

BMW (UK) LIMITED



# GENDER PAY GAP REPORT 2022.

A BMW GROUP COMPANY.

# INTRODUCTION.

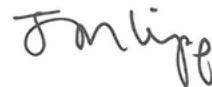
Diversity is the engine of our success – today and in the future – because a diverse workforce is an important force for innovation. The BMW Group believes that diversity is crucial to our ability to perform effectively and will ensure the long-term success of our Company.

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 creating a working environment free of prejudices. In the UK, BMW (UK) Limited are proud to have cultured an environment that promotes tolerance, mutual respect, equality of opportunity and celebrates diversity.

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

A handwritten signature in black ink that reads "C. Brownridge".

Chris Brownridge  
Chief Executive Officer

A handwritten signature in black ink that reads "Jo Knipp".

Jo Knipp  
HR Director



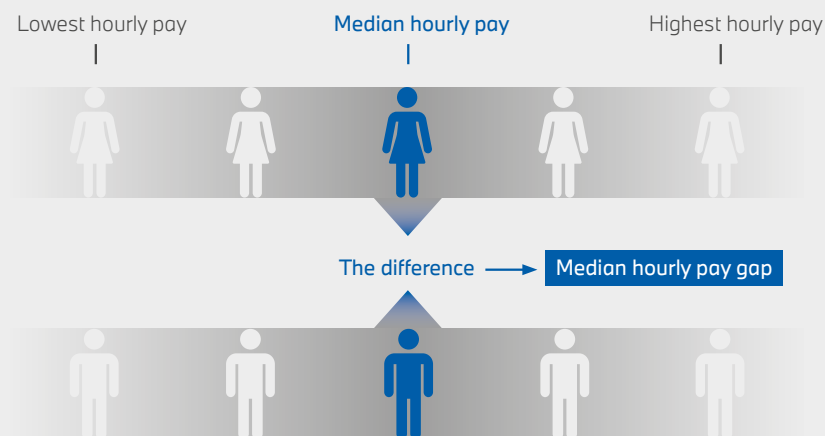
# OUR MEASUREMENT.

At the time of the reporting period, BMW (UK) Limited employed 404 people across its two sites in Farnborough and Thorne. At the time of the reporting snapshot date, there was a higher proportion of male employees (63%) than female employees (37%). 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.

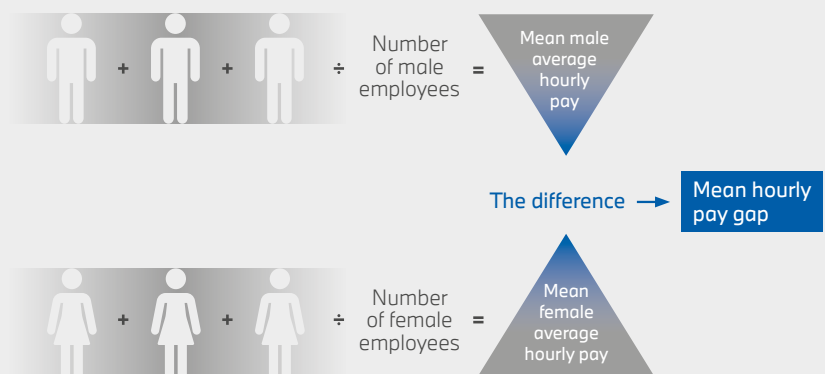
The gender pay gap does not measure equal pay, which relates to what women and men are paid for performing equal work.

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

How we calculate the gender pay gap median difference.



How we calculate the gender pay gap mean difference.



## 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.

# OUR FINDINGS.

BMW (UK) Limited's gender pay gap is strongly influenced by the fact that a high proportion of the executive board and senior leadership population are male. Their higher salaries relative to the larger number of women at lower levels of the organisation increase the male average overall.

There has also been a small increase in the number of women in senior roles in the business over this period, which has started to positively impact our pay gap.

The bonus pay gap continues to be impacted by the historical structure of our bonus arrangements, where bonus potential has historically been set as a percentage of salary, which increased with grade. The higher number of men in the higher grades and therefore earning higher bonus values, had a significant effect on our bonus pay gap. We made a change to this during 2021 and have started to see some positive impact. We would expect to see the impact of this change continue in the coming years.

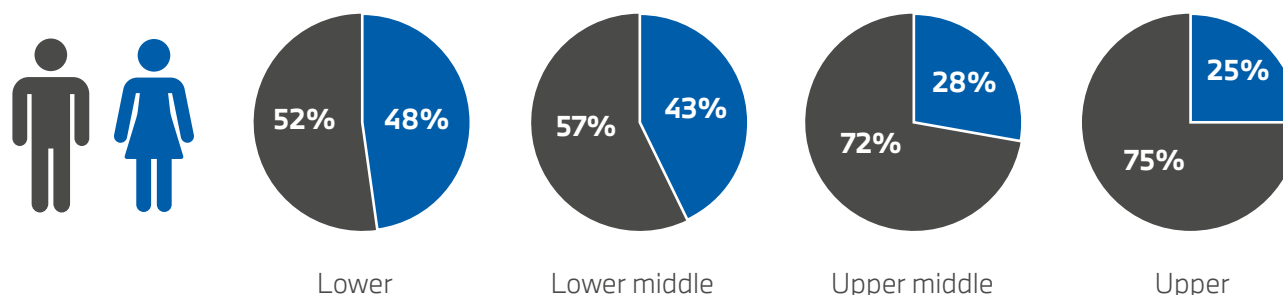
We were pleased to see this year, an increase in the number of women in senior leadership positions which has positively impacted both mean pay and bonus pay. However, bonus pay for men was still higher than that for women.

