

BMW (UK) LIMITED



GENDER PAY GAP REPORT 2020.

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 create a working environment free of prejudices.

BMW (UK) Limited are working hard on a corporate culture that promotes tolerance, mutual respect, and equality of opportunity. In 2020 the Group were delighted to rank in 4th place in the DAX 30 Diversity Index, which ranks companies based on their commitment to a diverse corporate culture that is open to lesbian, gay, bisexual and transgender employees.

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, appearing to read 'Grieve'.

Graeme Grieve
Chief Executive Officer



A handwritten signature in black ink, appearing to read 'Helen Ward'.

Helen Ward
HR Director



OUR MEASUREMENT.

At the time of the reporting period, BMW (UK) Limited employed 411 people across its two sites in Farnborough and Thorne.

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.

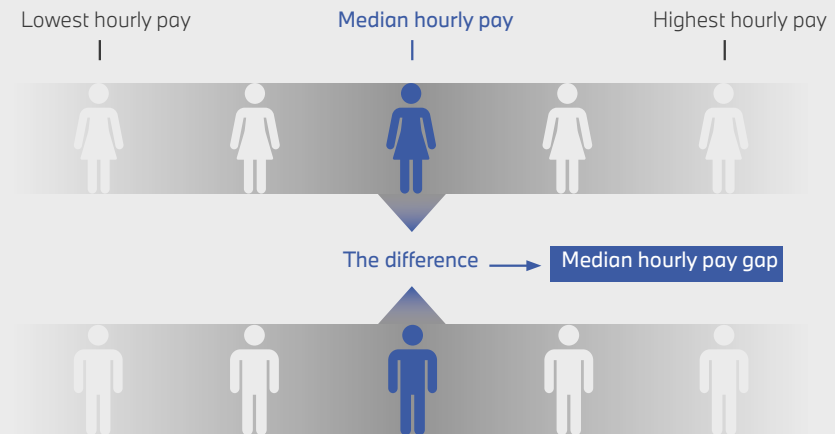
The principle of equal pay is enshrined in law and we are committed to ensuring ongoing compliance with our equal pay obligations.

DEFINITIONS

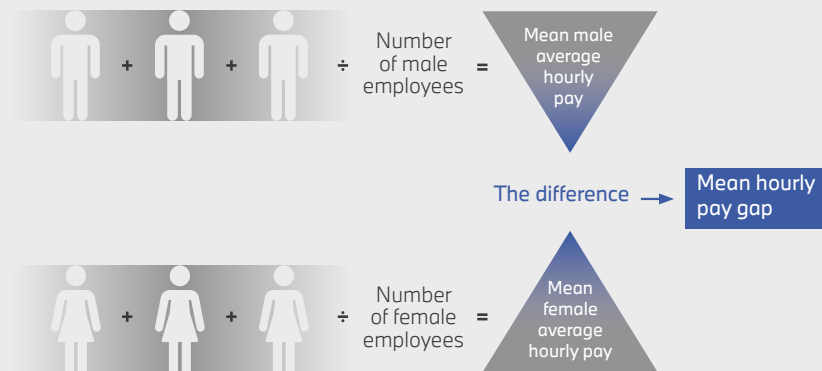
THE PRINCIPLE OF EQUAL PAY IS:
The right for men and women to receive equal pay for equal work.

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.

How we calculate the gender pay gap median difference.



How we calculate the gender pay gap mean difference.



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.

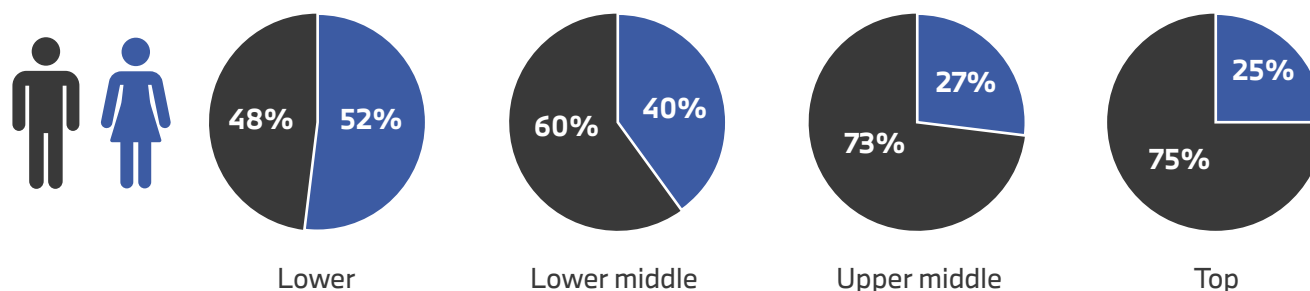
The bonus pay gap relates to the structure of our bonus arrangements, where bonus potential is set as a percentage of salary, which increases with grade. The higher number of men in the higher grades and therefore earning higher bonus values, has a significant effect on our bonus pay gap. Those employees who transferred between Group businesses during the last quarter will have their bonus paid from the previous employing entity. This will also impact our bonus gap.

