



McLAREN
Gender Pay Gap Report 2017



18%
UK GENDER
PAY GAP AVERAGE



In accordance with UK regulations, all companies with 250 or more employees at 5 April 2017 are required to publish details of their gender pay gap. The gender pay gap is a measure of the difference between the average hourly earnings of men and women. The gender pay gap in the UK is 18%, but varies significantly by sector.

The gender pay gap differs from equal pay. Equal pay deals with the pay difference between men and women who carry out the same or similar jobs but are being paid differently. The gender pay gap shows the difference in the average pay, worked out on an hourly rate basis, between men and women, taking into account all jobs, at all levels and all salaries within an organisation.

OUR GENDER PAY GAP RESULTS

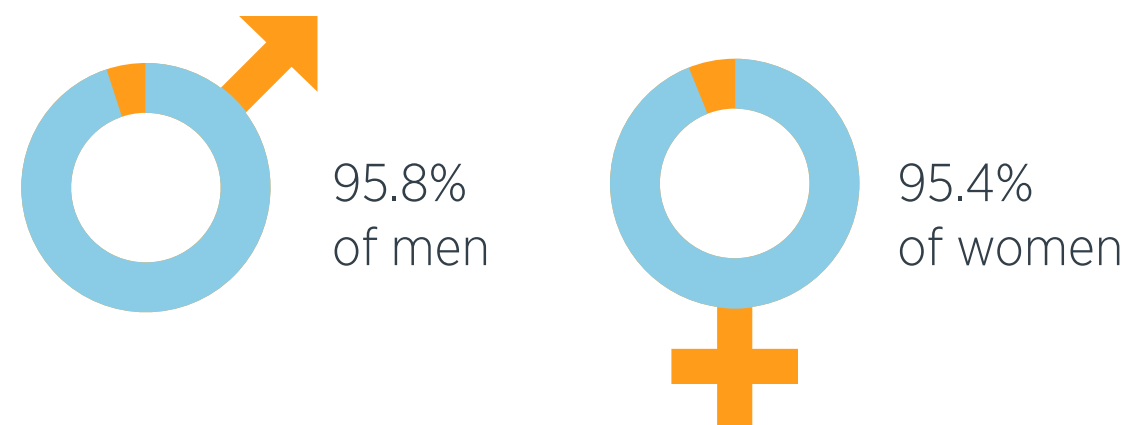
Within McLaren there are three Business Units that are required to report their gender pay gap results - McLaren Automotive Limited, McLaren Racing Limited and McLaren Applied Technologies Limited. This data is provided in the table below.

McLaren Racing Limited

Women's hourly rate	
MEAN	MEDIAN
34.6% lower	23.5% lower

Women's bonus pay	
MEAN	MEDIAN
58.6% lower	0% lower

Who received bonus pay



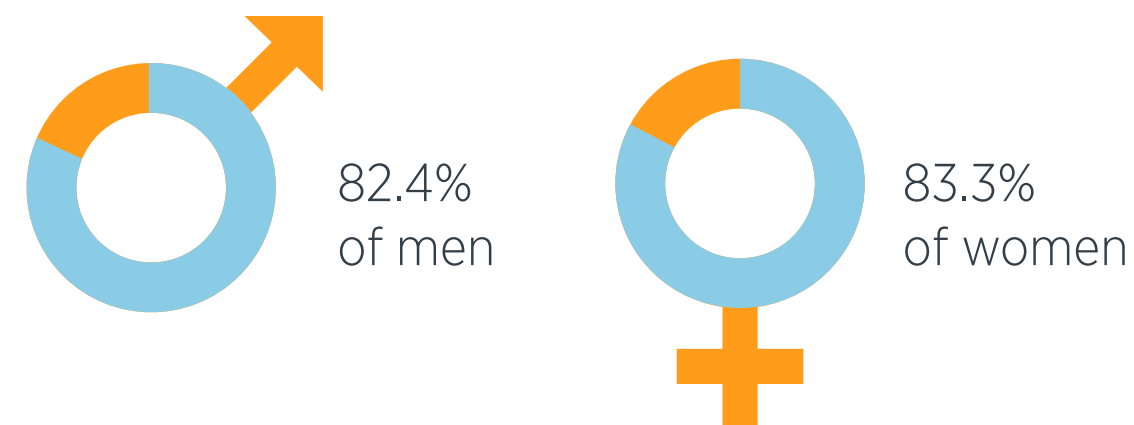
Proportion of employees in each pay quartile		
QUARTILE	MALE	FEMALE
Top	99%	1%
Upper middle	96%	4%
Lower middle	93%	7%
Lower	87%	13%

