

# ASTON MARTIN LAGONDA



2019 GENDER PAY GAP REPORT

# INTRODUCTION

Aston Martin Lagonda is one of the great global luxury car brands. Founded in 1913 by Robert Bamford and Lionel Martin from a workshop on Henniker Mews in London, their vision was to develop cars with impeccable design and supreme performance. These cars captivated the public's imagination and still command the same emotive fascination over 100 years later.

Today, Aston Martin is the largest independent British luxury automotive manufacturer, championing breakthroughs in cutting-edge design such as the DB11, DBS Superleggera and most recently, the much anticipated DBX. The combination of a strong brand, cutting-edge technology and a unique culture makes Aston Martin Lagonda a truly special and rewarding place to work.



# THE ASTON MARTIN WAY

Our people define who we are and what we do. Our people are exceptional, unique, creative and tireless in their devotion to excellence, no matter which part of the business they are from or the level of their role.

We foster the working principles of passion, excellence, fairness, collaboration and respect in all that we do, and we are tireless in promoting and living these principles across the business without exception. We work in close collaboration with our partners and suppliers, believing that our performance and successes are shared and celebrated with the talented businesses we work alongside.

Our performance depends on mutual respect, diversity, good working conditions and the professional fulfilment of the people in our company. We recognise that we need a high performing culture, characterised by a diverse and inclusive workforce. The 'Aston Martin Way' aims to build a culture that delivers a sustainable, luxury, self-funding business with world class processes capable of delivering our strategy.

The Aston Martin Way defines a series of key behaviours we want to instil in our workforce to ensure that we are operating in an ethical and appropriate way, these are:

- Collaboration
- Customer Focus
- Communication
- Commitment
- Continuously Challenge and Improve.

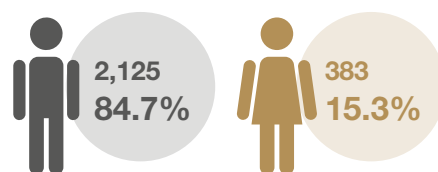
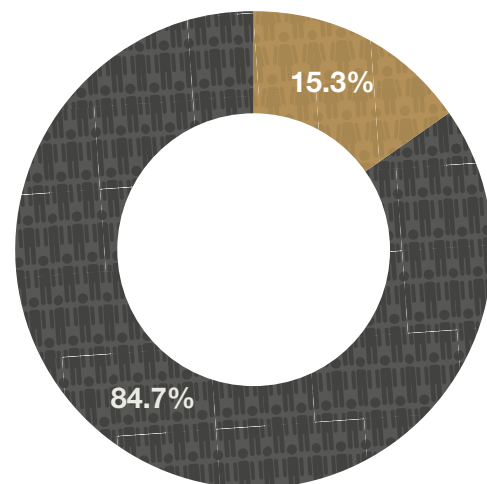
This discipline enabling creative excellence ensures that we operate as 'One Team, One Vision, One Way of Working Together'. The processes, skills, tools, and templates that will enable us to collaborate effectively, efficiently, and ethically are being rolled out across the business ensuring that our workforce have the appropriate training and guidance on how they should operate as an Aston Martin Lagonda employee. These core tools are set out in the company's Code of Conduct.

Our Gender Pay Gap (GPG) report provides snapshot data taken as at 5 April 2019, as well as any variable (bonus) pay received in the 12 months prior to this date.





Manufacturing roles account for 35.5% of our total workforce across all sites, with the remaining 64.5% made up of head office roles, including Research and Development, Finance, Marketing, Sales, HR and IT.

The manufacturing and engineering industries have historically had a higher proportion of male employees. In 2019, 74% of employees in the manufacturing industry were men and 26% were women (ONS, 2019). At Aston Martin Lagonda, 15.3% of our employees were women and 84.7% were men as at the snapshot date. We remain committed to offering equal job opportunities for all, irrespective of gender or background, and continue to drive our initiatives to attract and retain the best possible talent for our organisation.

Number and % of men and women in the AML workforce – 2019



# OUR DATA

	2019	2018
 Proportion of male employees in the business	84.7%	85.9%
 Proportion of female employees in the business	15.3%	14.1%
	<b>2019</b>	<b>2018</b>
£ Mean Pay Gap (Hourly paid)	7.0%	12.1%
£ Median Pay Gap (Hourly paid)	8.9%	6.4%
+£ Mean Bonus Gap	-2.1%	50.0%
+£ Median Bonus Gap	0%	0%
	<b>2019</b>	<b>2018</b>
 Proportion of male employees receiving a bonus	82.8%	71.2%
 Proportion of female employees receiving a bonus	77.0%	70.3%

## 2019 PAY QUANTILES BASED ON 2,508 EMPLOYEES

Lower Quartile	78.0%	22.0%
Lower Middle Quartile	84.5%	15.5%
Upper Middle Quartile	87.8%	12.2%
Upper Quartile	89.3%	10.7%

Men
  Women



# UNDERSTANDING OUR DATA

The gender pay gap is measured in two ways. The **mean pay gap** shows the difference between the average hourly pay of men and women in UK-based roles at AML. The **median pay gap** shows the difference in hourly pay between the middle man and middle woman if all employees in the UK were ranked in order of their pay.

