

Rolls-Royce Motor Cars Limited
Gender Pay Gap Report 2018



Introduction

Diversity is the engine of our success because a diverse workforce is an important force for innovation.

Rolls-Royce Motor Cars believes that diversity and inclusion are crucial to our ability to perform effectively and will ensure the long-term success of our Company.

As a wholly-owned subsidiary of the BMW Group, we have established a commitment to diversity and inclusion as part of the Group Company's human resources and sustainability strategy.

We support a corporate culture that promotes tolerance, mutual respect and equal opportunity. In this report we provide our gender pay gap information, identify the reasons behind the gap and our plans to close it.

We 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, appearing to read 'Torsten Müller-Ötvös'.

Torsten Müller-Ötvös
CEO



A handwritten signature in black ink, appearing to read 'Mark Adams'.

Mark Adams
Human Resources Director



Our Measurement

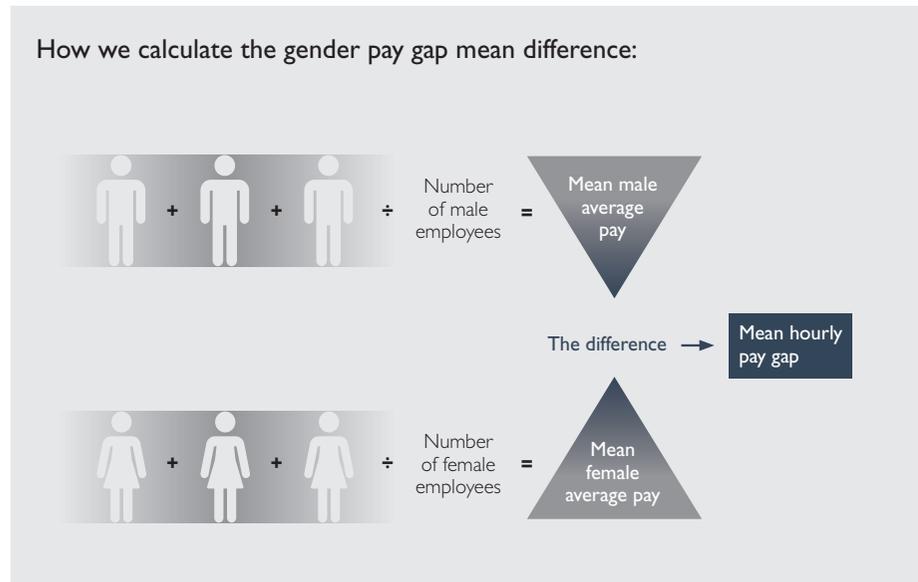
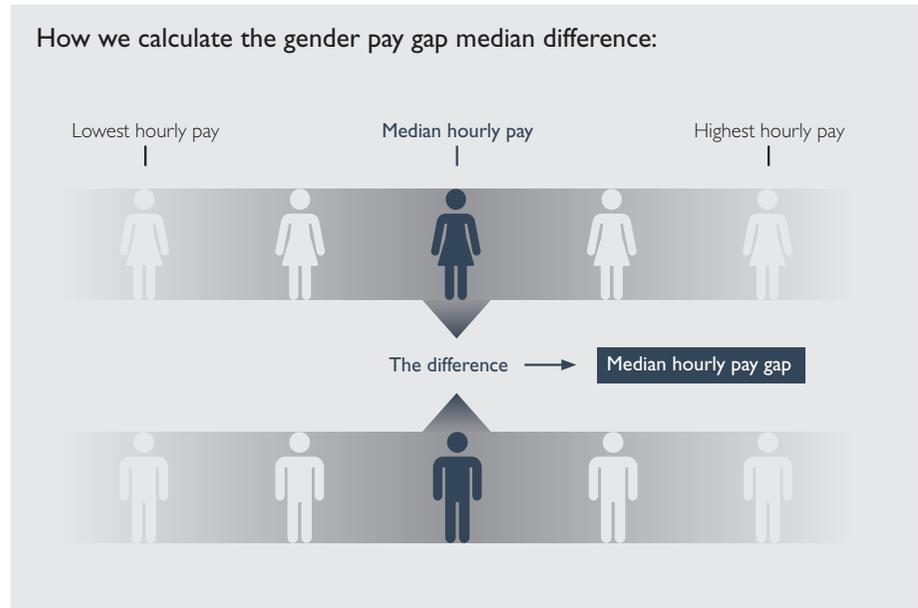
On 5 April 2018, Rolls-Royce Motor Cars employed 1262 people.

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 equal pay for men and women performing equal work, in line with legal requirements.



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 in the organisation.

Our Findings

Our workforce is made up of a variety of roles in disciplines from Manufacturing, Sales, Marketing and Communications to Finance, IT and Human Resources.

