mentioned, Cubic is focused on recruiting and hiring female talent into senior-level roles (upper-mid quartile), at least at the same proportion as women hired into lower to lower-mid quartile roles.

With a focus on teamwork and collaboration that provides the best solutions for our customers, Cubic is committed to diversity and inclusion, and the unequivocal embrace of different cultures and ideas. Diversity and inclusion make our teams stronger and helps us implement the best ideas while continuing our legacy of innovation.

We remain committed to attracting diverse candidates through our recruitment processes. This includes growing our female Engineering employees over this reference period. We will continue to work with the Women's Engineering Society and STEM Returners to champion the role of women at all levels of our organization, and continue to support their growth and development through our Employee Resource Group.

Additionally, Cubic will review and analyze our 2023 data earlier in the year, to better guide our strategy and make improvements more quickly.