McLaren Applied Technologies Limited

Women's hourly rate	
MEAN	MEDIAN
34.7% lower	32.9% lower

Women's bonus pay	
MEAN	MEDIAN
60.9% lower	32.4% lower

Who received bonus pay



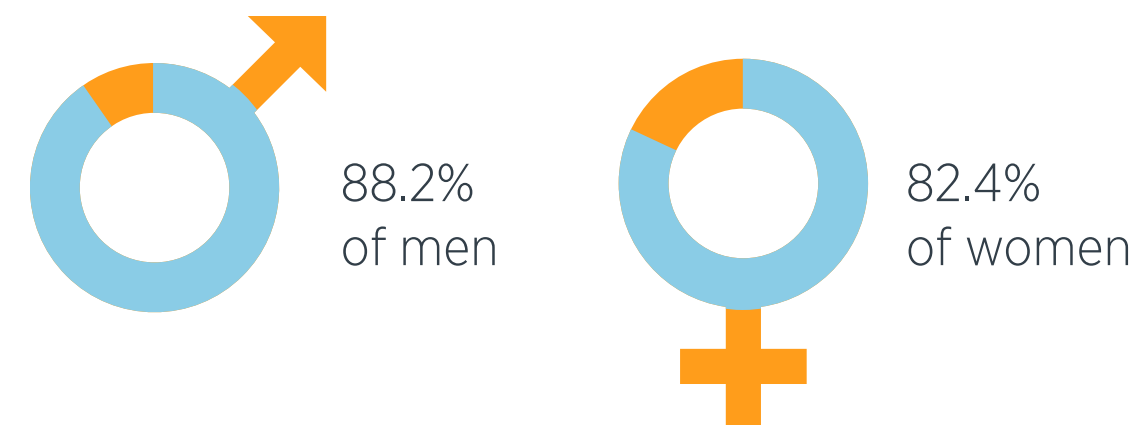
Proportion of employees in each pay quartile		
QUARTILE	MALE	FEMALE
Top	96%	4%
Upper middle	92%	8%
Lower middle	82%	18%
Lower	66%	34%

McLaren Automotive Limited

Women's hourly rate	
MEAN	MEDIAN
4.3% lower	1.9% higher

Women's bonus pay	
MEAN	MEDIAN
6.9% lower	2.7% lower

Who received bonus pay



Proportion of employees in each pay quartile		
QUARTILE	MALE	FEMALE
Top	88%	12%
Upper middle	87%	13%
Lower middle	89%	11%
Lower	90%	10%

KEY

Mean and Median:

The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees, expressed as a percentage of male employee's earnings.

Proportion of males and females receiving a bonus:

The proportion of male and female employees who were paid any amount of bonus pay.

Proportion of males and females in each pay quartile band:

The proportion of male and female employees in four quartile hourly rate pay bands ranked from lowest hourly rate to the highest hourly rate. It is achieved by dividing the workforce into four equal parts.

