

## Gender Pay Gap 2023

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### Gender Pay Gap 2023

This report is published in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This requires all organisations with more than 250 employees to annually publish their Gender Pay Gap and Gender Bonus Pay Gap.

This report refers to PHINIA Delphi UK Ltd. based on the snapshot date of 5<sup>th</sup> April 2023. PHINIA Delphi UK Ltd. was formerly known as BorgWarner Technologies Ltd, and was a subsidiary of BorgWarner Inc. Following completion of the <a href="mailto:spin-off">spin-off</a> of PHINIA Inc., the now parent company of PHINIA Delphi UK Ltd and other subsidiaries, from BorgWarner Inc. on July 3, 2023, the entity name for BorgWarner Technologies Ltd. Was changed to PHINIA Delphi UK Ltd.

The Gender Pay Gap is a high-level snapshot of pay within the organisation and shows the difference in the mean and median pay between men and women in a workforce on a specific reference date. The Gender Bonus Pay Gap is the difference in bonus pay for men and women in a workforce. Both these calculations are completed following the methodology that uses the 5th April 2023 as the reference date.

This involved carrying out six calculations that show the difference between the mean and median earnings of men and women in our organisation; we established this by using our existing HR and payroll records from the three UK sites, Gillingham, Stonehouse, and Warwick that are covered by this reporting requirement. It will not involve publishing individual employee's data.

We are required to publish the results on our own website and a government website.

We confirm that the calculations are accurate.

on behalf of PHINIA Delphi UK Ltd.

Gwyneth Hodgkinson

Plant HR Manager – Stonehouse, UK

### Organisational Context

PHINIA Delphi UK Ltd – formerly known as BorgWarner Technologies Ltd – is comprised of three sites falling within the Fuel Systems and Aftermarket division.

The entity is comprised of three sites;

Gillingham, Production Plant & Technical Center Stonehouse, Production Plant Warwick, Aftermarket Sales

PHINIA Inc., the ultimate parent company of PHINIA Delphi UK Ltd., is an independent, market-leading, premium solutions and components provider, with over 100 years of manufacturing expertise and industry relationships and a strong brand portfolio that includes DELPHI®, DELCO REMY® and HARTRIDGE®. With over 13,000 employees across 44 locations in 28 countries, PHINIA is headquartered in Auburn Hills, Michigan, USA.







#### Our Gender Pay Gap in 2023

- The regulations require us to report on our employee population as at the snapshot date of 5th April 2023. For the purposes of these calculations the number of full pay relevant employees was 1518 of which 1228 were male 290 were female.
- The GPG is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work or equal value, while the GPG compares pay across all employees regardless of jobs or level.
- The mean GPG is 22% and the GPG median is 25%. In monetary terms the mean GPG means for every £1 a man earns a woman earns 78p.

Year	mean	median	reportable GPG employee population
2023	22%	25%	1518



# Proportion of males and females by pay quartile



This is the percentage of males and females in four quartile pay bands (dividing our workforce into four equal parts).



The GPG is also driven by the number of men in compensation grades compared to the number of women. It is our intention to take affirmative steps to ensure women have the opportunity to continue to increase their representation in these senior grades.



The largest influencers of the pay gap are the number of females within the higher grades. This remains a focus as we identify candidates for our women in leadership program.

	Male 2023	Female 2023
upper pay quartile	89%	11%
upper middle pay quartile	86%	14%
lower middle pay quartile	82%	18%
Lower pay Quartile	66%	34%



## HISTORICAL GENDER BONUS PAY AND PHINIA'S ONGOING COMMITMENT

Inclusion in bonus schemes is generally based on compensation grades. We have a higher number of men in Compensation grades 10+, which are the grade ranges which historically would have been eligible for inclusion in bonus schemes.

Bonus are generally calculated as a % of an employee's salary; however, at the Stonehouse plant, many employees received bonus payments as part of an attendance scheme, which influences the median GPG bonus payment.

Percentage of men and women who received bonus pay	men	women
2023	44%	40%

Mean and median gender pay gap using bonus pay	2023
Mean gender pay gap using bonus pay	40%
Median gender pay gap using bonus pay	0%

#### PHINIA's Commitment

As a newly independent public company, PHINIA is committed to advancing its equity, diversity, and inclusion (EDI) initiatives across the organization. EDI is a key component of our human capital management strategies, objectives, and measures used to attract, develop, engage, and retain highly qualified talent. Inclusivity, integrity and accountability are among the Company's core values, and we strive to cultivate a culture where employees are treated with respect and their differences are valued.

We regularly review our policies, programs, and processes to promote an inclusive workforce and confirm alignment with our EDI strategy and efforts to foster a highly qualified talent and leadership pipeline consisting of individuals with diverse perspectives, skills, and experiences. While manufacturing has historically been a male dominated industry, we strive to foster diverse perspectives and provide opportunities at our sites, including those of PHINIA Delphi UK Ltd., for employees to reach their full potential regardless of their personal characteristics.

We also support the principle of equal pay for equal work. In 2024, PHINIA will engage external counsel and experts to assess and advise on pay equity across our organization, and we are committed to taking appropriate action in light of that review to realize our commitment to equal pay.

