

VOLKSWAGEN GROUP
UNITED KINGDOM

GENDER, ETHNICITY
AND DISABILITY
PAY GAP REPORT

2024

About us

Volkswagen Group United Kingdom Ltd is a wholly-owned subsidiary of Volkswagen Group, and the importer of Audi, SEAT, CUPRA and Škoda cars, as well as Volkswagen Passenger Cars and Volkswagen Commercial Vehicles. We directly employ more than 900 people in the UK, while a further 25,000 people work indirectly for the Group, employed by its associated businesses, including retail networks, logistics, customer services and financial services.

Executive summary

At Volkswagen Group UK, we know that our success depends on our people. That is why we're building and nurturing a high-performing, diverse and inclusive team, drawn from different backgrounds and experiences – all with something unique to offer. We believe this is the best way to fulfil our ambition to shape the future of mobility.

Creating an inclusive culture is about ensuring that every colleague can thrive, develop, and play their part in our long-term future. And we're working hard to embed this culture into every aspect of the work we do. It is a global commitment and one that we're proud to champion here in the UK.

Since 2017, every business in the UK with 250 or more employees has been legally required to report on its gender pay gap. We're determined to go beyond legal requirements, so since 2021, we've voluntarily published our ethnicity pay gap too. And this year, we're sharing our disability pay gap for the first time. It's a practical way of reinforcing our desire to be a leader in inclusion.

Key highlights from this year's report

Gender pay gap

Our mean gender pay gap continues to fall as we build greater gender balance at all levels of the business. Women now make up 47.3 per cent of all colleagues (an increase of 0.5 percentage points). We've also seen a significant 2.5 percentage point increase in female representation in the upper pay quarter and a 4.7 percentage point increase in the upper mid pay quarter. This has led to the mean gap reducing by 1.2 percentage points and the median gap by 1.8 percentage points.

Ethnicity pay gap

Our mean and median ethnicity pay gaps have risen by 1.4 and 0.1 percentage points respectively. Due to our overall number of ethnically diverse colleagues, even minor changes in representation can significantly impact the pay gap. Since 2020, ethnic representation in senior roles has grown from five to six per cent, supported by a year-on-year increase in voluntary ethnicity disclosure.

Disability pay gap

This year has provided a baseline so we can monitor our ongoing progress. Recently, more colleagues have shared their disability with us, so we know that 16 per cent of our organisation is made up of colleagues with a disability. Our analysis shows a mean disability pay gap of 2.2 per cent, and a median gap of 7.3 per cent.

We believe the best way to make progress is to be open about pay equity across key groups. By sharing our data, we have a clear set of measures to guide us. We're focused on closing pay gaps and helping all our people reach their full potential. And we will only do that by leading the way – not just in the automotive sector, but more broadly – continuing to create a workplace where talent is recognised and rewarded, regardless of gender, ethnicity, or disability.



Damien O'Sullivan
Managing Director



Clare Booth
People Director

Driving diversity

Different perspectives and innovative thinking are essential as our business and the wider industry go through rapid change. To encourage and celebrate diverse thinking and allyship, we have six well-established Employee Network Groups (ENGs) open to all colleagues.

Our ENGs focus on women, cultural diversity, LGBTQ+, disability and neurodiversity, parents and carers, and inspiring the next generation. They invite all colleagues to get involved and drive community outreach. Each ENG is sponsored by a senior leader, ensuring engagement and support at Board level so the ENG's work delivers tangible change. Our UK Diversity, Equity and Inclusion (DE&I) strategy is fully aligned with our global strategy.

By embracing the diversity of our people, we will speed up our cultural transformation, foster innovation and help our business perform to its maximum potential – while better reflecting and serving the diverse needs of our customers.

Our DE&I strategic goals



Agile and intersectional approach to inclusion

We are dedicated to making sure everyone is, and feels, included. To do that, we think beyond gender, race, disability and sexual orientation, so that every colleague feels valued.



Employee workforce representative of our customer base

This will give us a stronger understanding of our customers' mobility needs and the solutions they want from us.



Engagement and workplace cultural alignment for innovation and growth

DE&I will be a golden thread that runs through all our brand and function business decisions – understood and lived by all.

We have a range of DE&I programmes that enable us to reach our goals



Aspirational goals in place for gender and ethnicity, measured quarterly.



Targeted outreach programmes through our 'We Inspire' ENG, which aims to encourage young people into the automotive sector.



Building on our Inclusive Employers Gold accreditation, we are implementing strategic improvements to further embed DE&I across our business.



Colleague training and education in DE&I, delivered through a schedule of events, initiatives and different learning opportunities.



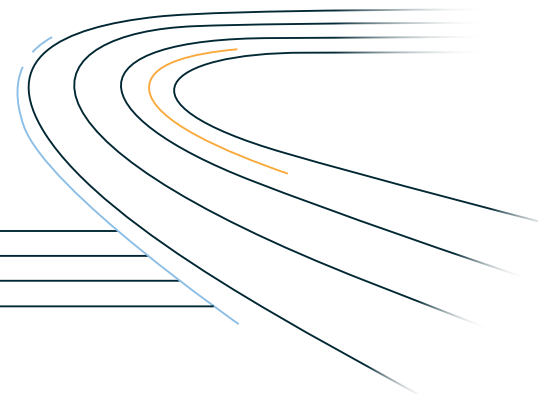
A commitment to advance careers for people with disabilities and health conditions, through our status as a disability confident employer and our partnership with the Business Disability Forum.



Engaging in external speaking opportunities to share best practice and be an agent of change in the automotive sector and beyond.

In addition to our ENGs, we have five operational workstream 'accelerators' which embed our DE&I strategy: Leading, Connected, Inspiring Careers, Thriving, and Communities.

These workstreams are important on a practical level. They help us drive DE&I through how we lead, connect and create inspiring opportunities. They also enable us to develop a work environment where everyone can contribute and help us support communities inside and outside our organisation.



What is a pay gap?

When discussing any pay gap, it's important to define what we're looking at.

Median pay gap

Imagine if we split our employees into two lines, dividing them according to the characteristic by which we are measuring the pay gap. For example, gender, ethnic diversity or declared disability.

Each line is then ordered according to total annual salaries from lowest to highest. The median is the salary of the person in the middle of the lines, and the best view of 'typical' pay. We then compare the medians and the difference between them is the gap.

Mean pay gap

The mean pay gap, on the other hand, shows the difference in the average hourly rate of pay between two groups of people in a company. For example, between men and women. We calculate the mean by adding up the total annual salaries of employees in each group and dividing that total by the number of employees. This is done separately for each group and we then compare the means to understand the gap between them.

Bonus gap

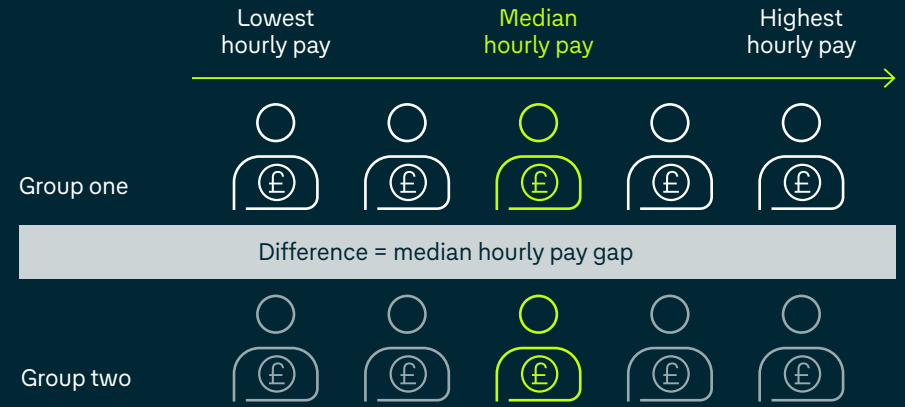
We also carry out these median and mean calculations when comparing bonuses paid over a 12-month period.

