



Gender Pay Gap Report 2017

Alexander Dennis Limited (ADL) is committed to providing an equal and inclusive workplace to attract a diverse and talented workforce, representative of society in general.

Diversity and inclusion is central to our business. We welcome the UK Government's requirement for large companies to be more transparent on gender pay and as required by the UK legislation this report shares our data for gender pay and our commitment to equality.

ADL at a glance

- Around the globe, ADL buses carry 25,000 passengers every minute of every day
- In London alone ADL buses carry over 3.5 million passengers per day
- ADL is the fastest growing bus and coach builder in Western Europe; we are market leader in the UK and Hong Kong, with a growing presence in North America, Singapore, New Zealand and Europe
- ADL offers the widest range of low and zero emission solutions in the market
- In partnership with our customers, we have developed class-leading passenger-centric specifications, designed to increase ridership by delivering a premium transport experience



Teamwork is one of our company's six core values. We strive to recruit and employ individuals with the right attitude and mind-set to underpin our inclusive growth agenda and make a difference to our successful business.

We employ over 2,500 team members worldwide with 2,200 employed within the UK. The representation of women in ADL currently reflects the challenge shared by many companies within our industry. Although women make up around 47% of the UK's total workforce¹, female representation in our industry remains low with around 24% of employees in the manufacturing sector being female². In Scotland, where our Head Office and largest manufacturing facility is located, the corresponding figure is 26%³. Female representation is lower still in engineering roles, as across the UK only 8% of engineering professionals are female⁴.

 $^{{}^1}https://gender.bitc.org.uk/all-resources/factsheets/women-and-work-facts\\$

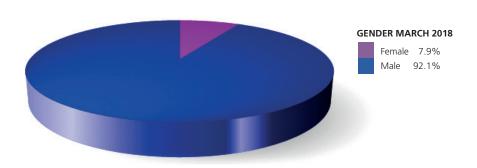
² https://www.eef.org.uk/campaigning/campaigns-and-issues/current-campaigns/women-in-manufacturing

³ https://www.closethegap.org.uk/content/resources/Making-Manufacturing-Work-for-Women---Summary-of-research-findings-Close-the-Gap-June-2015.pdf

⁴ https://www.gov.uk/government/news/government-and-industry-join-forces-to-help-get-more-women-and-qirls-in-stem

As of April 2017, our female workforce in the UK stood at 7.3%, and it has since risen to 7.9% in March 2018. We are proud that the number of female colleagues has doubled in the last five years in a workforce that has grown significantly overall; however we acknowledge we still have much to do to address our gender imbalance. As with many other manufacturing and engineering companies, we are actively working to increase the number of women at all levels in our company. Some of the initiatives we are exploring to make our company more attractive to females include offering enhanced maternity pay for female workers and ensuring opportunities for increased female participation on our Leadership Talent Programme. Our existing senior female leaders are encouraged to get involved in "women in business" events, helping to increase ADL's profile.

In addition to this, we are actively promoting STEM opportunities within our industry and training representatives from our workforce to become STEM ambassadors.





Rachel Smith, Group HR Manager

manufacturing UK and global industry."

"As the Group HR Manager, I have seen the direct benefits that having a diverse and fully engaged workforce can bring. Having progressed within the organisation to work in a leadership role, I can see the positive changes that we have made and will continue to ensure that we are attracting, recruiting and retaining the best people. To retain our position as market leader within our industry, we need to have the best team and we are committed to doing so, by creating a fully inclusive environment for our employees to thrive. We are actively seeking opportunities to improve our attraction to female talent. ADL offers an exciting and diverse career to talented individuals from all backgrounds. We are a growing global business with a desire to become an employer of choice to female talent within the engineering and

FEMALE % OF WORKFORCE 9% 8% 7.6% 7.3% 7.1% 06/04/2013 7% 6.6% 06/04/2014 5.9% 6% 06/04/2015 5% 06/04/2016 5% 06/04/2017 31/01/2018 4% 3% 2% 1%

Gender Pay Gap at ADL

ADL is committed to providing equal pay for equal work, not simply as this is a legal requirement, but because we are committed to doing the right thing.

