

ITW UK Gender Pay Gap Report 2017

Introduction

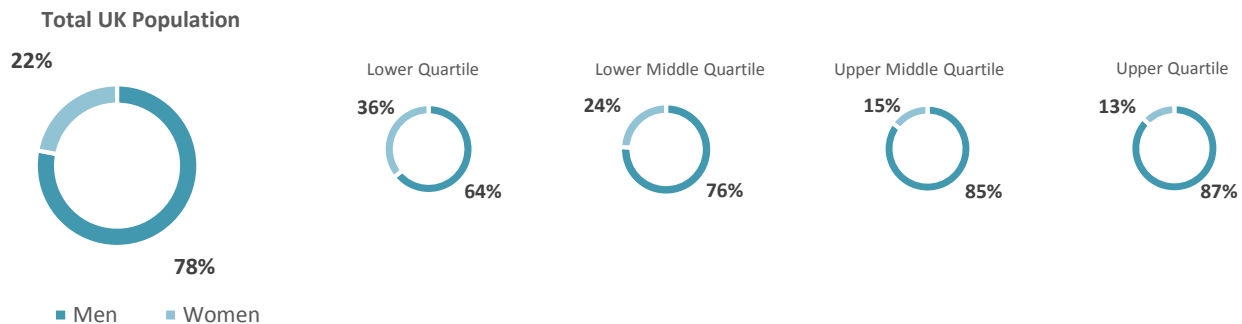
In compliance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, ITW will measure and annually report the “gender pay gap,” or the difference of the average pay between men and women employees across ITW’s 27 UK-based businesses. The required disclosures are set forth below. We also encourage you to review [ITW’s diversity and inclusion strategy and framework](#), as well as learn about specific actions we are taking to enhance diversity and ensure inclusive workplaces across our global organization.

In light of the information set forth below, it is important to note that the “gender pay gap” is not the same as “equal pay,” which is men and women being paid equally for carrying out the same or similar jobs and work of equal value. Rather, the information below identifies average earnings across all jobs, levels and salaries, regardless of position, division or location. The pay gap is also reflective of the unequal distribution of men and women in roles across our businesses. Importantly, our compensation practices are designed to be objective and avoid bias. We utilize pay ranges reflective of the median compensation in our local job markets, and we make compensation decisions within these ranges based on one’s skills, experience and performance. Beyond maintaining objective pay policies and structures, the gender pay gap reported herein will assist us in identifying challenges and opportunities to address gender equality in our workplaces and work even more diligently to achieve our diversity and inclusion objectives and performance goals.

ITW’s UK Gender Pay Gap

Mean (average) gender pay gap	18.4%
Median (mid-point) gender pay gap	22.4%
Mean (average) gender bonus gap	49.8%
Median (mid-point) gender bonus gap	52.6%
Percentage of population receiving bonuses	Female 38.9% / Male 58.8%

Proportion of Employees in Each Pay Quartile



ITW’s Commitment to Diversity & Inclusion

ITW’s ability to reach our full potential as an enterprise requires high-performing talent that brings unique perspectives, experiences, and ideas to the team. We recognize the critical importance of a diverse and deep talent pool to enable us to deliver differentiated products and service levels to our customers. And we are working hard to maintain workplaces where all of our ITW colleagues are respected and valued for their contributions and have the opportunity to achieve their own professional full potential. We have made solid progress in our diversity efforts – including doubling the number of women in leadership across our global businesses (from 12% in 2012 to 24.6% in 2017). In light of this progress, we raised our goal and are now working to have women represent at least 30% of our global leadership team by 2020. In light of this progress, we clearly have more work to do to advance women into more senior positions across ITW. Learn more about [our diversity and inclusion strategy](#), objectives and the actions we are taking.

We confirm that the information in this report is accurate and prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

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Title: ITW UK and Ireland Country Controller, Director ITW Limited

Signature: