



Michelin Tyre PLC

2017 GENDER PAY GAP REPORT



WELCOME TO MICHELIN UK'S GENDER PAY GAP REPORT

At Michelin UK we work hard to provide rewarding and fulfilling careers for all our employees free from any form of discrimination.

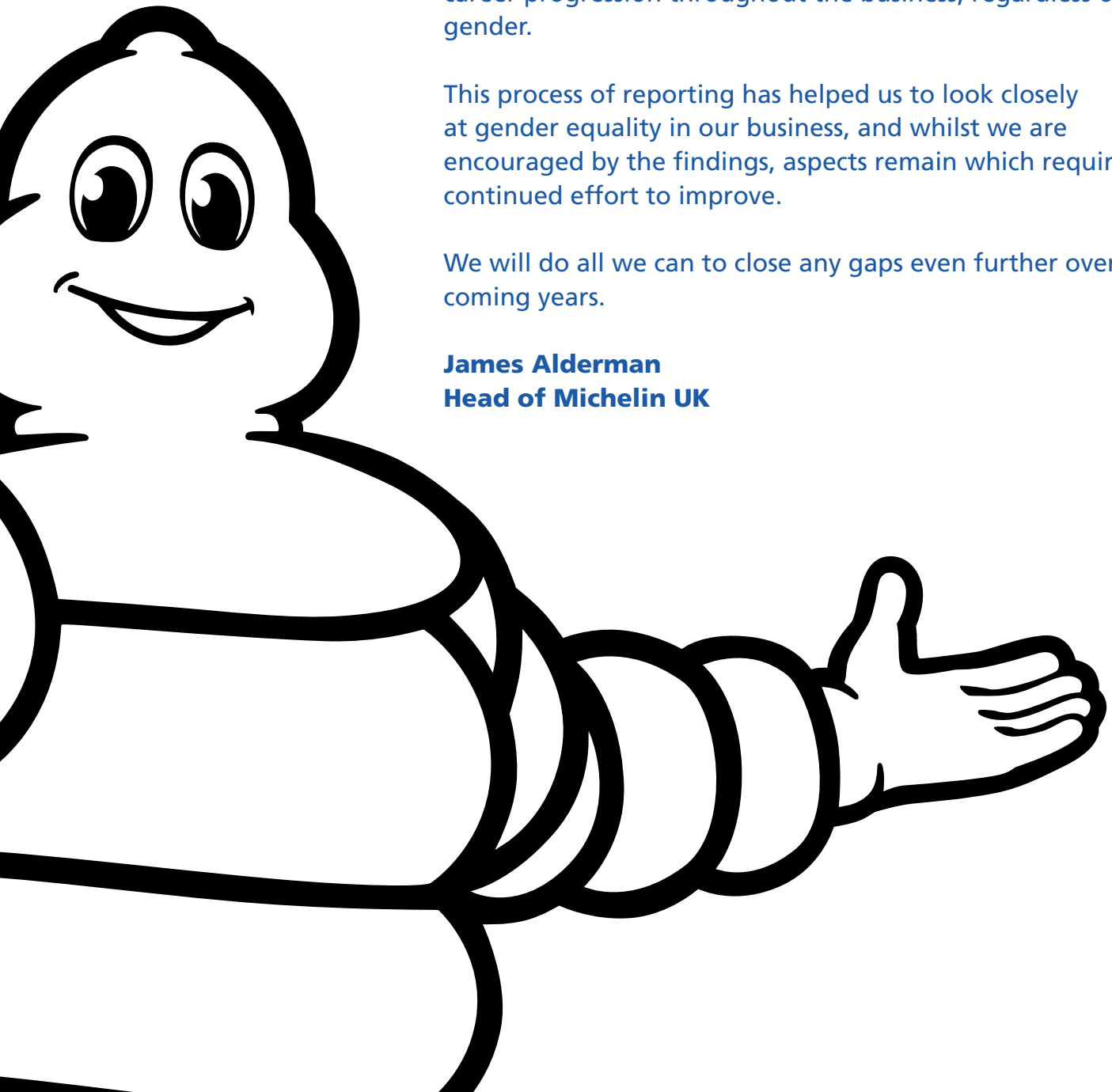
“Respect for People” has been one of the Michelin Group’s fundamental values for decades and has been a foundation stone in our global employee relations strategy.

We pay and reward people according to the nature of their job and their performance, and we endeavour to support career progression throughout the business, regardless of gender.