Equal pay

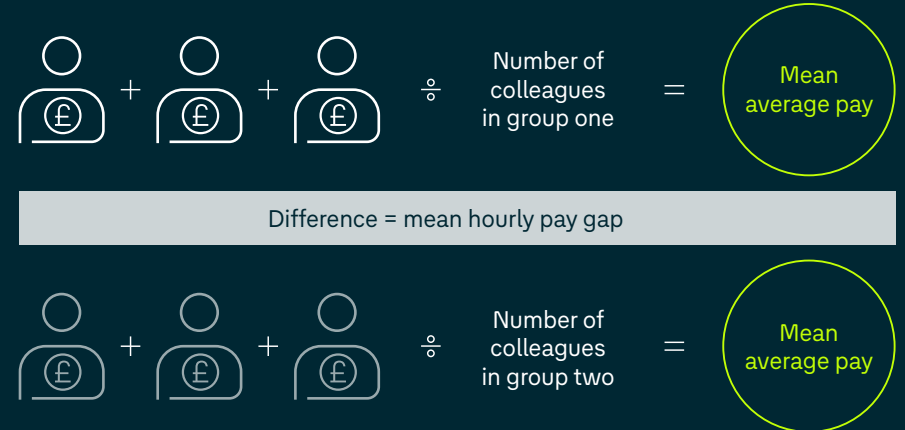
Both median and mean pay gaps are different from 'equal pay', which is the difference in annual salaries between two groups of people doing the same, similar or equivalent jobs – i.e. equal pay for equal jobs.

We work hard to maintain equal pay for equivalent jobs, following stringent processes. These include our annual pay parity review, applying our pay principles, and performing regular checks to ensure our policies and practices are fair for all.

Median pay gap



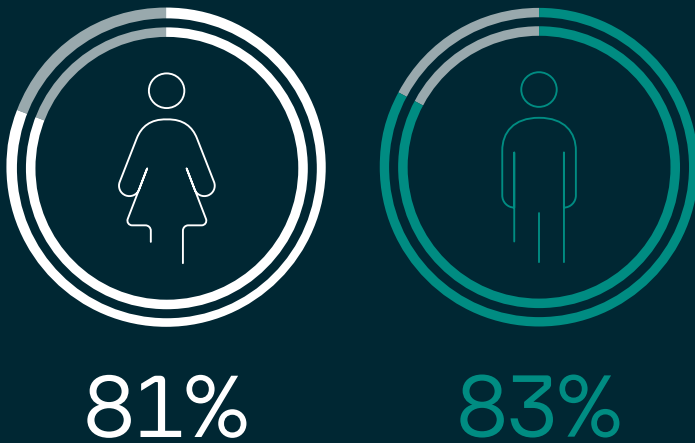
Mean pay gap



How we measure up: gender

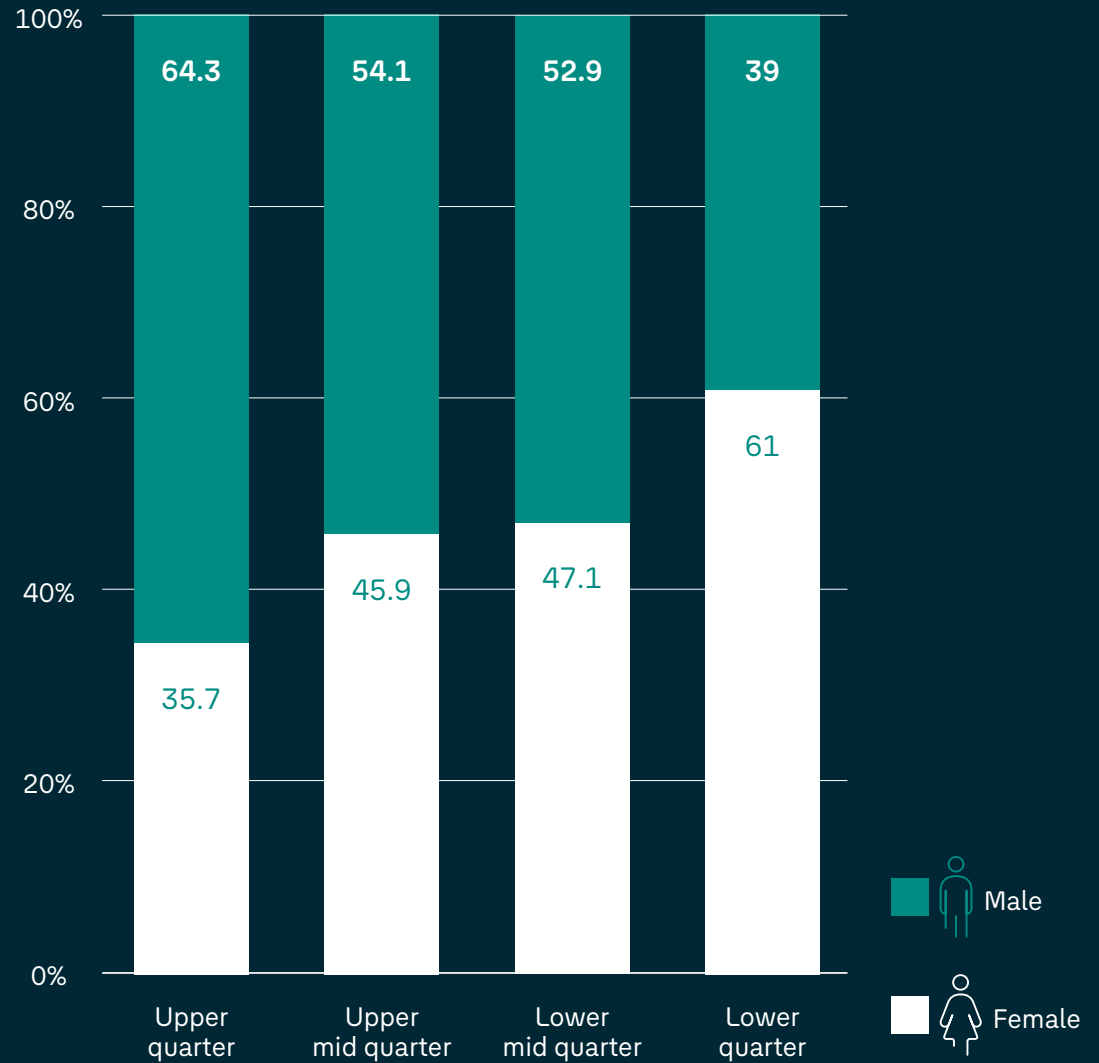
Gender pay gap*	Mean % (Average)	Median % (Middle)
Hourly pay gap	15.4	9.5
Bonus pay gap	39.8	24.4