We have seen some positive changes in our figures since the 2017 reporting period. These changes have been small and demonstrate that the overriding impact on our figures is because we have more men than women in senior roles, and across the business as a whole. The small change is not unexpected as the long-term actions we have committed to will take time to realise.

Our flexible working policy continues to have an impact on our gender pay gap as there is a higher proportion of women in part-time roles.

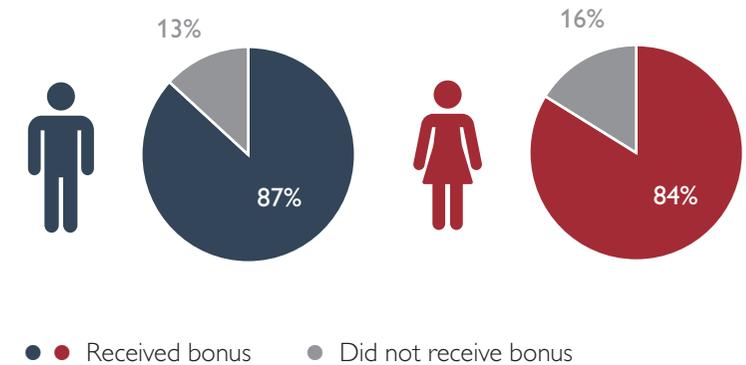
The impact of a pro rata bonus for those on maternity leave continues to impact the mean bonus gap. Although this has reduced since 2017 with less women on maternity leave.

We have seen a percentage increase to the number of women in the upper middle quartile, with our overall employee population staying static at 83% men and 17% women. The positive message of consistency across the salary quartiles shows that progression and opportunity is still balanced by the fact that we want to see a higher percentage of women in the business.

The Gender Pay Gap data for Rolls-Royce Motor Cars in 2017/18 is as follows:

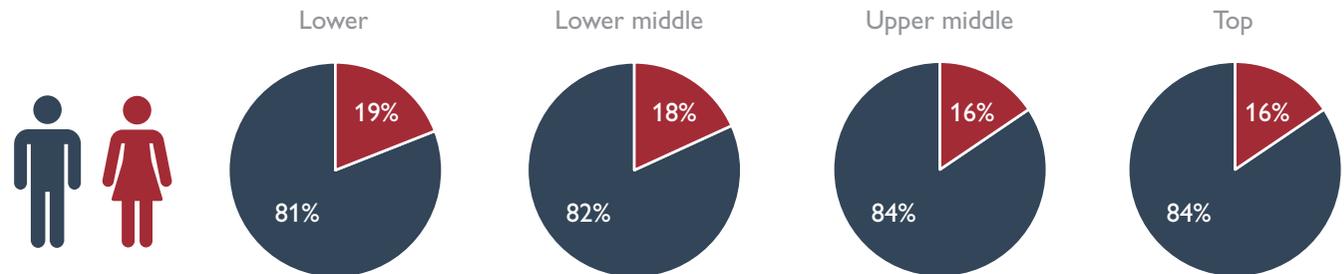
Mean and median pay and bonus gap		
	MEAN (average)	MEDIAN (middle)
Gender Pay Gap	3.6%	4.7%
Gender Bonus Gap	13.7%	3.3%

Proportion of employees who received a bonus:



Salary Quartiles

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



Closing the Gap

We are dedicated to promoting a diverse and inclusive workplace for all. For the 2017/18 reporting period, our gender pay gap continues to show that we need to attract, engage and develop more women in our organisation. The three key actions we continue to work on are:

- 1.** Recruitment training for hiring managers, with a dedicated module on unconscious bias, continues in 2019.
- 2.** All employees complete Diversity and Inclusion training. This training educates on what diversity and inclusion is and promotes behaviours that encourage a collaborative work environment.
- 3.** To tackle the widely recognised gender imbalance across Science, Technology, Engineering and Mathematics (STEM), we will continue to identify opportunities to work with educational institutions. This will be with a particular focus on encouraging girls to consider studying STEM subjects.



Looking to the Future

With no previous experience in engineering, Sophie started her apprenticeship with Rolls-Royce Motor Cars in September 2014.

"I enjoyed working with my hands, especially dismantling objects to see how they work. I never imagined that my interests could become a career until the dismantling turned into fixing objects.

An apprenticeship with Rolls-Royce was a great opportunity to learn practical skills with on-the-job training.

I started as an Assembly Apprentice carrying out the unique and complex processes involved in the hand-crafting of luxury Rolls-Royce motor cars. I quickly developed a passion for problem solving and root cause analysis and through placements across the business was able to demonstrate my skills and desire to develop and learn more.

During my final year of the apprenticeship I secured a job as a Quality Specialist in Assembly and I am now being sponsored to study for a degree in Engineering and Management Studies."