BMW (UK) 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 BMW (UK) Limited 2021/22 is as follows:

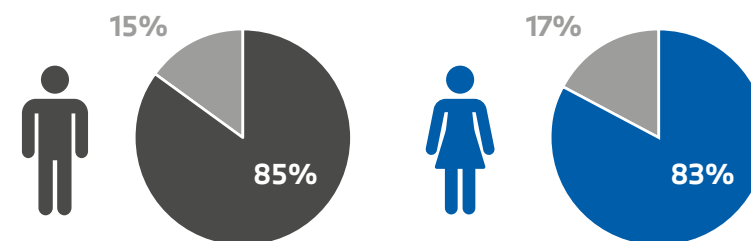
## SALARY QUANTILES.

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



MEAN AND MEDIAN PAY AND BONUS GAP		
	MEAN (Average)	MEDIAN (Middle)
Gender Pay Gap	16.9%	14.2%
Gender Bonus Gap	42.6%	31.3%

Proportion of employees who received a bonus:



• Received bonus • Did not receive bonus

The Company offers bonus programmes for employees on all levels, which accounts for the high inclusion rate. Eligibility per year is dependent on joining or transfer date.

# CLOSING THE GAP.

We are committed to delivering existing and new initiatives to improve our ability to attract, engage and develop women and to achieve a gender balance at all levels of our business. We are confident that achieving this balance will reduce our gender pay gap. We have changed our bonus structure, moving away from the Percentage of Base Pay approach, to a new Equal Value Bonus approach for all employees.

As part of our wider sustainability programme, our strong Diversity, Equity and Inclusion Strategy continues to support individual managers and departments in making increased diversity a priority across our Group of companies.

Network Groups are well-established and run by our employees to raise awareness and implement change, covering areas such as; LGBTQ+, Working Parents and Mental Health. In 2021 we identified the need for a new group specifically targeting gender diversity in the workplace which launched in early 2022. This group champions issues affecting all genders and has set up a task force specifically to address the gender pay gap and any issues affecting women's career progression within the organisation. This has been welcomed by our Senior Leadership who are very supportive of the initiatives being planned. These plans include a partnership with the Women in Automotive Network, and a new parental leave returner process to support those returning after an extended period of parental leave.

Prior to the pandemic, many employees based at our Farnborough headquarters had benefitted from a flexible working environment, so we were in a strong position to be able to quickly adapt when faced with the challenges brought on by Covid-19. Employees were able to work from home in most cases, which not only kept them safe and enabled a better work-life balance, whilst allowing employees greater flexibility in managing their time and commitments, particularly for those with carer or parental responsibilities. This has become a permanent change, and in 2021 we formally launched our Blended Working Principles, giving all our employees the flexibility to work where they are most impactful.

We have continued our investment in our People Leaders throughout 2022, specifically around resilience and mental health and well-being. This is set to continue into 2023, with specific leadership training on identifying and supporting mental ill health in the workplace. We are also providing further management training, specifically for new managers, and additional Global Leadership programmes. We have recently undertaken a full review of our recruitment processes to ensure that they are as inclusive as possible and are excited to see the impact of this in the coming years. We are also proud to be recognised as a Disability Confident Employer, to allow us to take action to improve how we recruit, retain and develop people with disabilities.



"From starting my career as an intern, to my current role, BMW Group UK have encouraged and supported my development and progression. Whilst still early on in my career, I have already been fortunate enough to work across a number of different areas of the business within diverse teams. Benefiting first hand from the business' commitment to empowering young female talent.

I am extremely fortunate to have received mentorship from inspirational women and men from all levels of the business."

Meg Harrall  
MINI Strategy, Planning and  
Operations Manager

# CLOSING THE GAP (CONT.)

## DIVERSITY, EQUITY & INCLUSION NETWORK GROUPS

Over the last year, our seven core Diversity, Equity and Inclusion Network Groups: PRIDE (LGBTQ+), Timewise (working parents and part time working), Embrace (culture, ethnicity and faith), Ability & Beyond (visible and non-visible disabilities), Minds Matter (mental and emotional wellbeing), ConnectONE (all demographic networking and mentoring) and Unity (gender equality) have continued to grow and work tirelessly to promote a culture and environment that is diverse, equitable and inclusive. One of the many successes over the last year included the painting of our zebra crossings on campus in the colours of the Pride rainbow flag. This initiative was undertaken to openly show support of not just our LGBTQ+ community, but also our commitment to a diverse and inclusive workplace in general.

The launch of our seventh network group, Unity, specifically designed to look at gender equality has been another highlight, featuring topics such as: personal safety training, men's and women's health, the menopause and a celebration of both international women's and men's days. The network and reach of these groups has grown significantly, both internally and externally, in the last year. They have worked closely with other companies to help grow and diversify the support they provide as well as providing greater intersectionality.

We've continued our membership with the Employers Network for Equality and Inclusion (ENEI), taking part in TIDE (Talent Inclusion Diversity Evaluation). Due to the incredible efforts of our D,E&I Network Groups, sponsors and stakeholders, we were delighted to improve our overall score once again in 2022, and to achieve the Bronze Standard for the third year in a row. We will continue to benchmark ourselves externally to help drive our strategy. We are excited to have signed the Race@Work charter in 2023.



This year our focus is on understanding our workforce better and we will be launching a voluntary campaign to collect diversity data for our employees. This will allow us to make more targeted decisions and focus our longer-term strategy.