

GENDER PAY GAP REPORT 2021





"I truly believe that creating an inclusive environment is an important enabler of a diverse workforce."

Across our business, we are committed to driving progression in diversity, equality and inclusion and I believe we all have a part to play in this.

This April marks the fifth year of reporting our gender pay gap figures and the tracking of our progress remains vitally important. The challenges of the past year presented by the pandemic continue to have a significant impact for all of us, but we must continue to examine our data to ensure a deeper understanding of our areas of improvement.

Reflecting over the five years, I'm proud of what ADL has achieved and the progress we have made, laying the foundations to foster a diverse, equal and inclusive working environment.

I truly believe that creating an inclusive environment is an important enabler of a diverse workforce.

We have actively been working towards recruiting and retaining the best female talent across our business. As the leading UK bus manufacturer, we believe it is our duty to provide an example to the industry and we will continue to strive to do so throughout the coming years.

Within ADL, the number of females has increased across the business and 15.2% of women are part of the leadership group against a workforce representation of 8.3%. Female representation makes up 25% of the most senior positions in the company and the average basic salaries for women are within 1.6% of the average male salary, which is down from 3.6% in 2020.

I'm pleased to say the increase in percentage of females in our workforce continues to climb steadily. As promised in our 2020 report, we launched our Diversity, Equity and Inclusion Diagnostic Survey with an external consultant. This has allowed us to better understand the pulse of our organisation and we are creating an action plan to address improvement opportunities and feedback. We are committed to removing barriers and understanding how to do this in order to realise each person's full potential at ADL. I'm immensely proud that ADL is the first and only bus manufacturer to become a member of Women in Transport, an association focusing on professional development of women working in the transport sector through networking, events, mentoring, leadership development and volunteering. I'm excited to see the impact this will have on our current and future female workers.

Paul Davies President and Managing Director



Who we are

Alexander Dennis Limited (ADL) is part of leading independent global bus manufacturer NFI Group. ADL is a global leader in the design and manufacture of double deck buses and is also the UK's largest bus and coach manufacturer. As a pioneer in embracing the latest technology, ADL has brought the widest range of low and zero emission buses to market and we pride ourselves on our increasingly-diverse workforce.



50 million miles

ADL buses are leading the ZEvolution in the UK with over 50 million miles of zero emission service



ADL is the 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

ADL AT A GLANCE



In partnership with our customers, we have developed class-leading passenger-centric specifications, designed to increase ridership by delivering a premium travel experience

The Gender Pay Gap Report

Gender Pay Gap Reporting Regulations expect all employers with 250 or more employees based in the UK to report their gender pay gap.

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

The representation of women in ADL currently reflects the challenge shared by many organisations within our industry. Although women make up around 49% of the UK's total workforce, female representation is still lower in traditionally male-dominated roles such as engineering, where only 12% of the UK professionals are female.



DEFINITIONS

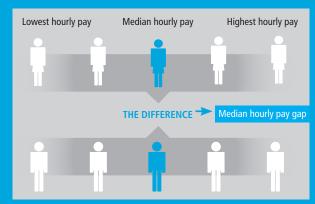
The principal of equal pay is:

The right for men and women to receive equal pay for equal work.

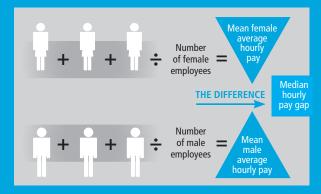
The gender pay gap is:

The difference in the average pay and bonuses of all men and women across the 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:



Women at ADL

Kathryn Sword

"I joined ADL as one of four Business Graduates recruited in 2021 - three of us women. I have already had the opportunity to work in Marketing and in Operations in our Scarborough plant. My day-to-day life currently involves managing a team of vehicle builders on-site and finishing our coaches to ship them to customers across the UK and Ireland."

"ADL has given me a fantastic start to my career, and I have been consistently tasked with meaningful projects that have challenged me and allowed me to grow in my professional and personal life."





Louise Foster

"I joined ADL in 2013 with no prior experience within my role, I was supported by the whole of the business and have since been promoted twice. I have been able to grow and develop professionally and personally, including through Management Development in the company's emerging leaders programme, and have done so with like minded people around me. I am now the Accounts Payable Manager leading a team of eight, ensuring that all supplier invoices throughout the whole business are processed and paid. Throughout my time here I have felt supported and heard. I work cross functionally with all different areas of the business which gives me the knowledge and understanding of the manufacturing function as a whole."

"I enjoy building a cohort with the different functions where we can all share ideas and push ADL forward."

Kasia Milkiewicz-Siewiorek

"Since joining the organisation in 2015 I have enjoyed being a part of ADL's finance and leadership teams. I supported various initiatives leading to our UK and international growth, while building on learning and development culture at the same time. I have also benefitted from Leadership Development training as part of our emerging leaders programme. Our organisation has changed over these years, and I am privileged to work with many passionate individuals, representing all disciplines across NFI Group and ADL."

"What I most love in my experience here is that we support one another, work with experts in all areas, we share a passion of making exceptional products, serving millions of passengers every day and we care for our communities and environment."





