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.

This is particularly relevant for the engineering and manufacturing sectors. 2017 surveys indicate only 11% of the engineering workforce in the UK is female. Whilst this is a positive change from the 9% in 2015, the UK still has the lowest percentage of female engineering professionals in Europe.

In 2017 50% of all GCSE Physics students were girls, but that becomes only around 20% at A Level and this has not 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]*

HPP welcomes the Gender Pay initiative. 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.

When discussing this subject, it is first very 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 Figures

- Based on a snapshot of data from April 2017 women working at HPP earn **26.1%** less per hour than men (mean) and **17.4%** less per hour (median). This difference is driven by the fact that there are more men in senior, higher-paid roles within HPP.

- 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	98.7%	1.3%
	UPPER MIDDLE QUARTILE	93.5%	6.5%
	LOWER MIDDLE QUARTILE	94.8%	5.2%
	LOWER QUARTILE	86.3%	13.7%

Overall HPP's workforce is made up of 6.7% women. This is not uncommon in the engineering profession as a whole, where women make up only 11% of employees. *[Source: http://www.wes.org.uk/content/wesstatistics]*

- Our bonus pay gap is 52.2% mean, and 7.9% median which is driven by the number of men in senior roles within HPP.

- All 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 (March 16 – April 17) 94.3% of men and 97.7% of women received a bonus, meaning that 5.7% of male and 2.3% of female employees did not receive a bonus as they were not employed at the time.

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