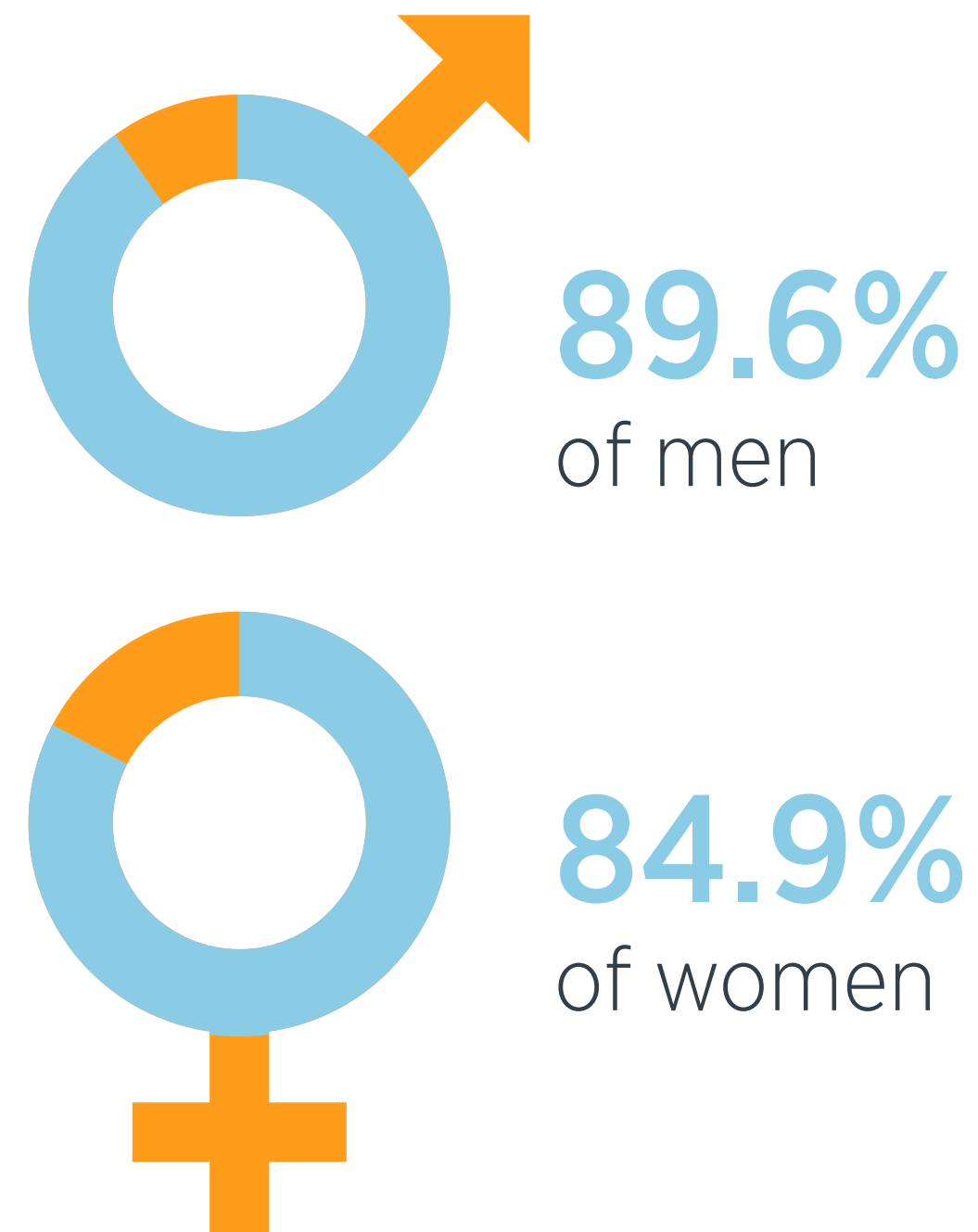
OUR CONSOLIDATED RESULTS

The data below is the consolidated number of all these reporting companies.

Women's hourly rate	
MEAN	MEDIAN
18.2% lower	13.1% lower

Women's bonus pay	
MEAN	MEDIAN
20.3% lower	15.9% higher

Who received bonus pay



KEY

Mean and Median:

The gender pay gap shows the difference between the mean (average) and median (mid-point) pay and bonus earnings of male and female employees, expressed as a percentage of male employee's earnings.

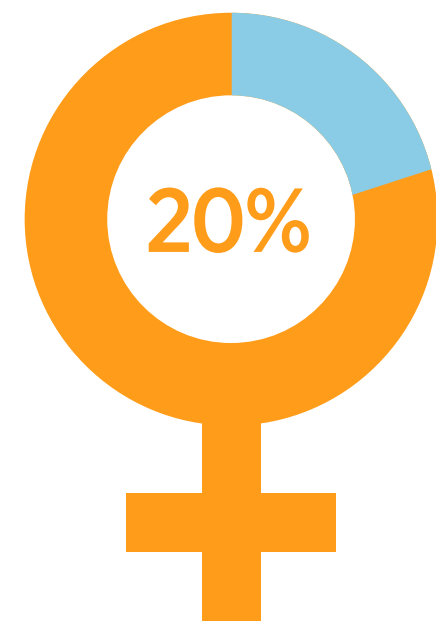
Proportion of males and females receiving a bonus:

The proportion of male and female employees who were paid any amount of bonus pay.

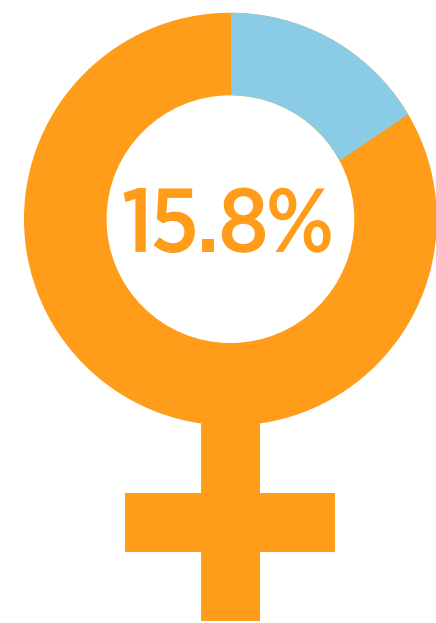


WHAT ARE THE REASONS FOR OUR GENDER PAY GAP?

