



GENDER PAY GAP REPORT 2018  
JAGUAR LAND ROVER

## INTRODUCTION

Our people are at the core of the company, designing, building and delivering brand new premium products every year. They are Jaguar Land Rover's life and soul.

New technologies continue to shape the future. Long-term success relies on inspiring and nurturing a range of talent. Our industry will change more in the next five years compared to the last 50 years. The move towards autonomous, connected, electric and shared mobility will shift the demand for new skills to be greater than ever.

Creating a diverse workforce enables us to foster a rich variety of voices, mind-sets and experiences; fuelling innovation and creativity. It also increases employee satisfaction and fosters positive attitudes and behaviours in the workplace. Every year we reach out to thousands of talented individuals and forward thinkers who can join us on our journey.

Since the last reporting period, our initiatives to encourage more women into a career in engineering and technology have been successful. We have increased our female workforce by 18.5 per cent and the proportion of women has increased across all of our functions, including senior management roles.

Our approach has resulted in hiring more females into the organisation which have predominantly been in early career roles - where rates of pay will typically be lower. This is one of the main factors that has impacted the data, resulting in a 1.3 per cent increase to our gender pay gap and a 0.6 per cent increase to our gender bonus gap.

The automotive industry has traditionally been male dominated and it is still evident there is a higher ratio of males in manufacturing and senior management roles. Our long-term commitment is to develop and nurture our employees so over time we can boost the pipeline of female talent and address the gender balance in these roles.

At 5.8 per cent, our median gender pay gap is still significantly lower than the Office of National Statistics UK average of 17.9 per cent. We recognise that we have further work to do to narrow the gap and more steps need to be taken before the automotive industry reaches the levels of equality we seek. However we are heading in the right direction and are confident the destination is in sight.



# WHAT IS THE GENDER PAY GAP?

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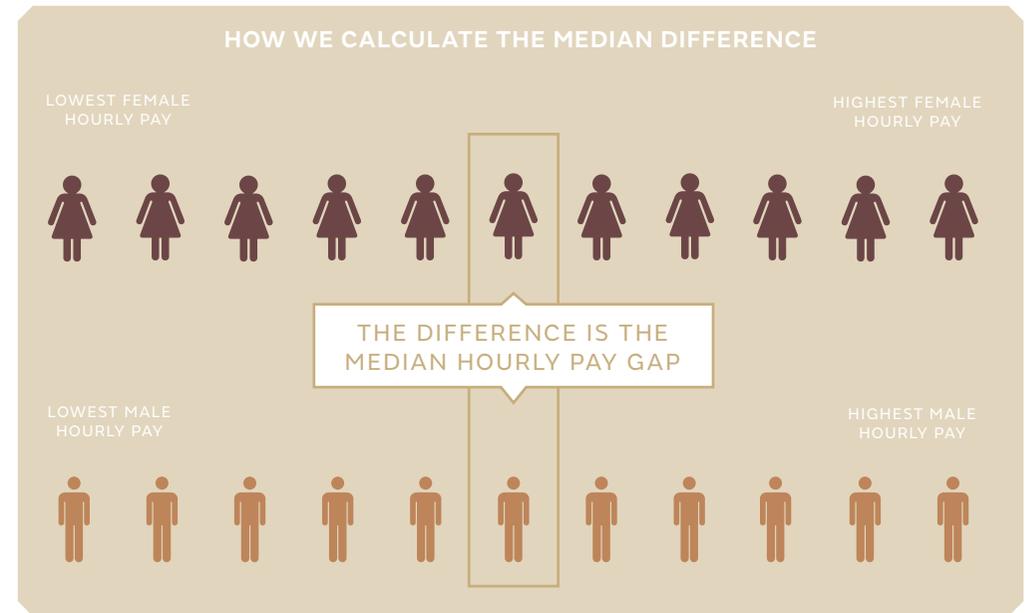
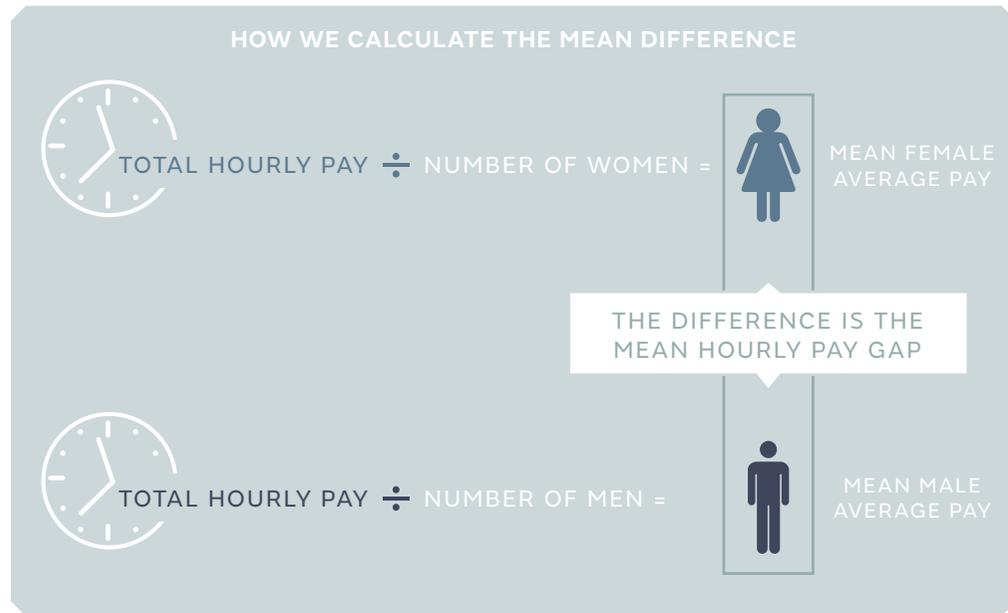
The gender pay gap is a measure of the percentage difference in the average hourly pay or bonus of men and women working for Jaguar Land Rover. This is regardless of their role in the organisation, length of service and any other differentiating factor.

