BRITISH COLUMBIA · REPORTING YEAR 2026

2026 British Columbia

Pay Transparency Report

Thales Canada Inc. operating as Thales Canada Defence & Security

Data period January 1 to December 31, 2025

Published October 2026

THALES

Building a future we can all trust

Who we are

Building a future we can all trust

For more than 50 years, Thales Canada has delivered proven, trusted and secure solutions to customers across Canada. The company brings a strong national footprint and a deeply skilled workforce dedicated to anticipating and exceeding customer needs. As a national leader in advanced research and technology, Thales Canada plays a key role in strengthening national security, advancing deep-tech innovation, and growing Canada's defence and digital ecosystems.

Our values and our people

Our employer promise reflects how we work, support our people and create opportunities for them to grow. A diverse, equitable, and inclusive workplace helps bring different perspectives to our teams and contributes to innovation, creativity, and sustainable performance.

We master technology

We put technology in the service of society. Our people combine their expertise across disciplines to solve complex challenges and develop solutions that our customers and communities can trust.

We care about balance

We promote an open culture where people are listened to and cared for. We value work-life balance and the support and flexibility that enable our people to succeed.

We open up career journeys

We support learning, collaboration, and career growth across businesses, functions, and countries. We want everyone to have the opportunity to develop their expertise and reach their potential in a respectful and inclusive workplace.

Our commitment to pay transparency

Fair and equitable pay is part of this commitment. Prepared under British Columbia's *Pay Transparency Act*, this report presents gender pay results for employees of Thales Canada Inc. operating as Thales Canada Defence & Security in B.C. for January 1 to December 31, 2025, including employees who left during the year.

The B.C. government sets the required measures and definitions to support consistent reporting. For hourly pay, the calculations first determine each employee's hourly rate from ordinary pay and the corresponding paid hours during the reporting period.

- → The **mean hourly rate** is the sum of individual hourly rates in a gender category divided by the number of employees in that category.
- → The **median hourly rate** is the middle individual hourly rate when rates are ordered from lowest to highest. Where there are two middle rates, it is their average.
- → The **hourly gender pay gap** is the difference between the mean or median hourly rate for men, the reference category, and the corresponding rate for women, expressed as a percentage of the rate for men. It compares rates across the workforce, regardless of job type or level.

Report summary

Report summary

$0.79

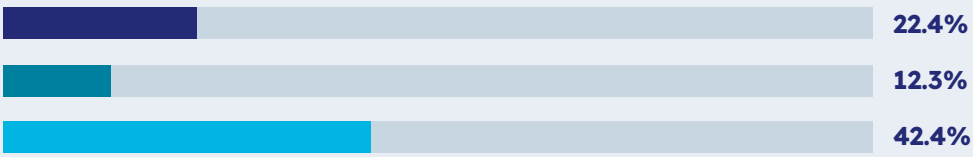
earned by women in **mean** hourly pay for every $1.00 earned by men – a gap of 21%.

$0.76

earned by women in **median** hourly pay for every $1.00 earned by men – a gap of 24%.

In 2025, women in our B.C. Defence and Security workforce earned $0.79 in mean hourly pay and $0.76 in median hourly pay for every $1.00 earned by men, representing gaps of 21% and 24%, respectively.

WOMEN AS A PERCENTAGE OF EACH POPULATION



Scale from 0% to 100%.

Women represent 22.4% of the reporting population, 12.3% of employees in technical roles and 42.4% of employees in support roles. Much of our B.C. work involves naval in-service support, requiring specialized engineering and technical skills, with prior naval or similar work experience preferred. Women are underrepresented in these talent markets, and the preference for relevant naval experience further narrows the available pool of women candidates. These recruitment conditions contribute to the uneven representation of women and men across roles and, in turn, to the workforce-wide pay gap.

The workforce-wide pay gap does not directly compare employees performing similar work. Our supplementary analysis of employees within the same job type and level found average hourly pay gaps between men and women of 2.3% for median pay and 2.2% for mean pay. We review pay within comparable roles using job-related factors and apply equal pay principles throughout compensation decisions.

The closing section sets out our priorities for fair pay decisions, career development and inclusive recruitment.

01 · Hourly pay

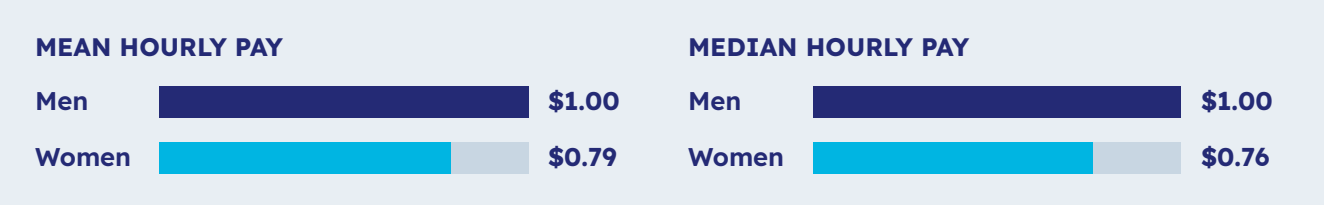
About this report and hourly pay

To protect employee privacy, results for gender categories with fewer than 10 employees are not displayed. In this report, these categories are Non-Binary and Unknown or Prefer Not to Answer. Hourly pay excludes overtime and bonus pay.