Internally we conduct regular analyses that show male and female employees are paid equally for equivalent work. Recruitment and annual pay reviews are critical points at which gender pay inequality could arise, for this reason we concentrate on ensuring that our pay reflects market rate and additionally we review internal comparators for the role considering the effort, skill and decision making required for each role. Our average male and female salary rate can be found below. Beyond reporting this data, we will continue to internally analyse and ensure that inequalities do not occur and if they are found to do so then we will ensure that they are addressed and rectified.

Average Male Salary £31,728

Average Female Salary £29,480



0%

Eve Whitelaw, Contract Manager

"I joined ADL as a graduate just over a year ago and it has been a year of steep learning and adaption to an extremely fast-paced company in the traditionally male dominated manufacturing industry. I am a very commercial-focused individual who takes great pleasure from being able to interact with customers first hand, but my role also challenges me to work cross-functionally across the business as a whole. Having found my feet, establishing my relationships and understanding the ADL culture and strategy, I am now in a position where I am able to work with others at all levels and this has allowed me to offer process improvements within my own department. My experience and contribution has only been made possible by the dynamic support system that ADL offers, and I hope to continue to help make a difference with ADL for many years to come."



Jill Adamson, Head of Tax, Treasury & Legal

"When I joined ADL just over five years ago, I was looking for a brain-stimulating international tax position with flexible hours. I thought that at the time that that might just be a pipe dream. However, the job has lived up to expectations and my role has expanded to incorporate all international aspects of the Treasury and Legal functions of the business. It is a dynamic environment where you have the opportunity to really make a difference if you're up for the challenge."

The gender pay gap is the difference in the average pay and bonuses of all men and all women across an organisation.

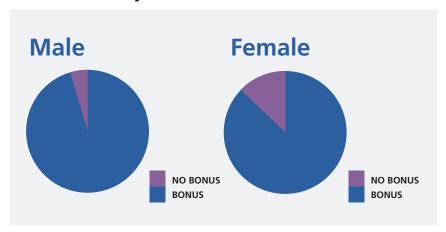
Our gender pay gap and gender bonus gap are reported below. The main reason for the pay gap is that as in our industry as a whole, the female workforce is under-represented at senior level within our business. We see an even larger gap in our bonus pay due to bonus schemes predominately being in place within our production manufacturing functions and at a management bonus level, with both areas having a relatively low representation of females.

Although I am confident that we do not have an equal pay issue within Alexander Dennis Limited and we know that our bonus awards are gender neutral, we will be focusing our efforts on deeply analysing the data and increasing the internal understanding of the importance of diversity and equality through training all members of our team, prioritising management training for those in key roles which can positively influence in this area.

Mean and median pay and bonus gap

	Mean	Median
Gender Pay Gap	3.2%	4.6%
Gender Bonus Gap	27.3%	54.8%

Bonus availability



Proportion of employees in each quartile band

	Male	Female
Lower	84.3%	15.7%
Lower Middle	97.9%	2.1%
Upper Middle	94.0%	6.0%
Upper	93.1%	6.9%



Jacqueline Anderson, Group Marketing Director

"For the last 15 years I have worked in male dominated organisations in the heavy manufacturing sector. A previous CEO gave the advice to "be the CEO of your own career" and this is pertinent to all team members, male and female. I have had great opportunities in my role as Group Marketing Director with ADL, working on high profile initiatives with various international teams, which have delivered real value to the business and helped my own professional development. I strongly believe in the benefits which a diverse workforce can bring to any organisation and the need for a strong female voice at every level of the business."

Closing Statement

In summary, to address the gender balance we must take the lead within our industry to attract, retain and engage females within the business and become an employer of choice.

We will maintain our culture of teamwork and ensure inclusion of individuals from all backgrounds, who can continue to contribute to the growth and success of our business.

We support the UK Governments leadership in the area of gender equality and the requirement to publish our data.

I confirm that the gender pay data contained in this report for Alexander Dennis Limited is accurate and has been produced in accordance with Government guidance and guidance developed by ACAS.

Colin Robertson

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Chief Executive Officer, Alexander Dennis Limited



To find out more about us visit www.alexander-dennis.com