Anne Goldie

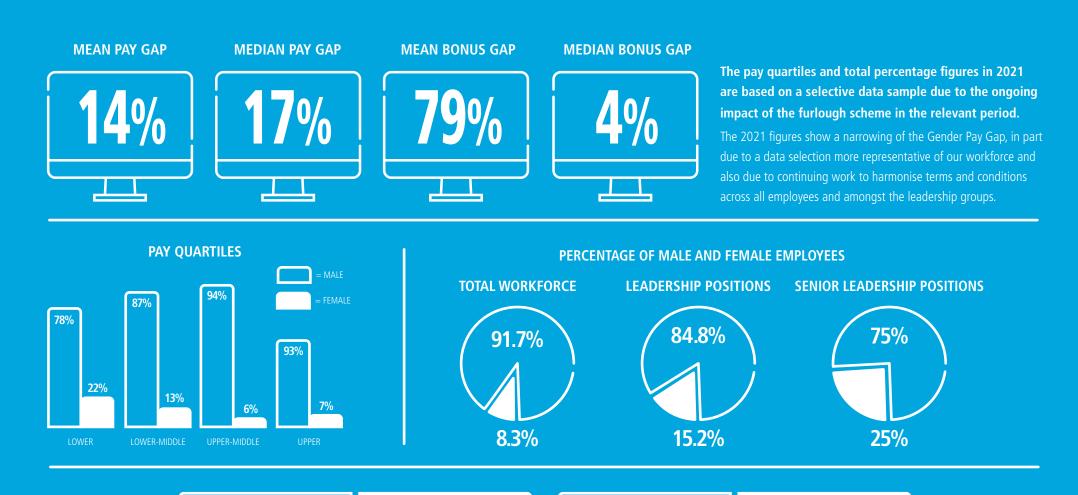
"I joined ADL as an HR Business Partner in 2015 before being promoted into the HR Manager role in 2019. My role covers a variety of areas meaning two days are never the same. I enjoy the challenges the role provides along with the opportunity to not only work alongside colleagues based at the Falkirk site, but to also build relationships cross-functionally across a diverse workforce globally and in the UK."

"ADL continues to grow by providing a platform that supports myself and others through continuous development."

Our measurements

Proportion of males receiving

All data for 6 April 2021 unless otherwise stated.



Using basic annual salaries only, the average difference between male and female salaries was 0.9%, significantly less than the headline Gender Pay Gap figure.

Average male salary 34,910.00

Proportion of females receiving

a bonus payment: 38%

Average female salary £34,595.00

Closing the Gender Pay Gap

We are committed to continuing to reduce our gender pay gap through initiatives to promote and evolve a strong pipeline of female talent in our business.



Attracting and progressing female talent

Our involvement with Women in Transport as the first and only bus manufacturer provides us with exclusive access to events, a professional development programme and the All Parliamentary Group for Women in Transport.

We promote our flexible culture, career opportunities and inclusive environment through our job vacancy advertising campaigns on our website, which feature our female workers sharing their experiences of working at ADL.

Promoting an inclusive culture

We have embarked on a series of Women in Leadership roundtables with women from different industries and backgrounds who will be sharing their stories and struggles in how they overcame adversity in order to be successful. These roundtables will take place on a quarterly basis and are instrumental in our diversity, equality and inclusion journey and creating that inclusive culture and environment.

We take great pride from working to drive change and have developed an annual community calendar with four pillars: diversity & inclusion, charity, community and engagement. This clearly lays out days and events through the year that we will recognise and celebrate, ensuring we continue to drive an inclusive culture and strive to make ADL the best that it can be. These events are focused on wellbeing and mental health, LGBTQ+, Black Lives Matter and more.

Inspiring the next generation

A central principle of rejuvenating our apprenticeship and graduate programmes in 2022 will be to ensure we reach a female audience and continue to drive female representation, in what are traditionally male-dominated STEM roles.

Supporting families

We have supported our colleagues through the pandemic with flexible working, mental health initiatives, lockdown activities, line manager training and more.

We have also introduced a new Flexible Working Policy to allow employees to request hybrid working or working from home, to support our employees with family commitments.

Be transparent about the steps we're taking to close the gender pay gap

In addition to providing the UK Government with our annual gender pay gap figures, we publish and promote the report amongst our colleagues, encouraging them to read and learn from it. Our parent company NFI Group publishes an annual ESG disclosure, outlining our beliefs and culture as a group.



Closing Statement

I am proud of our progression and commitment towards the creation of a greater, diverse workplace and workforce within Alexander Dennis. At ADL, we are proud of our people and recognise that they are our greatest asset.

Over the past five years of reporting, we have recorded a steady growth of female representation within the workplace and we have also successfully narrowed our average salary gap. Despite this, attracting and retaining diverse talent remains a challenge within the UK and in particular, our industry. To embrace this challenge, we have stepped forward as the first and only bus manufacturer to become a member of Women in Transport. In doing so, we hope that both our existing and future team members will embrace their offering and our partnership to positively impact the future.

Internally, we have also taken a number of steps to address the gap. This includes a review of our terms and conditions of employment to ensure that they remain fair, progressive and competitive. We have further invested in leadership development, starting at executive level and cascading down through our organisation with the aim to strengthen our leadership team, who are the business's role models for creating a positive working environment and culture for our

team members to work within. We have also taken steps to remove potential barriers to employment, through taking progressive steps to embrace hybrid working, through the introduction of our flexible working programme.

The report from this year reflects the continued impact of COVID-19 on our business, particularly due to the utilisation of the furlough scheme within the UK and its impact on earnings in relation to the reporting period. Over the coming months, we will continue our journey of commitment to reduce our gender pay gap, with the support of our parent company NFI Group, and aim to create meaningful change in the diversity of our business and our industry.

I confirm that the gender pay gap 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.

Rachel Smith Group HR Director



Find out more at www.alexander-dennis.com

















