

MERCEDES AMG
HIGH PERFORMANCE POWERTRAINS

GENDER PAY GAP REPORT
2022-2023

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WHAT IS GENDER PAY GAP?

The Gender Pay Gap is the difference between the average (mean and median) hourly earnings of men and women, expressed as a percentage of men's earnings. This 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 are confident that we offer equal pay to men and women for equivalent work.

OUR GENDER PAY GAP

What's the difference between the mean and the median figures?

The mean is calculated by adding up the salaries of all employees and dividing by the number of employees.

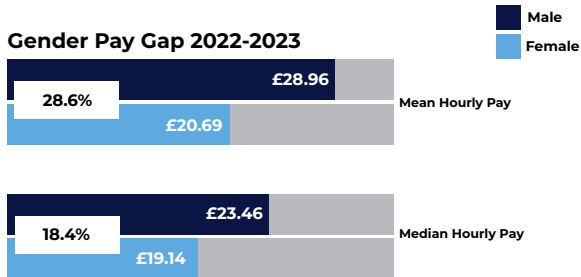
The median is the middle of the range of all employee salaries when they are lined up from smallest to largest.

In both Mean and Median averages our Pay Gap has decreased year on year, our snapshot taken in 2021-2022 recorded a Mean Pay Gap of 35.6% and Median of 29.7%.

We are encouraged by our progress, however there is still a long way to go and will continue with renewed focus and commitment to drive positive change.



Gender Pay Gap 2022-2023



PROGRESS

Our Women in Engineering Project Team & HPP Women's Network are well established, and engagement is increasing. Not only do these groups provide essential feedback and insight, their support in facilitating internal and external activities and projects is critical. In 2022 to 2023 this included sharing their career stories at schools' events and on webinars, taking part in interview panels and acting as mentors to women studying engineering degrees.

SOME EXAMPLES OF WHERE THE BUSINESS IS SUPPORTING WOMEN

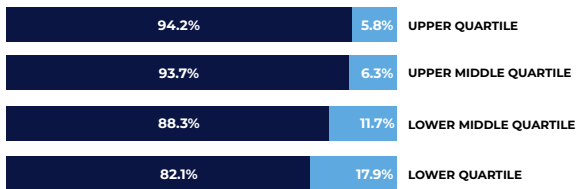
- Review of Maternity and Paternity pay with an increase in full paid time off.
- Introduction of Return-to-work Coaching for returning mothers.
- University Partnerships with Aston & Coventry Universities, offering bursaries and Engineering mentors to provide opportunities and remove barriers for students from underrepresented groups.

ACCELERATING WOMEN IN ENGINEERING PROGRAMME

We are extremely proud of our Early Careers Programme which is an integral part of our Talent Attraction Strategy however we recognise that we need to do more to create opportunities for talented women engineers who are significantly underrepresented in both Motorsport and Engineering. Diverse representation is a prerequisite for harvesting diverse ideas and perspectives, and we are committed to identifying, understanding, and removing the obstacles that inhibit Diversity, Equity and Inclusion and taking action to address the disproportionately low number of women engineers in our industry. We are delighted to introduce our brand-new programme to HPP which will offer a one-year paid work experience to 10 women engineers, providing exposure to a breadth of engineering within Formula 1 and Advanced Technologies working alongside some of the World's best engineers.



PAY QUARTILES BY GENDER



The table above depicts pay quartiles by gender; this shows HPP's workforce divided into four equal-sized groups based on hourly pay rates. We have seen positive progress in this area, with an increased percentage of women in our Lower Middle, Upper Middle and Upper Quartiles. Whilst we still have a considerable amount of work to do to, we are encouraged to see progress, which includes an increase in the percentage of females in HPP, moving from 7.5% to 10.4% year on year. Our focus remains and we will continue to make impactful strategic interventions to increase the number of women at HPP.

Male
Female

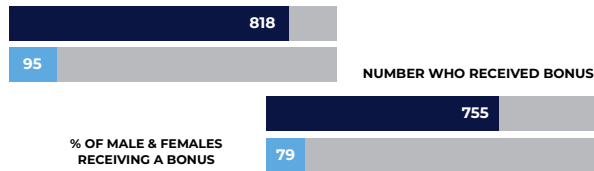
BONUS PROPORTIONS

Men and women at HPP are offered the same opportunities to receive bonus, however, as there continues to be more men in senior positions, with higher bonus rates our bonus gap remains.

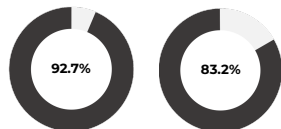
We also saw a dip in the percentage of men and women who received a bonus during this period with a larger number of women ineligible, this is due to an increased number of female new joiners whose employment commenced after the bonus cut-off date.

Changes have been introduced to pay the collective bonus to those in a 12-month trainee position, a role that was previously ineligible and we know that further progress will be seen as we increase the number of women in senior positions in the business.

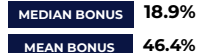
TOTAL NUMBER OF EMPLOYEES



% OF MALE & FEMALES RECEIVING A BONUS



BONUS GAP %



of Male Employees of Female Employees



OUR PARTNERSHIP WITH WES

We are continuing our partnerships with the Women's Engineering Society who are supporting our DE&I strategy, sharing insights, advice and are creating opportunities for our employees to access and act as role models.

Leveraging partnership with WES

As our partnership moves into its 2nd year with the Women's Engineering Society, we look forward to further leveraging our collaboration. Together we are committed to empowering, inspiring and nurturing the best female talent in Engineering and Motorsport by challenging barriers to access and creating opportunities to thrive:

- Providing WES memberships to our employees which allow them the opportunity to access the MentorSet programme as both Mentors and Mentees.
- Supporting WES events, which will include our Women Engineers hosting sessions and taking speaking opportunities.
- Accessing insights, feedback, and expertise from WES in our DE&I Strategy and Programmes.



CLOSING WORDS

We are pleased to see that we are making progress; the changes and interventions we have made are making a difference, however, there remains much to do. We must continue with our concerted effort to deliver against our strategy, taking impactful actions and creating an inclusive high-performance environment where all reach their full potential, which in turn will improve business performance.

A handwritten signature in black ink, appearing to read 'Hywel Thomas'. The signature is fluid and cursive, written on a light-colored background.

Hywel Thomas
Managing Director