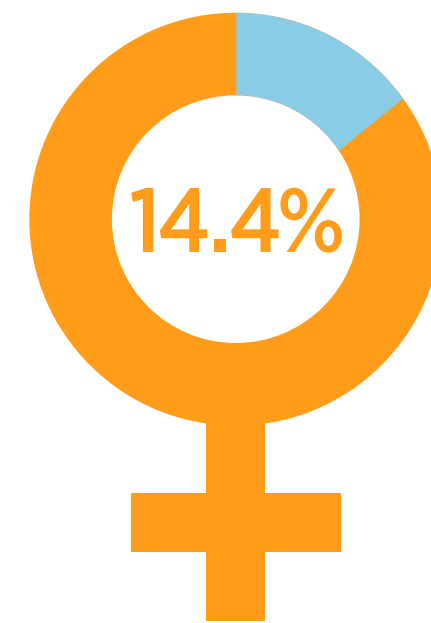
We are confident that men and women are paid equally for doing equivalent jobs. McLaren operates in the manufacturing, engineering and motorsports industries which all have historically higher proportions of male employees. Our gender pay gap is driven by the high proportion of men we employ within our business - in particular within our most senior roles - coupled with the relative scarcity of women within our sector's talent pipelines.



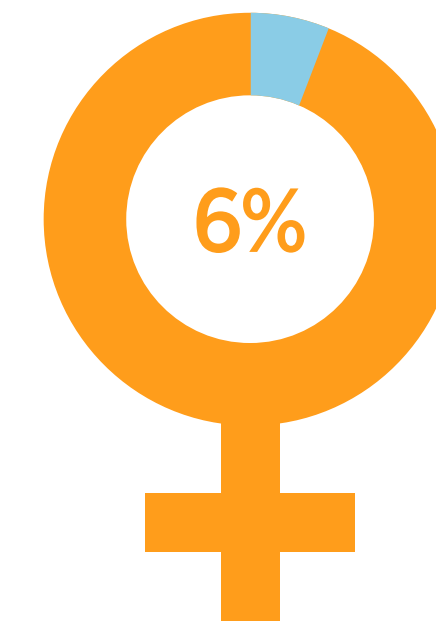
Just 20% of A Level physics students are female. This percentage has remained static for 25 years¹



Only 15.8% of engineering and technology undergraduates in the UK are female²



Women make up just 14.4% of the UK STEM workforce³



Only 6% of registered engineers and technicians⁴

1. It's Different for Girls, Institute of Physics, 2014. 2. Women in STEM: Facts and Statistics 2012-2015, IET. 3. Women in the UK STEM Workforce, WISE, 2015. 4. Engineering UK 2015: The State of Engineering.



ACTIONS WE ARE TAKING TO REDUCE OUR GENDER PAY GAP

Each of our Business Units are at different points in their life-cycles. Therefore each has developed bespoke action plans to address their gender pay gaps. Activity is centred around three key areas which we anticipate will help us deliver long term change.

1 Inclusive recruitment

We continue to partner with a variety of UK organisations to attract more girls and young women to careers in STEM, broadening the pipeline of talented women in our sector. We will review our recruitment and selection processes to ensure they are inclusive and barrier-free, enabling us to attract and select talented women into roles at McLaren.

2 The feel of the place

We ensure that our business leaders have the right knowledge and skills to lead diverse teams, for example through unconscious bias and respect training. McLaren seeks to provide an agile and flexible work environment where everyone can perform at their best.

3 Developing and retaining talented women

We proactively support employees to reach their full potential. One of the mechanisms that we do this through is our Driven Women Network. We also support the career aspirations of all employees, for example through development plans, mentoring and coaching.





OUR COMMITMENT

Diversity is good for business. McLaren is a multinational, multicultural organisation, operating in diverse markets; embracing difference in all its forms is vital in our relentless drive for innovation, creativity and high performance. We want to create an environment where that diverse talent can thrive, where people can be themselves and share their unique strengths to contribute to the success of our business. We are committed to taking action to reduce the gender pay gap at McLaren. We recognise in certain areas of the business that the effects of our actions may take many years to be fully realised. We will regularly monitor our progress.

We confirm the McLaren pay gap data provided has been collated in accordance with the Equality Act 2010 (Gender Pay Gap information) Regulations 2017.

A handwritten signature in white ink that reads "Simon".

Simon Roberts

Chief Operating Officer
McLaren Racing Limited

A handwritten signature in white ink that reads "Celia".

Celia Gaffney

Chief Operating Officer
McLaren Applied Technologies Limited

A handwritten signature in white ink that reads "M. Flewitt".

Mike Flewitt

Chief Executive Officer
McLaren Automotive Limited