## 2019 Mean Pay Gap

**7.0%**

(2018: 12.1%)

## 2019 Median Pay Gap

**8.9%**

(2018: 6.4%)

### MEAN PAY GAP

Our mean pay gap continues to favour men but has reduced compared to the gap in our 2018 report. The gap is due to the fact that 64% of senior positions were occupied by men at the snapshot date, and it has reduced as a result of the promotion and recruitment of senior women within the business. Between our 2018 and 2019 GPG reporting dates, Nikki Rimmington has been promoted to Vice President and Executive Committee member (see case study). We have also appointed five new women to Director-level roles and have two new women Non-Executive Directors on the plc Board.

A further factor that contributes to our gap is that, although the proportion of women occupying our manufacturing roles has increased, a lower number of women chose to take on the shift patterns (often during more unsociable hours) and these command higher premiums. To ensure consistency across manufacturing job grades, we use spot rates to ensure equality of pay for any given job role.

### MEDIAN PAY GAP

Our median pay gap is also due to the overtime and shift premium payments that were received by our median man (a build technician in manufacturing), although our median woman (who is in an office-based engineering role) does actually command a higher base salary.

### MEAN BONUS GAP

Our 2019 mean bonus gap is significantly lower than in our 2018 report. Historically, our mean bonus gap (in favour of men) has been due to more men occupying senior roles and eligibility senior-level bonuses. This continues to be the case but no bonuses were paid to our Executive Committee in respect of 2018 (the relevant period for our 2019 GPG report) which results in a gap of -2.1%. In the context of the continuing challenging trading conditions during FY 2019, the CEO and CFO no longer believed that it was appropriate to receive their bonus payments and so decided to waive their 2018 annual bonus in full. Other members of the Executive Committee, who were entitled to a bonus payment for 2018, also agreed to waive these in full. The gap reflects these decisions.

### MEDIAN BONUS GAP

We have a zero gap in terms of median bonus (no change to 2018) which is due to the fact that our median woman and median man have the same job grade and are both eligible for a fixed bonus.



# CLOSING THE GAP

To ensure we encourage a diverse workforce, we continue to operate initiatives to increase the number of women in our workforce, at all levels in the business.

## LEADERSHIP AND TALENT PIPELINE

We are focused on building capability and driving engagement across the Company.

We operate a People Committee which is responsible for ensuring AML has a strong talent pipeline and capability in the areas most critical to the delivery of our strategy. This Committee meets quarterly to identify high-performing talent with the potential to progress into senior positions. Our recent appointments to the Executive Committee, including Nikki Rimmington and very recently announced Laura Schwab, have been made as a result of succession planning through the People Committee.

To further strengthen the capability of our leadership population and ensure delivery of our strategy, we operate our Leadership Development Programme. This programme provides a tailored development plan to those identified as high performing talent, regular feedback and support and an intensive two-day externally-led course held at our Training Academy. This was attended by over 160 employees in 2019, 22% of which were women.

## LEARNING & DEVELOPMENT

We are committed to helping all of our workforce to develop and grow throughout their careers. Through a comprehensive career framework and series of targeted development programmes, we are focused on enabling our people to reach their full potential.

Our focus on professional development throughout our employees' careers supports their continued personal and professional growth and ensures that we have the skills to meet our customers' current and future requirements. Management development qualifications are now offered across AML, these include the Chartered Management Institute Levels 3 and 5, which use a blended learning approach of classroom, coaching and online, enabling flexibility for working parents, and an MBA for our high potentials.



## CASE STUDY: NIKKI RIMMINGTON



Nikki Rimmington, identified through our Talent Development programme in 2015, became our Vice President and Chief Planning Officer in 2018.

After completing a master's degree in Mechanical Engineering at the University of Bristol, Nikki began her automotive career as an engineer at Rover Group and JLR. She then took a different track after completing a Master's degree in Business at Warwick Business School, leading to management consultant

roles ahead of joining AML in 2007 as a Product Planning Manager. Nikki progressed and quickly took on more senior roles, including Technical Assistant to the CEO and Director of Corporate Finance and Planning. In her current role, Nikki heads up a team of 50 people, focused on product planning, strategy and delivery.

Nikki was a keynote speaker at the Women in Business Expo in 2019, where she discussed the challenges and opportunities she has faced during her career in the automotive industry and the importance of attracting more women to engineering.

# CLOSING THE GAP *(continued)*

## ENCOURAGING WOMEN INTO STEM AND THE AUTOMOTIVE INDUSTRY

We actively engage in a number of programmes aimed at promoting and inspiring young people to take up STEM subjects and explore careers within engineering. Kim Everitt, Senior Engineer Powertrain is an active member of the Women in Engineering Society and regularly represents Aston Martin at events promoting women engagement in the automotive industry and inclusive working.

