

GENDER PAY GAP REPORT – PENDRAGON PLC 2018

All UK companies, with over 250 employees are required to report on their gender pay and bonus gap by 5 April each year.

WHAT IS THE GENDER PAY GAP?

The gender pay gap is a measure of the difference between the average earning of men and women across an organisation and expressed as a percentage of men's earnings.

Gender bonus relates to the difference between average bonus payments received by men and women.

GENDER PAY IS NOT THE SAME AS EQUAL PAY

Equal pay is about men and women receiving the same wages for the same job of equal value. At Pendragon PLC we use our pay framework to ensure objectivity in assessing and benchmarking roles, ensuring not only the legislative requirements are met, but also so are our values in respect of treating our team members fairly.

UNDERSTANDING THE PAY GAP

Pendragon PLC is comprised of a number of different companies. These have been reported on separately, where required.

Our industry has historically been a male dominated industry which, unsurprisingly, is reflected in our split between men and women as at April 2018. This has the effect of skewing the gender pay gap figures.

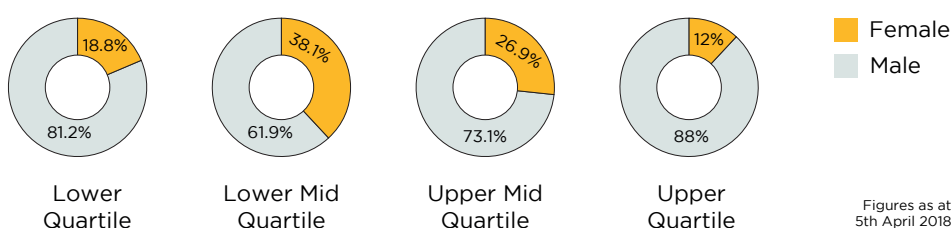
As at 5 April 2018 our team members represented 74% male and 26% female

OUR FIGURES



90.3%
Of all men received a bonus

83.7%
Of all women received a bonus



OUR COMMITMENT TO CLOSING THE GAP CONTINUES...

THREE FOCUS AREAS:

1. ACTIVELY DRIVING A GREATER GENDER BALANCE IN OUR BUSINESS

Achieving greater gender balance across our business has been a focus for us in 2018 as we look to address the historical and well documented male bias across the motor industry. We have made some very successful changes to our organisational structure to improve our ways of working and accommodating greater flexibility, along with creating alternative working patterns that appeal to a more diverse talent pool. We are seeing greater gender diversity as a result of these changes in some of our brands as we now focus on creating a culture that encourages and supports more females securing senior and leadership positions within Pendragon PLC.

2. GENDER-NEUTRAL PAY PRACTICES

Implementation of our new reward framework is designed to ensure our pay is market competitive and supports our commitment of equal pay for equal work. Our governance framework is transparent and simple, taking into consideration job levels, scope and responsibilities, taking an objective assessment of compensation regardless of gender. Our compensation data is refreshed annually by our providers, ensuring our benchmarking analysis is thorough and fair.

3. DIVERSITY AND INCLUSION (D&I)

We have placed particular emphasis on our D&I agenda on our recruitment practices, providing guidance to our leaders on an unconscious bias and making sure we remain objective in our employment offers and talent management decisions. Our extensive leadership development offering is inclusive to all our leaders and provides excellent opportunities to build a successful career with Pendragon PLC regardless of gender.

BY REPORTING ENTITY:

The following tables summarise the position in our group entities that employed over 250 people as at April 2018:

Entity	Pay Gap		Bonus Difference		% Receiving a Bonus	
	Mean	Median	Mean	Median	Male	Female
Bramall Quicks Dealerships Limited	10.48%	3.90%	50.45%	47.20%	94.67%	90.13%
Chatfields Limited	20.27%	25.06%	79.85%	48.00%	65.41%	92.86%
Derwent Vehicles Limited	8.05%	3.29%	52.79%	45.74%	94.43%	95.40%
Evans Halshaw Limited	11.19%	2.19%	49.12%	35.00%	92.04%	90.38%
Pendragon Management Services Limited	42.72%	24.68%	73.66%	60.42%	83.21%	75.40%
Pendragon Motor Group Limited	10.01%	0.95%	53.73%	54.80%	92.63%	87.04%
Pendragon Premier Limited	15.39%	14.67%	42.68%	61.02%	87.05%	70.34%
Pendragon Used Cars Limited	11.22%	10.53%	63.15%	75.38%	87.67%	73.61%
Pinewood Technologies PLC	30.27%	26.67%	56.08%	34.37%	73.97%	73.53%
Reg Vardy Limited	16.11%	3.28%	52.40%	65.21%	95.53%	95.45%
Stratstone Limited	11.75%	1.60%	44.12%	44.89%	89.51%	71.71%
Stripestar Limited	9.45%	3.44%	48.82%	61.81%	92.14%	94.00%
Pendragon Group	12.86%	5.56%	53.31%	58.00%	90.35%	83.73%

PAY AND BONUS BY ENTITY

Entity	Lower Quartile		Lower Middle Quartile		Upper Middle Quartile		Upper Quartile	
	Male	Female	Male	Female	Male	Female	Male	Female
Bramall Quicks Dealerships Limited	81.69%	18.31%	74.77%	25.23%	72.77%	27.23%	92.99%	7.01%
Chatfields Limited	65.22%	34.78%	76.60%	23.40%	95.65%	4.35%	95.74%	4.26%
Derwent Vehicles Limited	82.61%	17.39%	54.78%	45.22%	62.61%	37.39%	87.83%	12.17%
Evans Halshaw Limited	84.09%	15.91%	68.18%	31.82%	68.18%	31.82%	90.91%	9.09%
Pendragon Management Services Limited	33.54%	66.46%	41.77%	58.23%	49.69%	50.31%	75.95%	24.05%
Pendragon Motor Group Limited	86.28%	13.72%	66.91%	33.09%	68.59%	31.41%	89.93%	10.07%
Pendragon Premier Limited	77.67%	22.33%	57.87%	42.13%	74.88%	25.12%	91.67%	8.33%
Pendragon Used Cars Limited	72.85%	27.15%	80.79%	19.21%	80.13%	19.87%	94.70%	5.30%
Pinewood Technologies PLC	57.45%	42.55%	62.50%	37.50%	78.72%	21.28%	85.42%	14.58%
Reg Vardy Limited	83.53%	16.47%	62.35%	37.65%	77.91%	22.09%	94.12%	5.88%
Stratstone Limited	78.15%	21.85%	67.11%	32.89%	58.94%	41.06%	92.76%	7.24%
Stripestar Limited	86.90%	13.10%	72.27%	27.73%	73.58%	26.42%	93.89%	6.11%
Pendragon Group	81.18%	18.82%	61.87%	38.13%	73.15%	26.85%	87.96%	12.04%

I confirm the gender pay gap data in this report is accurate.

Jo Moxon

Human Resources Director

29.03.2019