



# FORMULA 1 2017 GENDER PAY GAP REPORT





# MESSAGE FROM CHASE CAREY AND DIANE BABB



Further to the change of ownership in early 2017 the company embarked on a change agenda to broaden the appeal of the sport and to build a more diverse following.

Part of that mission has been to ensure that our employees reflect the fanbase that we serve.

Clearly there is a job to be done to create more gender diversity at Formula 1 and the leadership team are committed to doing just that.

Already in the past year, we have:

- Moved to eliminate gender stereotypes like 'grid girls' that sit at odds with our values as a global sport
- Supported F1 In Schools to strengthen the routes to enter the motorsport industry
- Launched internships, open days and a range of mentoring schemes to encourage young women to experience working life in motorsport at our Biggin Hill broadcast and engineering facility

In the short-term we will:

- Ensure that we have gender balanced shortlists for all candidates
- Establish and undertake research into unconscious bias training for all managers

Our sport commands a global following of over 503 million people. To succeed as a business, Formula 1 employees need to represent our fan base which is why we must attract a range of backgrounds.

We welcome the Gender Pay Gap Regulations which has challenged us to consider our gender pay gap and its underlying causes. This report is an important step in having more meaningful and transparent conversations with our workforce and our fans, and we want to continue the dialogue.

SIGNED

Chase Carey, Executive Chairman and CEO, Formula 1

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Diane Babb, Director of HR, Formula 1

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# WHAT IS THE GENDER PAY GAP?

The publication of gender pay gap figures is now a UK Government regulation requirement.

Organisations and businesses must comply with the regulation on an ongoing basis for any year where they have a headcount of 250 or more employees.

The gender pay gap highlights the difference in the average hourly earnings of men and women regardless of their roles or industry sectors. The legislation aims to create greater awareness of the imbalance of earnings between men and women over the span of their careers and to encourage employers to consider ways to close the gap.

The gender pay gap measures the **difference in the average pay between all men and women in a workforce according to prescribed calculations** e.g. average male pay of £100 per hour against an average female pay of £75 per hour would result in a gender pay gap of +25%.

Formula 1 is required to report on all employees within the Formula 1 entity, including global and regional employees based in the UK.

The gender pay gap is different to equal pay.

'Equal pay' refers to men and women receiving equal pay for the same jobs, similar jobs or work of equal value. Formula 1 is confident that it complies fully with equal pay legislation and we review our salary and compensation structures regularly to ensure that there is no unfair gender or other bias in how our staff are paid.

## Gender split



72%

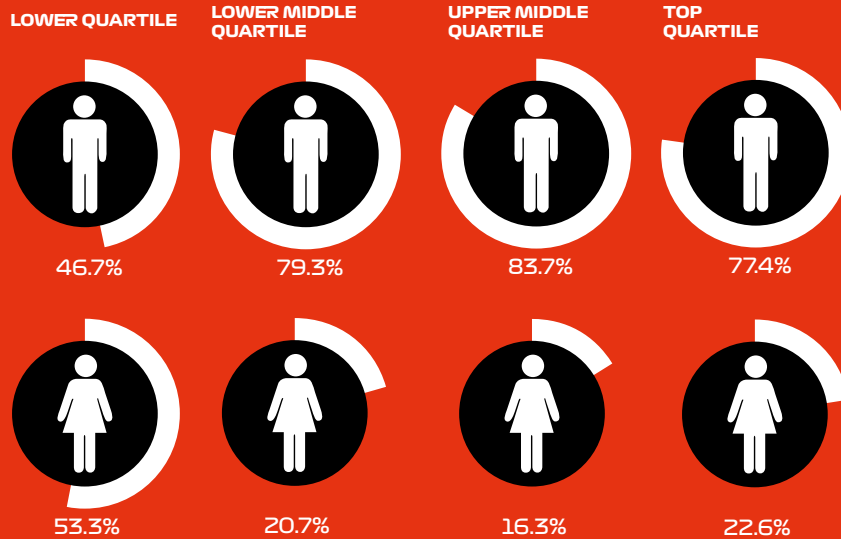


28%

This graphic outlines the percentage of men and women permanently employed at Formula 1.