Proportion of employees that received a bonus



*The difference between the pay of males and females in our organisation

2024 gender distribution by pay quarter (%)



Gender pay gap results in focus

We are making considerable progress towards a more gender-balanced business. In April 2024, women made up 47.3 per cent of our employees. This is the highest figure we've ever recorded and demonstrates a positive year-on-year increase. We are proud to have 31 per cent female representation in senior roles.

Positively, we have seen a significant shift in the distribution of female employees across pay quarters. Female representation in the upper pay quarter has increased by 2.5 percentage points to 35.7 per cent. In the upper mid quarter, it has risen by 4.7 percentage points, reaching 45.9 per cent.

These changes reflect an overall increase in female representation in the top two pay quarters, supporting our commitment to gender equity.

We also saw positive changes in bonus payments where the numbers of male and female employees receiving bonuses increased by seven and five percentage points respectively during the reporting period.

This increase is largely due to the lower percentages recorded in the previous year, which were driven by high levels of new starters who were not yet eligible for bonuses.

Bonus payments

Where bonuses are paid, they are based on factors including seniority and company performance. Our mean gender bonus pay gap has fallen by 11.4 percentage points and the median bonus pay gap has decreased by 0.6 percentage points.

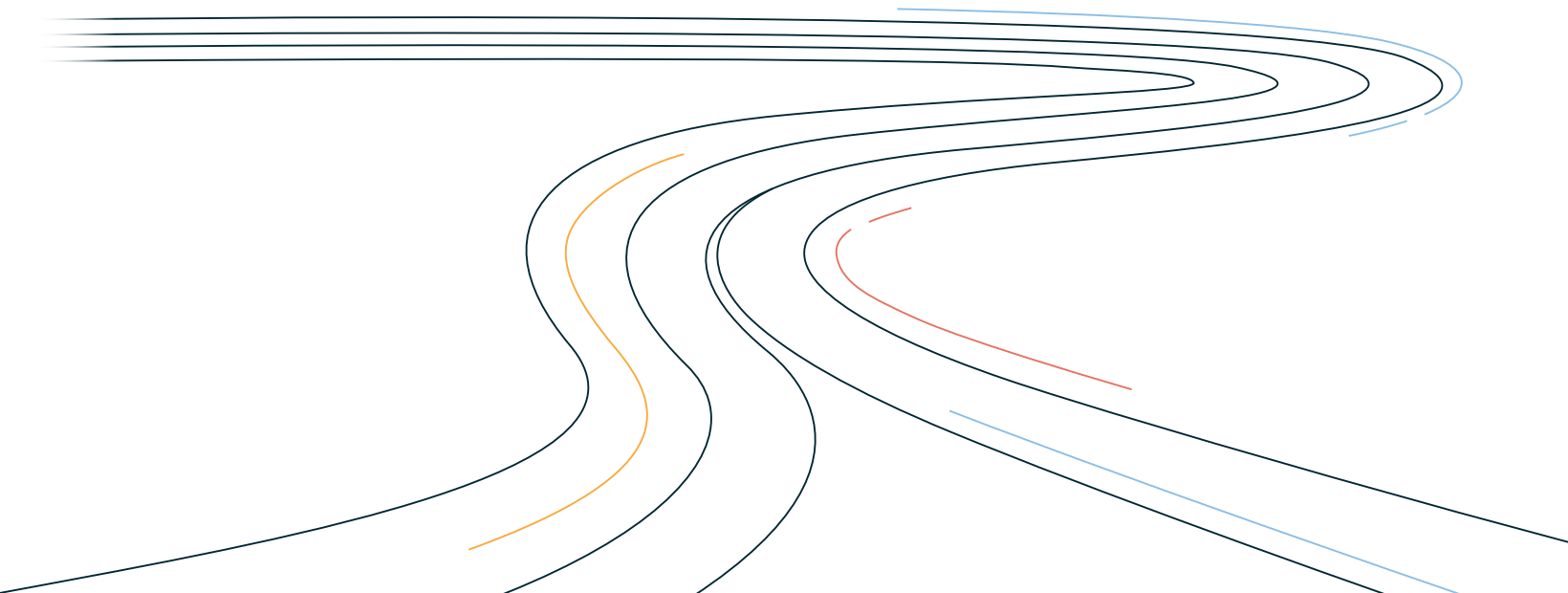
Part-time working is another factor to consider. Across our business, 11 per cent of women work part-time, compared with one per cent of men, which affects gender pay gap measures, because the gap is calculated on annual totals, not prorated.



47.3%
of our employees
are women

31%
female
representation in
senior roles

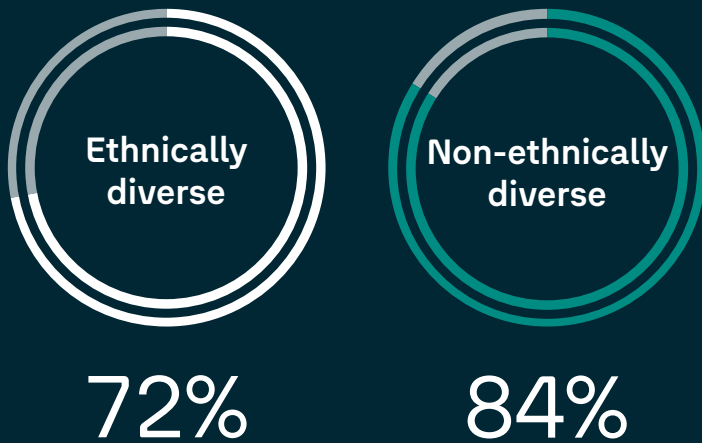
5.9
percentage point
decrease in the
gender pay gap
since 2020