It is important not to confuse the gender pay gap figures with an equal pay comparison. Equal pay is a direct comparison of two or a group of employees doing the same or comparable work. Equal pay is not covered in this report.

## HOW ARE THE MEDIAN AND MEAN PAY GAPS CALCULATED?

The mean gender pay gap is a calculation of the average hourly pay or bonus of a man in our organisation versus the average hourly pay of a woman, including all relevant additional payments and regardless of what they do in our organisation.

The median pay and bonus gap takes the exact mid-point between the lowest and highest-paid man in the organisation versus the equivalent woman.



## HOW WE MEASURE THE GAP

All pay calculations are based on the relevant pay period that includes 5 April 2018, and bonuses from the previous 12 months. The data is for all UK-based Jaguar Land Rover relevant employees and those working overseas on a UK contract. This does not include employees on reduced or nil pay, such as those on long-term sick leave or special leave or those employed by an agency, personally contracted or inbound assignees. Employees on maternity leave have been included as they receive full pay.



### PAY

Ordinary pay includes base pay, paid leave, shift pay, supplements and allowances. An employee's hourly pay rate is calculated on their post salary sacrifice pay in line with the Regulations. The gender pay figures are based on full pay relevant employees only – these are employees who were employed on the snapshot date and were being paid at their full rate of pay.

UK employees who are on an international assignment are included in the calculations. A group of employees are paid for one less hour a week than they work and accumulate the additional hour throughout the year, which can be converted into holiday, cash or paid into a lifestyle account at a specific point in the year. For the purpose of the ordinary pay calculations, the hourly rate has been calculated based on the hours paid for. Any hours cashed out have not been included as they are not cashed out on the snapshot date.