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 in 2019/20 is as follows:

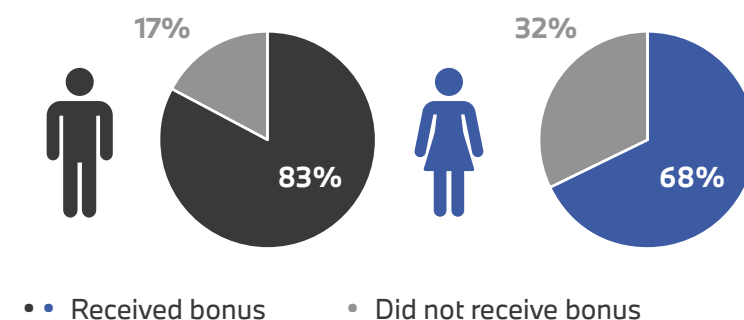
SALARY QUARTILES.

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	20.9%	16.1%
Gender Bonus Gap	47.9%	33.9%

Proportion of employees who received a bonus:



The Company offers bonus programmes for all levels of employees which accounts for high inclusion rate.

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. From 2020 onwards, we see a change in our bonus structure, moving away from the Percentage of Base Pay approach, to a new Planned Equal Value Bonus approach for all employees. In addition, our Executive Board have committed to a number of objectives aimed at increasing the number of women in senior roles.

Our Diversity Steering Group continues to support both individual managers and departments in making increased diversity a priority across our Group of companies, now as part of our wider Responsibility Programme. Network Groups are well-established and run by our employees to raise awareness and implement change, covering areas like LGBT, Working Parents and Mental Health, the support from these groups has been more key than ever during 2020 due to the challenges being faced by the global pandemic.

Many employees based at our Farnborough headquarters had previously benefitted from a flexible working environment, however as a business we were able to quickly adapt when faced with the challenges brought on by Covid-19, allowing employees to work from home in most cases, which not only kept them safe but enabled a better work-life balance and allowed employees greater flexibility in managing their time commitments, particularly for those with carer or parental responsibilities. We are working on the future of flexible working for the Group which will take this even further. We have

continued our investment in our People Leaders this year, specifically around the challenges faced by managing a virtual workforce, and supporting our employees with resilience and well-being training. In 2021 we are providing further leadership training Global Leadership programmes. We have signed up as a Disability Confident Employer, to allow us to take action to improve how we recruit, retain and develop disabled people.

"I have had the honour and privilege to work for the BMW Group for the past 21 years. During this time I have worked with many inspirational women and men. I have seen first-hand the diversity journey that BMW UK are committed to, and this includes the gender pay gap focus. My current role as General Manager of the BMW Group Academy allows for me to inspire others to embrace these changes through a wider audience."



Helen Westby
General Manager BMW Group Training Academy

CLOSING THE GAP (CONT.)

DIVERSITY & INCLUSION NETWORK GROUPS

Over the last year our six core Diversity and Inclusion Network Groups, PRIDE (LGBT+), Timewise (Working parents and Part time working), Embrace (Culture, ethnicity and faith), Ability & Beyond (Visible and nonvisible disabilities), Minds Matter (Mental and emotional Wellbeing) and ConnectONE (all demographic networking and mentoring), have continued to grow and work tirelessly to promote a culture that is both Diverse and Inclusive. Over the last three years, we've been

members of the Employers Network for Equality and Inclusion (ENEI), taking part in TIDE (Talent Inclusion Diversity Evaluation). Down to the incredible efforts of our D&I Network Group leads, sponsors and stakeholders, we were delighted to have achieved Bronze Standard for the first time - in 2020. To continue the growth journey, at the end of the year we sent out a survey on behalf of the six Network Groups in order to see where we have grown, and to guide the focus areas heading into 2021.