How we measure up: ethnicity

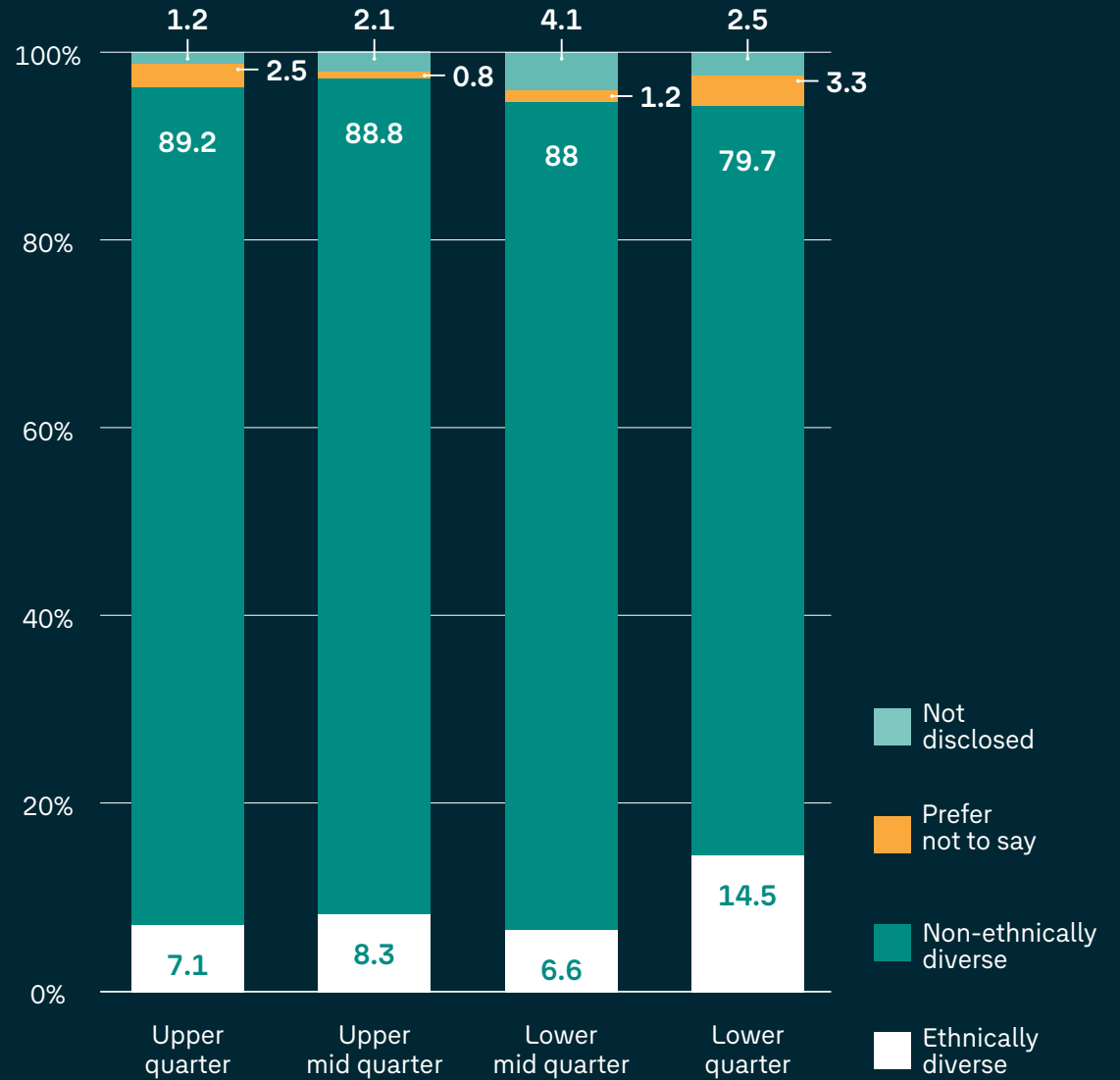
Ethnicity pay gap*	Mean % (Average)	Median % (Middle)
Hourly pay gap	14.3	6
Bonus pay gap	45	29

Proportion of employees receiving a bonus payment



*The difference between the pay of non-ethnically diverse colleagues and ethnically diverse colleagues in our organisation based on a 96 per cent disclosure rate

2024 ethnicity distribution by pay quarter (%)



Ethnicity pay gap results in focus

The ethnicity pay gap measures the difference between the earnings of 'non-ethnically diverse' individuals and those voluntarily disclosed as 'ethnically diverse' across the business, regardless of the work they do. Unless every employee chooses to share their ethnicity, we can only calculate approximate pay gap figures.*

Our ethnicity pay gap fluctuates year to year, largely because we have a small sample size and low representation at leadership level; so the mean and median pay gaps are disproportionately affected by any minor changes across pay quarters.

Our ethnicity disclosure rate remains strong at 96 per cent, with overall ethnicity representation at 8.5 per cent (0.5 percentage point decrease). We've seen a one percentage point increase in ethnically diverse colleagues in the lower mid pay quarter. At the same time, representation in the upper pay quarter has fallen by 0.7 percentage points.