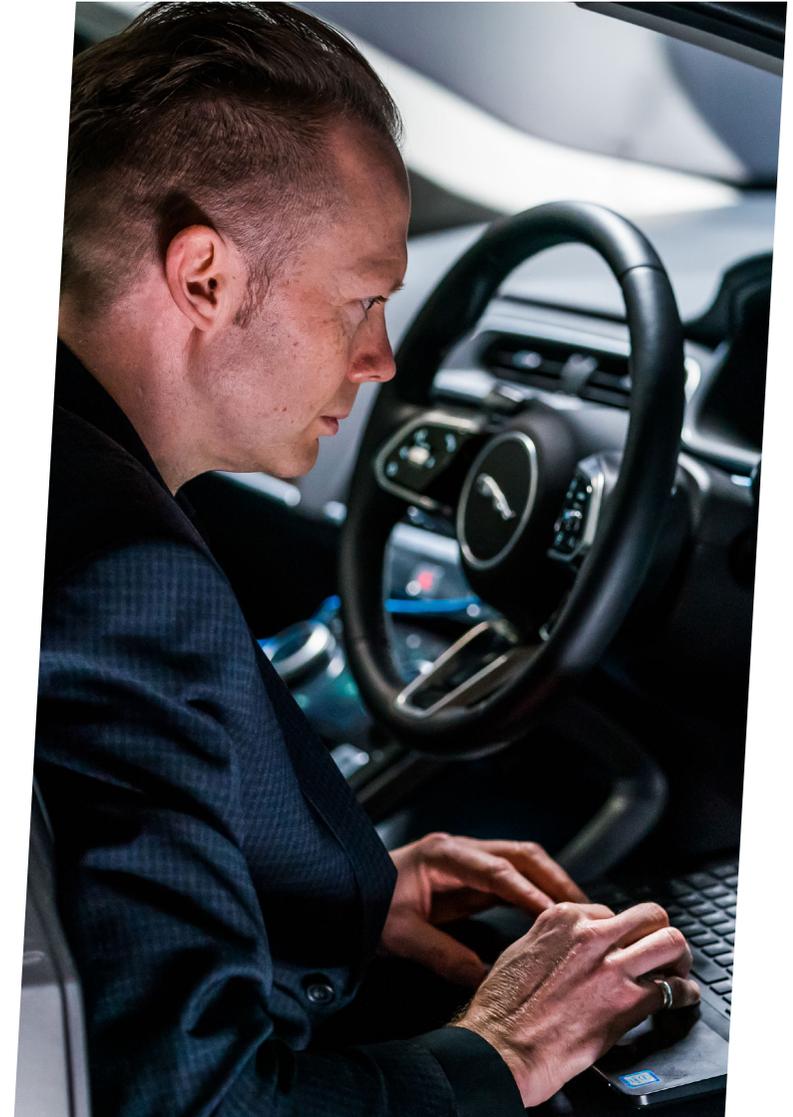
### BONUS PAY

Under the Regulations, bonus pay refers to remuneration in the form of money, vouchers or securities that relate to profit sharing, productivity, performance, incentive or commission. Under these guidelines, vouchers awarded through our reward and recognition system during the relevant period have also been included in the data.

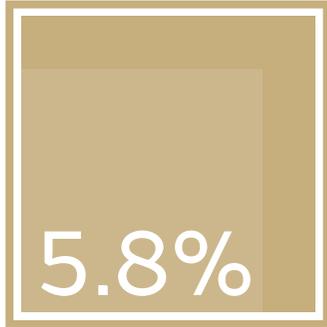


### EXCLUDED PAYMENTS

At Jaguar Land Rover, a holiday payment of £400 was paid in June 2017 to some employees. We concluded these payments did not fulfil the definition of bonus under the Regulations and they were not included in the ordinary pay calculations as the payments were not made in April 2018.



## OUR RESULTS - KEY HIGHLIGHTS



### MEAN PAY GAP

The mean pay gap tells us the difference in the average hourly pay rate for male and female employees.



### MEDIAN PAY GAP

The median pay gap is the difference in the hourly pay rate between the pay of the middle female employee and the pay of the middle male employee when male and female employees are listed in order of hourly pay rate.

Our mean pay gap has increased by 1.3 per cent, from 4.5 per cent in April 2017 and our median pay gap has increased by 1.2 per cent from 3.8 per cent in April 2017. There are a number of key factors that have contributed to the pay gap.



### NEW HIRES

We are welcoming more women to our workforce and the proportion of women has increased across all of our functions. We are taking positive steps to encourage women into the automotive industry and to boost the pipeline of female talent within our organisation. A fifth of the female workforce in April 2018 was hired during the preceding twelve months. Our approach has attracted more women into the organisation at the early careers levels, where rates of pay will typically be lower.



### NEGOTIATED PAY SETTLEMENTS

Since 2012, negotiated, staged pay increases linked to service (ranging from 2.5 per cent to 10 per cent each year) have been in place for certain areas of our business, predominately within manufacturing. Overall, the majority of this workforce is male. Between April 2017 and April 2018, these staged pay increases positively impacted 18 per cent of male employees compared to 9 per cent of the female workforce.



### GENDER REPRESENTATION

Our pay gap is reflective of the industry as there are more men in Engineering and Design functions, as well as in senior roles within the business which typically attract higher rates of pay.

# OUR RESULTS - KEY HIGHLIGHTS

## QUARTILES

The graphs below show the proportion of men to women in each pay quartile of the organisation. All relevant employees are ranked from the lowest rate of hourly pay to the highest, then the list is split into four equal quartiles and the percentage of male and female employees in each quartile is calculated.