Employer details

Field	Details
Employer	Thales Canada Inc. operating as Thales Canada Defence & Security
Address	1003 Squl'ew' Street, Mill Bay, BC V8H 1B7
Reporting year	2026
Data period	January 1 to December 31, 2025
NAICS code	54 – Professional, scientific and technical services
Employees in B.C. as of January 1, 2026	50 to 299 employees

Hourly pay



For every dollar earned by men in mean hourly pay, women earned $0.79, a gap of 21%. For every dollar earned by men in median hourly pay, women earned $0.76, a gap of 24%.

Understanding the pay gap

Pay gaps and equal pay

- → These workforce-wide measures do not directly compare employees performing similar work or work of equal value. In our supplementary analysis within the same job type and level, the average hourly pay gap between men and women was 2.3% for median pay and 2.2% for mean pay.
- → We apply equal pay principles during hiring, promotions, other job changes and annual salary reviews. Salary ranges are benchmarked annually against comparable roles in relevant markets. Pay decisions consider role responsibilities, relevant skills, experience and performance. We review gender pay equity during annual salary reviews and make adjustments where appropriate.

Representation across roles

→ Our B.C. Defence and Security team includes engineering, field service, supply chain, logistics, project support and administrative roles. Women represent 12.3% of employees in technical roles and 42.4% in logistics and support roles. Differences in market pay across job types, together with this uneven representation, contribute to the overall pay gap. For example, the market salary range for engineering roles is more than 23% higher than for logistics roles at the same job level, closely aligning with the internal pay differences observed between these job types.

→ Women remain underrepresented in STEM careers. We are committed to equal employment opportunities and supporting women in STEM. Our B.C. year-end and year-to-date workforce snapshots show growth in women's representation:

- 2024 YE: 10 women, representing 18.5% of the workforce.
- 2025 YE: 18 women, representing 20.7% of the workforce.
- 2026 Oct: 32 women, representing 25.6% of the workforce.

→ Naval in-service support requires specialized technical expertise, and prior naval or similar work experience is preferred. Women's underrepresentation in these fields, combined with this experience preference, further limits the available pool of women candidates. We apply job-related selection criteria fairly and consistently across all gender categories.

→ We remain committed to advancing our employment equity strategy, broadening recruitment opportunities and applying job-related selection criteria fairly and consistently across all gender groups. Some equitable hiring practices we implemented include but are not limited to:

- Mandatory Diversity & Inclusion recruitment training and certification for Talent Acquisition professionals.
- Use of competency-based interviewing methodologies designed to focus hiring decisions on job-related competencies and minimize bias.
- Unconscious Bias Training for hiring leaders, managers, teams, and employees.
- Utilization of gender-decoding tools to ensure job descriptions remain inclusive, neutral, and accessible to diverse talent pools.

This is the first year we are publishing this report. As we consistently apply our pay equity principles across all pay practices, we will continue to monitor gender equity.

About our data

Gender information reflects the data available in our HR system. Employees who did not provide gender information are included in the Unknown or Prefer Not to Answer category. Hours for salaried employees are based on paid salary hours, with paid leave converted to hours at each employee's regular rate. Overtime hours are derived from overtime pay and the applicable overtime rate. Allowances, severance, vacation payouts and taxable benefits are excluded.

02 · Overtime pay

Overtime pay and hours

As required in Section 3(3) of the *Pay Transparency Act*, this measure is not disclosed because only 1 gender category has 10 or more employees.

03 · Bonus pay and pay quartiles

Bonus pay and pay quartiles

Bonus pay recognizes performance and contribution to the business. Bonus pay includes annual performance bonus and one-time payments such as sign-on and referral bonuses. Payments are reported in the year they are paid.

Bonus pay

$0.55

earned by women in **mean** bonus pay for every $1.00 earned by men – a gap of 45%.

$0.41

earned by women in **median** bonus pay for every $1.00 earned by men – a gap of 59%.

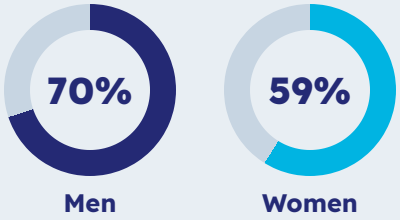
Gender	Mean bonus pay ratio	Median bonus pay ratio
Men	$1.00	$1.00
Women	$0.55	$0.41

For every dollar earned by men in mean bonus pay, women earned $0.55, a gap of 45%. For every dollar earned by men in median bonus pay, women earned $0.41, a gap of 59%.

Annual performance bonuses paid in 2025 are based off 2024 performance. Target bonus percentages are set by job level, with awards reflecting individual and business performance under the applicable plan rules. We apply target, assessment and eligibility rules consistently to employees covered by the same plan at the same level, regardless of gender. Aggregate bonus differences may reflect:

- → Differences in base salaries across job types.
- → Representation across job levels: women account for 55.6% of employees in support or entry-level professional roles and 9.9% in senior professional roles, which generally have higher target bonus percentages.
- → Eligibility and payment timing for employees who joined or moved to B.C. during 2025.