Through our connections with local schools, universities and the Princes Trust, AML's engagement includes employability skills workshops, networking events and sponsorship of engineering projects in schools. To encourage a diverse group in terms of gender, we promote careers in the automotive industry generally as well as those based on STEM subjects, and believe these initiatives have helped to drive female interest in our apprenticeship schemes.

Our successful apprenticeship and graduate programmes continue to attract emerging talent into our business. Over the past 2 years we have taken on 50 apprentices and in 2019, 11% of our apprentices were women, representing a 2% increase from 2018. All of our apprentices are sponsored to complete academic qualifications in either an engineering or commercial discipline.

These include the BTEC level 3 in Engineering, Chartered Management Degree and BEng in Applied Engineering. This pipeline of talent ensures our business continues to thrive with an enthusiastic, experienced and educated group of apprentices who graduate into significant roles at the end of their development programme.



### CASE STUDY: HILARY ANDREW



Hilary joined Aston Martin in 2013 as a vehicle safety intern after gaining a Masters Degree in Mechanical Engineering from Imperial College London.

Hilary's rapid rise at AML has seen her become Vehicle Engineering Leader on the track-only AMR Pro edition of the Aston Martin Valkyrie hypercar, a position she was chosen for after displaying strong technical competence and team-building skills.

In 2019, Hilary won an award in the Vehicle Development category of the Autocar Great British Women in the Car Industry awards. She accepted her award in front of

prominent guests at the conference, including Aston Martin President of the Americas, Laura Schwab.

On receiving the award, Hilary said, "An event like Great British Women in the Car Industry is great because it identifies role models for young women who are still determining their path and varied careers that the industry has to offer. The categories identify all of the teams that it takes to take a car from concept to delivery.

Highlighting all of those varied career paths and putting a personal experience behind them can only help to encourage women into the industry and help the gender balance and in doing so make the UK car industry thrive."

# CLOSING THE GAP *(continued)*

## FAMILY-FRIENDLY POLICIES

Diversity is core to our working principles of fairness and respect and drives creativity, innovation and strategic decision making. Developing and growing our diverse workforce is critical to our future success by better equipping us to deliver the needs of our customers now and in the future. We recognise that consistent and continuous actions to push a greater balance of diversity, including on gender, are vital and broadening our Diversity and Inclusion agenda is a key priority for the Company in FY 2020.

We remain committed to offering equal job opportunities for all, irrespective of gender, and continue to invest in initiatives to attract and retain the best possible talent for our organisation. As well as our talent development and educational outreach programmes detailed above, we are

committed to attracting and retaining female employees through ongoing development of our inclusive family-friendly policies, including enhanced maternity leave, job share arrangements, part-time working – all of which aim to provide more flexibility to our employees.

We have a great example of a senior promotion of a woman who was on maternity leave at the time she was offered her new role. Stephanie Jackson was a Solicitor within our legal team and had been identified through our talent development programme for a promotion to Director of Corporate Strategy, working directly for the CEO. On her return to work from maternity leave, Stephanie took up the promotion and continues to be in this role today.





# SUMMARY & DECLARATION

The findings from our GPG report help to enable us to continue to drive and evolve our initiatives to ensure we are able to promote diversity across the business, ensuring we are able to recruit, develop and retain talented men and women. We will continue to monitor our pay gap and recognise that it will take time for the full impact of our initiatives to be evident in these figures. We are committed to focusing on and exploring the best ways to encourage and enable our employees to develop and succeed at Aston Martin Lagonda, including into the most senior positions.

We confirm the information and data reported is accurate as of the snapshot date 5 April 2019.

## REFERENCES

- <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employeesintheukbyindustry/2018>
- <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/datasets/employmentbyindustryemp13>
- <https://www.wes.org.uk/content/wesstatistics>



For the purposes of compliance with the Act, this statement covers the following companies within the Aston Martin Lagonda Holdings Group:

Aston Martin Holdings (UK) Limited • Aston Martin Capital Holdings Limited • Aston Martin Investments Limited • Aston Martin Capital Limited  
Aston Martin Lagonda Group Limited • Aston Martin Lagonda of North America Incorporated • Lagonda Properties Limited  
Aston Martin Lagonda Pension Trustees Limited • Aston Martin Lagonda Limited • AM Brands Limited • Aston Martin Lagonda of Europe GmbH  
AML Overseas Services Limited • Aston Martin Lagonda (China) Automobile Distribution Co., Ltd • AM Nurburgring Racing Limited  
Aston Martin Japan GK • Aston Martin Lagonda – Asia Pacific PTE Limited • AMWS Limited • Aston Martin Works Limited



ASTON MARTIN

L A G O N D A



By Appointment to  
His Royal Highness the Prince of Wales  
Motor Car Manufacturer and Repairer