Since our 2017 report, the number of women in the top quartile increased by 23 per cent.

From April 2017 and April 2018, the number of women in the lower quartile also increased by 21 per cent - reflective of our commitment to attracting more women into the automotive industry (predominantly in early career roles). Our goal is to continue nurturing our people so there is a larger representation of women in more senior roles in the business and the sector.



There are several factors impacting the split between quartiles:

- **9.8 per cent** of women had child care voucher salary sacrifice compared to **4.4 per cent** of male employees.
- The inclusion of shift pay which is prevalent in manufacturing operations where the workforce is predominately male.
- Over **50 per cent** of men work shifts compared to **16 per cent** of women.

## OUR RESULTS - BONUS DETAILS



### MEAN BONUS GAP

The mean bonus gap tells us the difference in the average bonus payment for men and women.



### MEDIAN BONUS GAP

The median bonus gap is the difference in the bonus between the middle female employee and the middle male employee when male and female employees are listed in order of bonus payment.

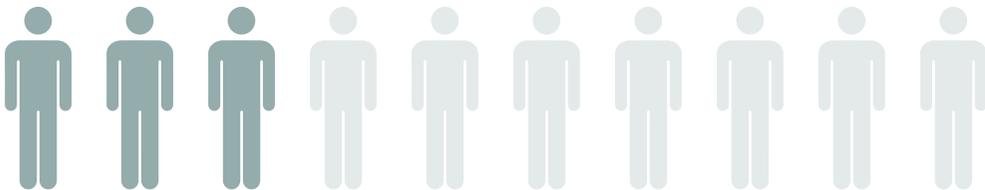
Our mean bonus gap has increased by 0.6 per cent from 36.2 per cent in April 2017 and our median has increased by 8 per cent from 4.7 per cent in April 2017. This is representative of the fact that overall there are fewer women in senior roles in the organisation. The bonus gap is also impacted by the proportion of women who are part-time compared to men and therefore receive a pro-rata bonus. There were 15 per cent more women working part-time during the period (versus last year's reporting period) who received a pro-rated bonus.

The bonus gap figure is also impacted by the increase in women hired during the 2018 reporting period. These new hires received pro rated bonuses in their first year of employment, reflective of their time in role.



49.0%  
of women  
received a bonus

This calculation shows the proportion of women who received a bonus compared to the total population of our female workforce, and the proportion of men that received a bonus compared to the total population of our male workforce.



30.7%  
of men  
received a bonus

Our largest population of employees is our manufacturing workforce, who do not participate in the bonus schemes: 94 per cent of this group is male. The number of women is more evenly split across the levels of the organisation outside of manufacturing, which explains why a higher percentage of women received a bonus compared to men.

## OUR COMMITMENT TO THE FUTURE

Diversifying our workforce and encouraging talented women into our industry is a challenge, but we are committed to providing an equal and encouraging environment within our business.

With the challenges our industry is facing now, and in the future, we need the best and brightest minds to innovate and revolutionise the way we think about mobility. Through our engaging recruitment programmes and our early careers opportunities we are committed to recruiting more women into our business to develop, grow and succeed at Jaguar Land Rover.

Diversity and inclusion has been identified as a key component of our workforce experience agenda. In addition we are committed to creating an inclusive culture where our people can be their authentic selves.

We have identified a number of activities that support us achieving our vision:

### **Policies and Processes**

Attracting and retaining talented women is a key focus. We continue to review our policies to create greater flexibility for our people and to support women back to work following maternity leave.

### **Employee Led Networks**

We increased the number of employee networks from two to eight in 2018. These include our Black, Asian and Minority Ethnic (BAME), Gender Equality and Pride networks.

### **Communication**

Focus groups were carried out, reaching out to the women in our organisation to understand how to support them to succeed. We have also been engaging senior level sponsors to help drive change from the top - shining a spotlight on our senior women as role models for others.

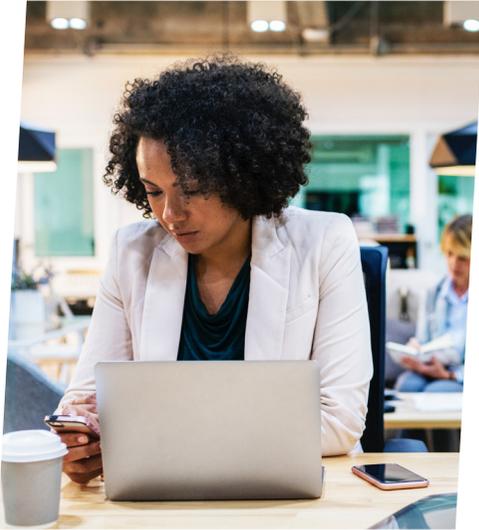
### **Personal Development**

As well as offering Unconscious Bias Training, we are also working on initiatives around reverse mentoring and leadership development.



