

Mercedes AMG HPP Gender Pay Gap Figures

In 2017, it became a legal requirement for all UK companies with a workforce of more than 250 people to measure and publish their gender pay gap. The rationale behind this government initiative is to build greater awareness of gender imbalance within UK industry and to encourage companies to consider ways of reducing disparity.

We are acutely aware that industries such as engineering and manufacturing have traditionally had smaller proportions of female employees in the upper pay quartile, which inevitably creates the largest average pay gaps.

A 2019 Survey indicated that only 10.3% of the engineering workforce in the UK is female. The percentage has remained static in the last year even as the number of women has increased

[Source: <https://www.wisecampaign.org.uk/statistics/2019-workforce-statistics-one-million-women-in-stem-in-the-uk/>]

In 2018, 22.2% of students starting A Level Physics in 2018 were female and this has not significantly changed in 25 years. This shortage of female students translates through to higher education, where only 15.1% of engineering undergraduates in 2017 were women. [Source: <http://www.wes.org.uk/content/wesstatistics>]

It is important to explain that the gender pay gap is the difference between the average (mean and median) earnings of men and women, expressed as a percentage of men's earnings. The gender pay gap is distinctly different from the legal requirement under the Equality Act to pay men and women equally for work rated as equivalent.

Here at HPP, we are committed to and confident that we offer equal pay to men and women for work rated as equivalent; to ensure this we routinely review our pay.

HPP's Gender Pay Gap Figure 2019

- Based on a snapshot of data from April 2019 women working at HPP earn **32.5%** less per hour than men (mean) and **22.2%** less per hour (median).
- Our pay quartile data shows that HPP's population is made up predominantly of men in all four quartiles. This data largely demonstrates the reason for our gender pay gap.

| PAY QUARTILES | | MEN | WOMEN |
|---------------|-----------------------|-------|-------|
| | UPPER QUARTILE | 97.2% | 2.8% |
| | UPPER MIDDLE QUARTILE | 97.3% | 2.7% |
| | LOWER MIDDLE QUARTILE | 92.3% | 7.7% |
| | LOWER QUARTILE | 85.2% | 14.8% |

Overall HPP's workforce is made up of 7% women. This is not uncommon in the engineering profession as a whole, where women make up only 10.3% of employees.

[Source: <https://www.wisecampaign.org.uk/statistics/2019-workforce-statistics-one-million-women-in-stem-in-the-uk/>]

- Our bonus pay gap is 51.3% mean, and 11.2% median which is driven by the number of men in senior roles within HPP.
- All eligible male and female employees, who were employed on our bonus payment dates in November and December, received a bonus. Using the reference period for bonus payments (April 18 – March 19) 95.6% of men and 98.2% of women received a bonus, meaning that 4.4% of male and 1.8% of female employees did not receive a bonus as they were not employed at the time of payment.

Together with the rest of the engineering industry, we recognise that we have a shortage of women in senior roles. This is not where we want to be and we would like to improve our position.

We are committed to ensuring that no employee receives less favourable treatment, because of their gender, age, disability and other protected characteristics. We will also continue to actively support and develop our talented employees, as well as trying to increase the proportion of women working at HPP, because we believe this will create a stronger and more capable organisation for the future.

I confirm that the data reported is accurate.



Andy Cowell, Managing Director