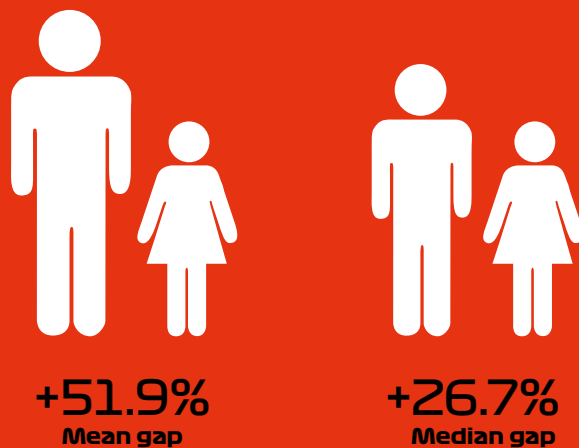
### Pay quartiles

The percentages of all male and female colleagues within each quartile pay band is:



This graphic outlines the percentage of men and women in each pay quartile. Quartiles are calculated by setting out the rates of pay for each employee across Formula 1 from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of males and females in each.

### Gender pay gap

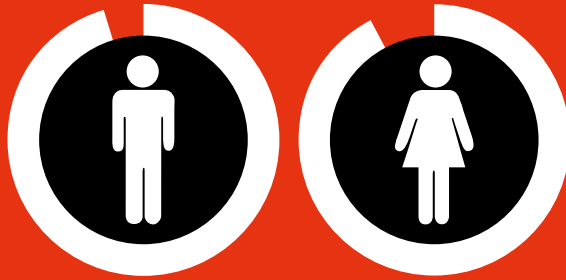


The graphic shows our overall mean and median gender pay gap based on hourly rates of pay as of the snapshot date of 5th April 2017.

This reflects that there are more men than women in senior, more highly paid positions within our company, but also that women are under-represented in some parts of our workforce. Our Technical division (broadcast and media, technical systems, research and development, IT, digital and logistics) is predominantly male, as is our Motor Sport division (technical and engineering research and development and other race-based activities), which reflects and is the consequence of the scarcity of women pursuing

careers in science, technology and engineering sectors of industry. Further, the global nature of the Formula One World Championship involves extensive overseas travel – many of our employees are away from home for more than 20 weeks each year.

### Proportion of Formula 1's men and women paid a bonus



95.5%

92.3%

### Bonus pay difference between men and women



+66.8%

Mean

+18.8%

Median

Formula 1 refers to all bonuses paid in the year up to 5th April 2017 for the calculation of the bonus gap. The calculation is based on actual bonus paid rather than full-time equivalent.



# WHAT WE ARE DOING TO ADDRESS OUR GENDER PAY GAP

- Recruited a number of women to senior and middle management positions – Women are well represented at every level in Formula 1's Corporate division (includes legal, finance and administration) up to and including executive board level. In Formula 1's Commercial division, which has been expanded significantly since April 2017, 30% of director level positions are held by women, some of whom have been promoted internally within the past 12 months.
- Strongly involved in and promoting F1 In Schools – An international initiative organised on a not-for-profit basis which aims to encourage schoolchildren of all backgrounds to engage in science, technology, engineering and maths related subjects as part of their education, which is an essential pre-cursor if more women are to be encouraged to pursue their careers in the technology and engineering sectors. The number of girls participating in the challenges – which lead to a yearly world final – is growing exponentially. We are also a proud supporter of Dare To Be Different, an initiative that helps to inspire, connect, showcase and develop women who currently work in, or want to work in motor sport.
- Approaching schools interested in entering one of the many careers available in Formula 1 – In Kent, we will be offering internships, open days and a range of mentoring schemes to encourage young people to experience working life at Formula 1.
- Regularly reviewing our reward structures – In 2018, Formula 1 has introduced a new annual bonus plan to apply to all personnel, the effect of which will be reflected in gender pay gap calculations referable to April 2019. Annual bonus targets will be a percentage of basic salary and the level of award will be determined by the fulfilment of company-wide and individual performance targets. Formula 1 will monitor the outcomes of this new plan to evaluate its impact on gender pay gap.
- Recruitment policies and practices – We are discussing other initiatives internally, including a review of our recruitment policies and practices to encourage greater gender and other diversity of applicants generally, the introduction of a mentoring scheme and a broadening of our existing internship opportunities, particularly in our Technical division.