# OUR COMMITMENT TO THE FUTURE - CLOSING THE GAP

We are currently supporting women in our workplace and encouraging more future female talent into the automotive industry.



## WORKING ENVIRONMENT AND SUPPORTING POLICIES

Flexible working arrangements and 52 weeks of full pay maternity leave for all female employees are just two of the ways we support women in our business. Job-share arrangements and on-site crèche facilities are also in place to support employees balancing childcare and work commitments.



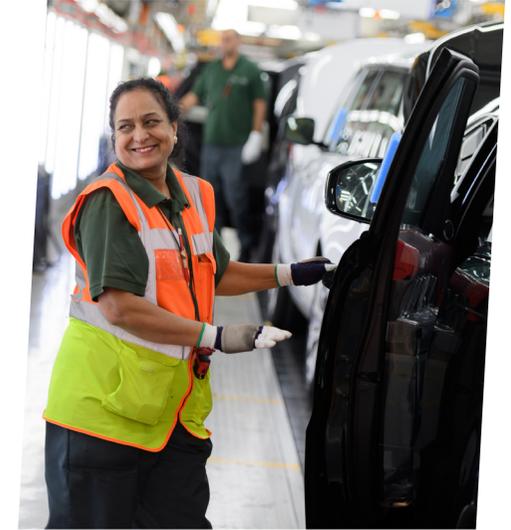
## INSPIRING YOUNG WOMEN TO PURSUE AUTOMOTIVE CAREERS

Our school education programmes increase engagement in STEM (science, technology, engineering and maths) subjects as well as introducing successful female role models to girls as young as seven to increase their interest in engineering.



## WOMEN IN ENGINEERING - FURTHERING FUTURES

The Furthering Futures campaign aims to break social stigmas by giving young women an accurate, in-depth look at careers in the automotive sector, by participating in inspirational talks and career networking sessions with women from across the business.



## WOMEN IN ENGINEERING SPONSORSHIP SCHEME

This undergraduate placement scheme is aimed at female university students studying engineering. We offer three, six and fifteen-month paid placements and assign students with a Jaguar Land Rover female engineering mentor during their placement.

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## OUR COMMITMENT TO THE FUTURE - CLOSING THE GAP



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### **CAREER PROGRESSION AND SKILL DEVELOPMENT**

We believe in training, developing and encouraging all of our current workforce to learn and grow. Jaguar Land Rover invests in training, education and skills through the Jaguar Land Rover Academy, supporting employees to pursue formal qualifications.

#### **Leadership development**

Over the last four years, we have partnered with The Pipeline, who deliver Executive Leadership Development programmes designed for senior business women. Through this partnership we have accessed two development programmes: the Leadership Summit and Top Flight.

In the Top Flight programme, senior executive women learn from the experience and thinking of world-class business leaders and contributors. Since 2015, seven employees have attended Top Flight and 53 employees have attended the Leadership Summit.

In December 2018 we created an alumni network for people who attended the leadership summit with a view to supporting each other, sharing best practice and ideas and supporting other women in the business.

### **NETWORKING FOR SUCCESS**

#### **Gender Equality Network**

Our Gender Equality Network successfully launched in June 2018 with speakers from across the business including its executive sponsors and industry experts on unconscious bias. The Network's main objective is to champion and celebrate gender equality and diversity and holds various networking events and mentoring opportunities.



At Jaguar Land Rover, we are passionate about our people. They are at the heart of our business.

We are committed to fostering a diverse, inclusive and gender-balanced culture that is representative of our customers and the society in which we live; a culture in which every one of our employees can bring their authentic self to work, and reach their full potential.

Greater diversity results in higher levels of engagement and passion within our business, inspiring our people to create the experiences our customers love for life.

It is a business imperative we are actively moving towards this goal. Which is why we welcome the opportunity to report on how our people are paid.

I declare the contents of this report to be accurate.

**IAN HARNETT**  
EXECUTIVE DIRECTOR, HUMAN RESOURCES  
AND GLOBAL PURCHASING, JAGUAR LAND ROVER

