

2018 Gender pay gap report



## Introduction

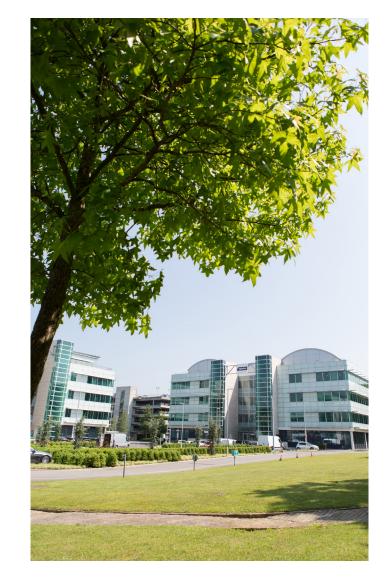
Diversity is the engine of our success – today and in the future – because a diverse workforce is an important force for innovation. The BMW Group is convinced that diversity is crucial to our ability to perform effectively and will ensure the long-term success of our Company.

The full Board of Management of the BMW Group established a commitment to diversity as part of the Company's human resources and sustainability strategy. In 2011, the BMW Group signed up to the Diversity Charter in Germany and committed itself to create a working environment free of prejudices.

At Alphabet (GB) Limited, we are working hard on a corporate culture that promotes tolerance, mutual respect and equality of opportunity.

In this report, we provide our gender pay gap information, identify the reasons behind the gap and our plans to help close it.

We support the UK Government's drive for companies to be more transparent on gender pay issues and confirm that the data reported is accurate and in line with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.





Nick Brownrigg

Chief Executive Officer

Adam Lupton Human Resources Director

### Our measurement

At the time of the reporting period, Alphabet (GB) Limited employed 443 people at its site in Farnborough.

The Gender Pay Gap Reporting Regulations require all employers with 250 or more employees in the UK to report their gender pay gap.

The figures reported are based on calculations set out in the Regulations and must be reported every year.

The gender pay gap does not measure equal pay, which relates to what women and men are paid for performing equal work.

The principle of equal pay is enshrined in law and we are committed to ensuring ongoing compliance with our equal pay obligations.

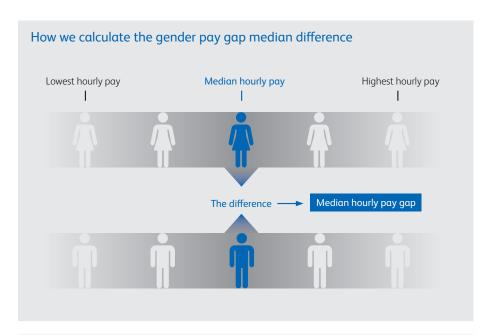
#### **Definitions**

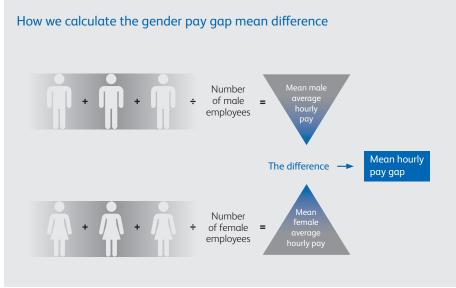
#### The principle of equal pay is:

The right for men and women to receive equal pay for equal work.

### The gender pay gap is:

The difference in the average pay and bonuses of all men and women across an organisation, irrespective of their role or level in the organisation.





# Our findings

Alphabet (GB) Limited employs approximately an equal number of men and women. However, analysis of our gender pay gap shows that there are more men in senior, higher-paid roles.

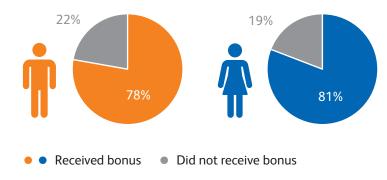
The bonus pay gap relates to the structure of our bonus arrangements, where bonus potential is set as a percentage of salary, which increases with grade. The higher number of men in the higher grades and therefore earning higher bonus values, has a significant effect on our bonus pay gap.

Alphabet (GB) Limited is an equal pay employer focused on supporting every employee to reach their full potential. We are confident that men and women are paid equally for doing equivalent jobs throughout our business.

The gender pay gap data for Alphabet (GB) Limited in 2017/18 is as follows:

Mean and median pay and bonus gap		
	MEAN (average)	MEDIAN (Middle)
Gender Pay Gap	15.9%	8.9%
Gender Bonus Gap	53.6%	19.5%

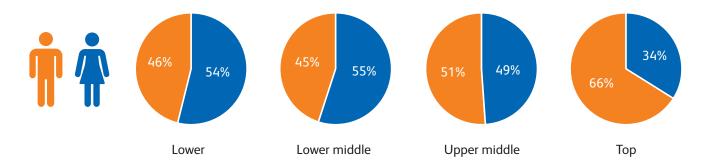
Proportion of employees who received a bonus:



The Company offers bonus programmes for all levels of employees which accounts for high inclusion rate.

### Salary quartiles

The proportion of males and females in each quartile pay band is as follows:



## Closing the gap

Alphabet GB Ltd is committed to delivering initiatives to improve our ability to attract, engage and develop a diverse workforce and to achieve more of a gender balance. We are confident that achieving this balance will reduce our gender pay gap.



A Diversity Group has been established to plan and steer interventions and support managers and departments in prioritising an increased focus on diversity across the BMW Group.

Diversity and Inclusion Network Groups have been created and are run by associates passionate about increasing diversity. These groups address wider

diversity topics beyond gender pay.

At our Farnborough HQ we have a flexible working environment enabling better work-life integration and time management for employees. We are striving to encourage more flexible working across all levels.

We are investing in coaching and mentoring to support all our employees to build confidence, improve internal networks and enhance their career development within the organisation.

We will be running Inclusive Leadership training programmes to highlight and address the issue of unconscious bias during the recruitment and selection process and at other times within the employee lifecycle.

We are also undertaking an extensive review to ensure succession planning, performance management, recruitment and training programmes all support a culture of increased diversity and inclusion.



"As part of the Alphabet (GB) Executive Committee, I am pleased that the right conversations are being held at the right level to not only ensure that we develop women in the business, but also to attract and retain talented female leaders. We are focusing on embedding a culture which allows all employees

to manage their careers in ways which meet individual needs, to mitigate the impact of unconscious bias in the recruitment process and to reduce the gender pay gap throughout the organisation. As the Head of Compliance, it is important to me that we manage our people and their careers in the right way."

Leanne Christmas Head of Compliance



Nothing inspires an enriched culture of diversity and inclusion more than the whole organisation identifying networking opportunities that they participate in, shape and evolve themselves.

Working closely with the enei and our Network group sponsors and leads, we have already held some keynote speaker sessions on Mental health wellbeing, alongside developing career path initiatives and fostering informal networks that allow us to connect to colleagues and share stories. The Network Groups have also run a number of activities within the business to raise their profile.

This is just the start of a permanent cultural shift that reflects not only our own organisational values, but those of our customers and surrounding communities.

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