Our mean ethnicity pay gap has increased by 1.4 percentage points, and the median ethnicity pay gap has risen by 0.1 percentage points. This is largely due to an increase in non-ethnically diverse colleagues in the upper two pay quarters, driven by higher disclosure rates a 3 percentage point increase in the upper quarter, and a 2.5 percentage point increase in the upper mid quarter.

Bonus payments

In the 2024 reporting year, 72 per cent of ethnically diverse employees received a bonus. That's a rise of 20 percentage points from the previous year. This significant increase is largely due to a high number of new starters in 2023 who were not eligible for a bonus in that reporting period, because bonuses are paid in the year after full-year performance reviews.

While this has contributed to a positive shift in bonus eligibility, it has negatively affected our ethnicity bonus pay gap. The median has increased by 15.4 percentage points and the mean by 12 percentage points, because there is a higher proportion of ethnically diverse employees in the lower pay quarters. Bonus payments reflect role level, which is why the gap exists.

Next steps

We know we need to do more to increase the number of ethnically diverse colleagues, particularly in the upper pay quarters. After reviewing our results, we've seen improvements in career development and promotion prospects over 2024.

Alongside this, we held focused listening sessions with our ethnically diverse colleagues to better understand their experiences and challenges. In response, we've developed a targeted action plan, fully supported by our Board and leadership teams, designed to drive meaningful change and support career progression. We expect that these efforts will strengthen pay equity in the coming years.

** For this report, 'non-ethnically diverse' refers to individuals who have self-identified as being from a white background, including both white British and white other. 'Ethnically diverse' encompasses all ethnically diverse individuals, excluding those who have chosen not to disclose their ethnicity. This high-level categorisation has been used to protect individual privacy, as further breakdowns could risk identifying individuals. This approach aligns with the recommendations of the Office for National Statistics.*