This process of reporting has helped us to look closely at gender equality in our business, and whilst we are encouraged by the findings, aspects remain which require continued effort to improve.

We will do all we can to close any gaps even further over the coming years.

James Alderman
Head of Michelin UK



OUR GENDER PAY GAP – HOURLY RATES (AT APRIL 2017)

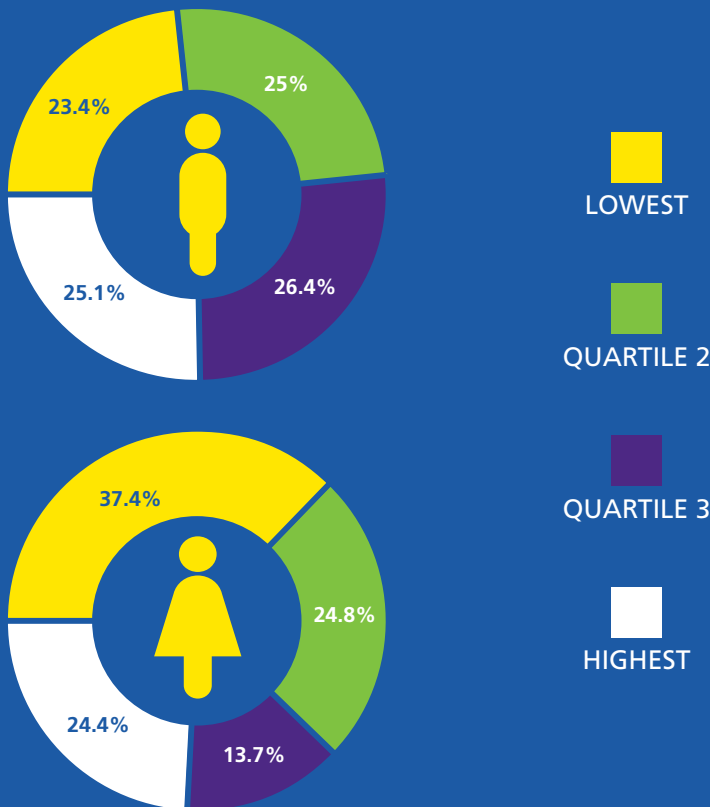
Difference in
mean pay

2.9%

Difference in
median pay

4.3%

QUARTILE RANGES (PERCENTAGE OF GENDER ACCORDING TO SALARY BRACKETS)



THE PROPORTION OF MEN AND WOMEN WORKING IN DIFFERENT SALARY RANGES

This is an area we have focussed on over the last few years, but our gender pay gap analysis shows that we still have some work to do.

A significant factor influencing the result was an influx of female recruits into the lower salary range during 2016. Some of these new recruits were still on a "training rate" in April 2017. They have now progressed onto the established pay scale.

DIFFERENCE IN BONUS PAYOUTS (YEAR ENDING APRIL 2017)

95.3%

of men received
a bonus



91.8%

of women received
a bonus

In the majority of cases Michelin UK employees are entitled to receive a bonus after being with the company for a year. The difference in the proportion of men and women receiving bonuses reflects the high proportion of female recruits who had been employed for less than 12 months in April 2017.

Mean bonus
gender pay gap of

16%

Median bonus
gender pay gap of

28.4%

We have identified several reasons why our gender bonus gap is higher than our gender pay gap.

For example, the relatively high proportion of women in lower quartile job categories creates a gap.

In addition, the influx of new female recruits in 2016 were ineligible for full bonuses having been employed for less than a year at the time of the survey.

Michelin caps annual bonuses at a low percentage of salary. This means that a relatively small difference in bonus payments in absolute terms will appear as a relatively large gender bonus gap in percentage terms.

THE FUTURE

Our gender pay gap results are a reflection of the work done so far to maintain a balanced working environment. Actions such as recruitment drives actively targeting women and significant ergonomic changes within factories and warehouses to make work physically easier for all our employees have helped significantly. But we see this very much as work-in-progress, with clear opportunities to improve ahead of us.

Michelin UK is working hard to encourage women to consider rewarding careers within engineering, not least with our Inspiring Females events at our Stoke-on-Trent and Dundee sites.

We continue to be absolutely committed to creating a balanced work environment where all employees can fulfil their potential. Throughout 2018 and 2019 we will be examining how that commitment can lead to more women coming into our business at all levels.