Employees receiving bonus pay



Bonus pay was received by 70% of men and 59% of women. Participation rates use all employees in each gender category. All employees who did not receive bonus pay were new hires or employees who moved to B.C. during 2025.

Gender representation in each pay quartile

Hourly pay quartile	Men	Women
Upper	*This measure cannot be displayed because there is insufficient data to meet disclosure requirements.**	
Upper middle		
Lower middle		
Lower	44%	52%

Pay quartiles divide employees into four groups of equal size, or as close as possible, based on hourly pay. These groupings are distinct from job levels.

**Where a gender category has fewer than 10 employees in a quartile, its percentage is not disclosed and its count must be excluded from the denominator used to calculate the disclosed percentages.*

04 · Our commitments

Our ongoing work toward gender pay equity

Progress toward gender pay equity requires sustained attention to pay practices and opportunities to join, develop and advance within Thales. Our work in British Columbia is supported by Canadian and Thales Group initiatives to strengthen gender equality and inclusion.

Supporting fair and consistent pay decisions

We benchmark salary ranges annually and use ranges by role and level to support consistent decisions during hiring, job changes and annual salary reviews. Decisions consider responsibilities, relevant skills, experience and performance. We also publish expected pay ranges in B.C. job postings.

During annual salary reviews, we examine pay positioning for women and men in comparable roles and levels, and address differences not explained by role, experience or performance. This report will inform that upcoming annual review and our efforts to strengthen consistency and fairness.

Supporting career development and advancement

Across Thales Group, the company's **Gender Diversity Action Plan** supports the recruitment, development and advancement of women, including progression to positions of greater responsibility. The **International Mentoring for Women Programme** connects women with mentors across Thales to support their development and career aspirations. It has been a huge success since its launch in 2017 with over 100 female mentees from fourteen different countries each year. **Thales Group talent reviews** also help identify and support women with the potential to progress into leadership roles.

These initiatives support our broader ambition to make career opportunities accessible and strengthen the representation of women across our workforce and leadership. Locally, we will continue our efforts to attract women into engineering and technical roles and support their career progression.

Encouraging the next generation of women in technology

Women remain underrepresented in science, technology, engineering and mathematics. Thales works with schools, associations and other partners to challenge stereotypes, introduce young women to technology careers and make women role models more visible. Group initiatives include **Technovation Girls** and **Women Inspiring Women**, helping build interest in STEM and a broader talent pipeline.

In Canada, Thales joined the **Canadian Industrial Leadership Award (CILA)** program in 2020 alongside L3Harris, CAE and Babcock Canada. The program supports women studying STEM through paid internships, executive mentorship and a one-time bursary after tax. Participants gain cross-company learning and project experience, with potential opportunities for full-time employment after completing their studies.

Creating a respectful and inclusive workplace

Thales supports a respectful workplace through **training on unconscious bias and sexism**, with DEI networks and the **Together@Thales community**, where employees share experiences and contribute to an inclusive culture.

Thales applies a zero-tolerance principle to sexism. Its **Group digital alert platform** is available worldwide, 24 hours a day, to report harassment or discrimination. **Flexible working arrangements**, hybrid work where feasible, parental leave and family-support programs help employees manage responsibilities at different life stages.

Thales' company-wide **Inclusion Survey** gathers employees' views on diversity, equity and inclusion to inform priorities and follow-up actions.

34%	Thales Canada Inc. operating as Thales Canada Defence & Security has a goal for women to represent 34% of external hires, with an aspiration of 50%, by 2030. Progress is tracked and shared monthly.
~26%	Women currently account for approximately 26% of external hires. We also aim to continuously increase women's workforce representation.

With our Employment Equity and Diversity, Equity & Inclusion (DEI) efforts, we are recognized by Industry as a Top Employer for Canada for Diversity for the past three years.

Reinforcing our commitment to gender equality

In January 2025, Thales adopted the **Women's Empowerment Principles**, established by UN Women and the United Nations Global Compact, reinforcing its commitment to gender equality and women's representation in leadership.

Thales has long maintained its commitment to ensuring that women are even more involved in its development, based on a committed, concrete policy supported by constructive dialogue. Since 2014, Thales management has reaffirmed its commitment to promoting gender equality at all levels of responsibility. As a result, specific action plans were devised involving all company stakeholders (executive committee, managers, human resources, and employees). Today, gender equality is one of our major **corporate social responsibility** objectives, and the achievement on this measure links to the annual performance bonus payout for employees.

Continuing our work in British Columbia

This first report provides a basis for continued review and action in B.C. We will monitor pay outcomes and women's career progression, considering the effect of recruitment, promotions and departures on results from year to year.

THALES

Questions about this report

Employees with a question about this report can open a MyThales ticket for support.

All other individuals with questions can address them to **1stPointCanada@hr.thalesgroup.com**.

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