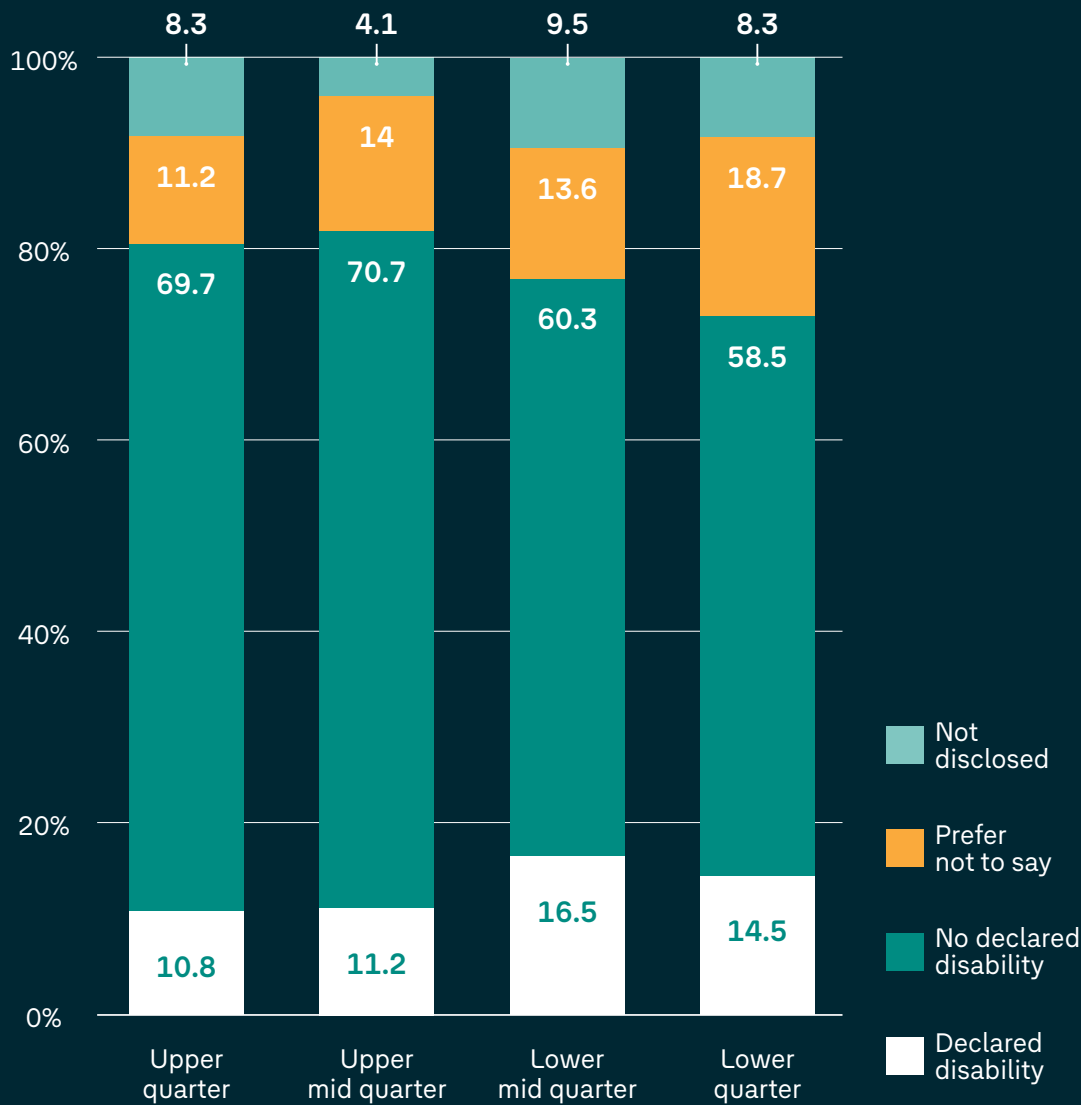
How we measure up: disability

Disability pay gap*	Mean % (Average)	Median % (Middle)
Hourly pay gap	2.2	7.3
Bonus pay gap	-7.7	4.5

Proportion of employees receiving a bonus payment



2024 disability distribution by pay quarter (%)



*The difference between the pay of colleagues who have declared a disability and those with no declared disability in our organisation based on a 85 per cent disclosure rate

Disability pay gap results in focus

When discussing the disability pay gap, it's important to define what we're looking at. In this case, the disability pay gap measures the difference between the earnings of individuals who have a declared disability and those who have declared no disability, regardless of the work they do.*

2024 marks an important milestone for us, as it's the first time we have reported on our disability pay gap. We're dedicated to being open about how we're performing and how we plan to improve. As a Level 2 Disability Confident Employer, we know how important it is to understand and address any disparities to create a truly equitable workplace.

Our results show a median pay gap of 7.3 per cent and a mean pay gap of 2.2 per cent, which is relatively low compared to the UK's mean pay gap of 17.2 per cent (Trades Union Congress, 2024). But there is still work to do, and our data also shows we have more colleagues with a declared disability in the lower pay quarters, contributing to the overall pay gap.

Most colleagues with a declared disability work full-time, and only one per cent are part-time, contributing to the lower disability pay gap. Our overall disability representation stands at 16 per cent, with a disclosure rate of 85 per cent.

...we are reinforcing our dedication to listening to colleagues and identifying how we can best support career progression for disabled employees.

