

## Komatsu UK Ltd – Gender Pay Gap Reporting

UK Companies with over 250 employees, are required to report on their gender pay. The analysis is based on data as at 5 April 2020.

The legislation provides clear guidance on what is to be included in the calculations.

In accordance with the Gender Pay Reporting definitions, in Komatsu UK Ltd, these are as follows:

Category	What is included
Pay	Normal basic gross pay Shift Allowance Car Allowance payments made to Managers (and above)
Bonus	Bonus payments made to Managers (and above) Quality Circle Awards Long Service Awards Performance and Development Review Cash Awards

The Gender Pay Gap shows the differences in the average pay between men and women. This is different to equal pay. Equal pay requires that men and women who carry out the same or similar jobs or work of equal value, are paid the same.

The information in this report has been impacted by the calculation requirements set out by the legislation, which removes anyone who received a Furlough payment from the data set for the pay gap. This left a substantially reduced data set for comparison (only 15 employees; 6 women, 9 men), meaning for this year the data shows a significantly higher pay gap than would be expected were we to use data from across the whole workforce.

At Komatsu UK we are confident that men and women are paid on equal terms for performing the same job across the Company. Where men and women are in the same role, women are earning the same as their male colleagues.

At Komatsu UK we want to attract and retain the best people regardless of their background, race, ethnicity or gender and all have an equal opportunity to achieve their potential.

### Gender Pay Gap Reporting

Difference between men and women (pay gap based on a data set of 15 employees (6 women, 9 men))

	Mean	Median
Pay Gap	41.5%	18.6%
Bonus Gap	12.2%	0%

*(The mean is the average of a list of numbers and the median is the middle value of all of the numbers listed in numerical order).*

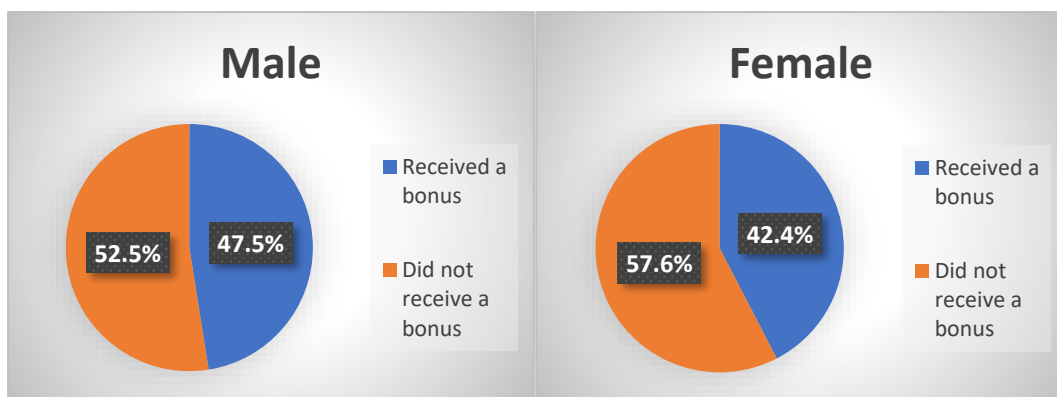
The table shows our overall mean and median gender pay gap based on hourly rates of pay and the mean and median difference between bonuses paid to men and women at Komatsu UK in the year up to 5 April 2020.

The UK National Gender Pay Gap is currently 17.3%. The mean and median gender pay gap at Komatsu UK has been more favourable to men over three of the four years of reporting our gender pay gap, with the mean no higher than 3.3%. This is due to the fact that female employees represent only 7.5% of the workforce. The high gap reported this year is a result of the data calculation requirements and is not representative of the actual situation.

The bonus gap is an accurate reflection of the current situation as data for the representative workforce was used, and is due to the fact that the majority of the most senior positions in the organisation are occupied by men.

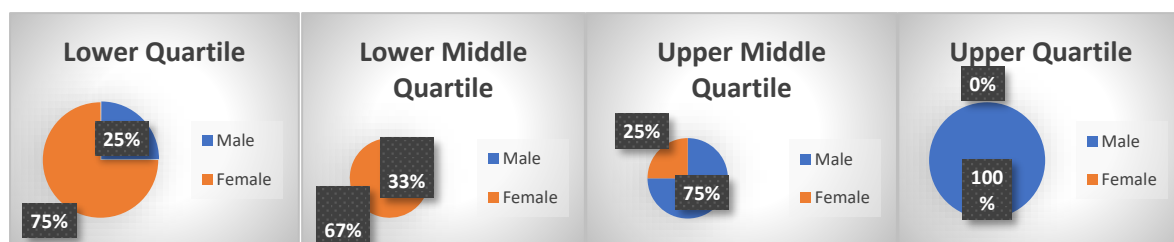
Komatsu UK's approach to pay is gender neutral and our analysis shows that our pay gap is driven by the structure of our workforce. We believe that relevant factors include the number of women who work in engineering and manufacturing and the higher proportion of male employees in the most senior positions in the Company.

## Proportion of Employees Awarded a Bonus



The above charts show that 47.5% of the total male employees received a bonus and 42.4% of the total female employees received a bonus.

## Gender Distribution



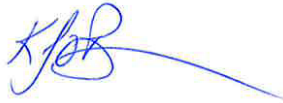
The data above illustrates the gender distribution across four equally sized quartiles of the business. Overall women currently represent 7.5% of Komatsu UK Ltd employees.

## The Future

Komatsu UK is committed to creating a diverse and inclusive place to work. This is fundamental to our continued success. We already have initiatives underway and will continue to provide opportunities to increase our Gender Diversity.

## Statement of Accuracy

I confirm that the above information is accurate to the best of my knowledge and belief.



Katie O'Brien

General Manager – Human Resources

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