



DRAXLMAIER

UK Gender Pay Gap

Report 2018

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Introduction

We are committed to being an inclusive and diverse employer, and welcome the increased transparency on gender pay in the UK. Creating an open and collaborative culture for all employees at DRÄXLMAIER, plays a fundamental part in maintaining our global presence and meeting the needs of our customers.

In this Gender Pay Gap Report we provide our pay data; explanations behind each result; compare our data to the previous year; and outline our plans for continued equality and diversity.

The pay difference between men and women

Mean pay gap



Median pay gap



Understanding our pay gap

We have a higher portion of male employees working on our production and assembly lines. Women have a higher representation in our mid-level positions which sit predominantly within our central functions. Whereas our senior level positions are predominantly held by men.

The split of low and high level earnings for male workers, accompanied with more females represented in mid-level positions, will account for the closeness of our mean and median pay gaps.

The diagram above shows our gender pay gap by comparing the average hourly pay of all women compared to men. The UK's national gender pay gap is 8.6% higher for men according to the Office of National

Statistics (ONS). The mean and median figures are used to provide an average percentage pay gap. The mean pay gap is slightly higher for women, whereas the median is slightly higher for men.

The bonus pay difference between men and women

Mean bonus pay gap



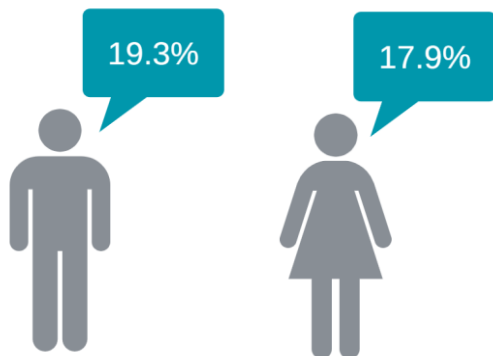
Median bonus pay gap



Understanding our bonus gap

In 2017 a senior manager with a long length of service left the business resulting in a significant final bonus payment. Due to the low number of managers eligible for a bonus, this distorted the calculation of the mean. The calculation of the median was only slightly affected.

Discounting the leaver would result in a mean bonus pay gap of 8.5%. This is due to the fact that the most senior roles in the company are currently held by men. As there is a significant number of male production operatives with a low bonus, the median bonus pay gap is in favour of female managers that are mainly employed in middle management roles.



The percentage of men and women who receive bonuses

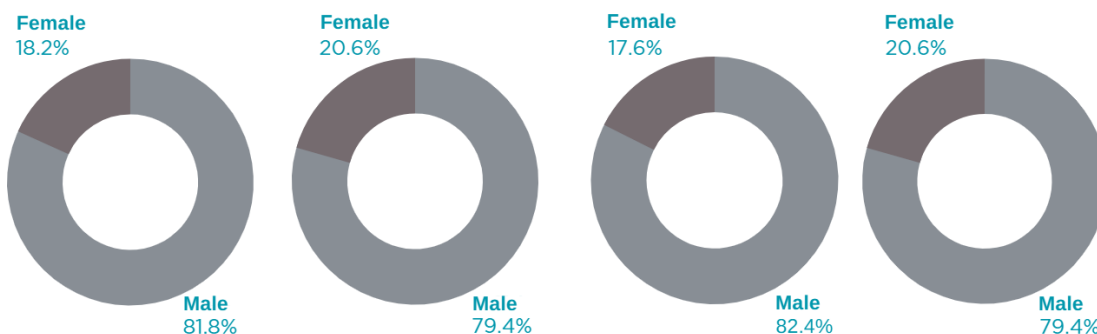
Understanding our bonus percentages

All in all, the total percentage of men and women who receive bonuses is similar. However, as there are more men in very low and very high roles who are eligible for a bonus, the median and mean do not give a clear representation of the actual pay reality in the company.

We will continue to work to align the mean bonus differences, in particular within higher levels of the company.

The percentage of men and women within our four pay quartiles

The diagrams below illustrate the percentage of men and women represented across our business. Quartile 1 (far left) represents our highest paid employees, whereas Quartile 4 (far right) represents our lowest paid employees.



Comparison of 2016/17 and 2017/18 results

The mean and median gap for pay has remained very low. This is positive to observe as it highlights our attitude of embracing equality and diversity within the business; ensuring both men and women are treated equally.

Our bonus pay gap results have seen a significant change compared to last year's results. This is driven by a senior manager leaving the company.

The percentage of women who receive a bonus has doubled when compared to 2017's results. The 2018 figure is now very close to the percentage of men who receive bonuses. This is pleasing to observe considering the challenges we face with varying employment contracts within the business, due to a TUPE transfer, which enables a portion of the workforce to receive a weekly bonus (of which most are male).

We are encouraged to observe that there has been an increase in female representation in our upper two pay quartiles, displaying an increase of women in senior roles within our business. This has been an area the business has consciously worked on through training programmes and succession planning activities.

What next for DRÄXLMAIER UK?

We will continue to promote equality at DRÄXLMAIER UK by providing learning and development opportunities at all levels, as well as supporting the career paths available to our employees. In addition, we are committed to furthering our fair and diverse recruitment strategy; encouraging people from all backgrounds no matter their race, ethnicity or gender; to come and work for DRÄXLMAIER. As a global business operating in over 20 countries, it is in our best interest to attract talent from varying backgrounds in order to meet the needs of our customers.

In 2018, we initiated a community engagement plan aimed at building long-term relationships with our local communities. Since then we have partnered with two charities: Barnardo's and The RFEA (The Forces Employment Charity); and have begun working with local schools and colleges, initiating a training course as well as promoting apprentice opportunities within our business. We will continue to increase our community activities in 2019, in order to encourage both young men and women to develop their careers within the automotive industry.

We will continue to publish our Gender Pay Gap Report year-on-year, in line with the UK Government's legislation, providing commentary and context for each data set.

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