Bonus payments

Looking at bonus pay, we see a mean bonus pay gap of -7.7 per cent. In other words, on average, colleagues with a disability received a higher bonus than their non-disabled colleagues. However, the median bonus gap of 4.5 per cent suggests there are differences across role grades and pay quarters.

By reporting our disability pay gap, we are reinforcing our dedication to listening to colleagues and identifying how we can best support career progression for disabled employees.

* For this report, 'no declared disability' refers to individuals who have not declared a disability, while 'declared disability' includes those who have self-identified as having a disability. This high-level categorisation ensures individual privacy, as further breakdowns could risk identifying individuals. Our approach aligns with best practices for disability pay gap reporting, ensuring consistency and transparency in our analysis.

Our route to Gold

We're always looking at ways to strengthen our inclusion efforts. Part of that activity is benchmarking what we do against our peers and recognised industry standards. That is why we're incredibly proud to have achieved two important accolades over the past year: the Inclusive Employers Standard Gold accreditation, and recognition as a Level 2 Disability Confident Employer.

#1

We are the first organisation in the automotive sector to achieve Inclusive Employers Standard Gold accreditation

1

Inclusive Employers Standard

Inclusive Employers awarded us their Gold Standard accreditation in 2024, recognising us as one of the UK's leading businesses for DE&I. Achieving this is no easy feat. Only four per cent of organisations audited achieved this accreditation and we're the first in the automotive sector to do so.

2

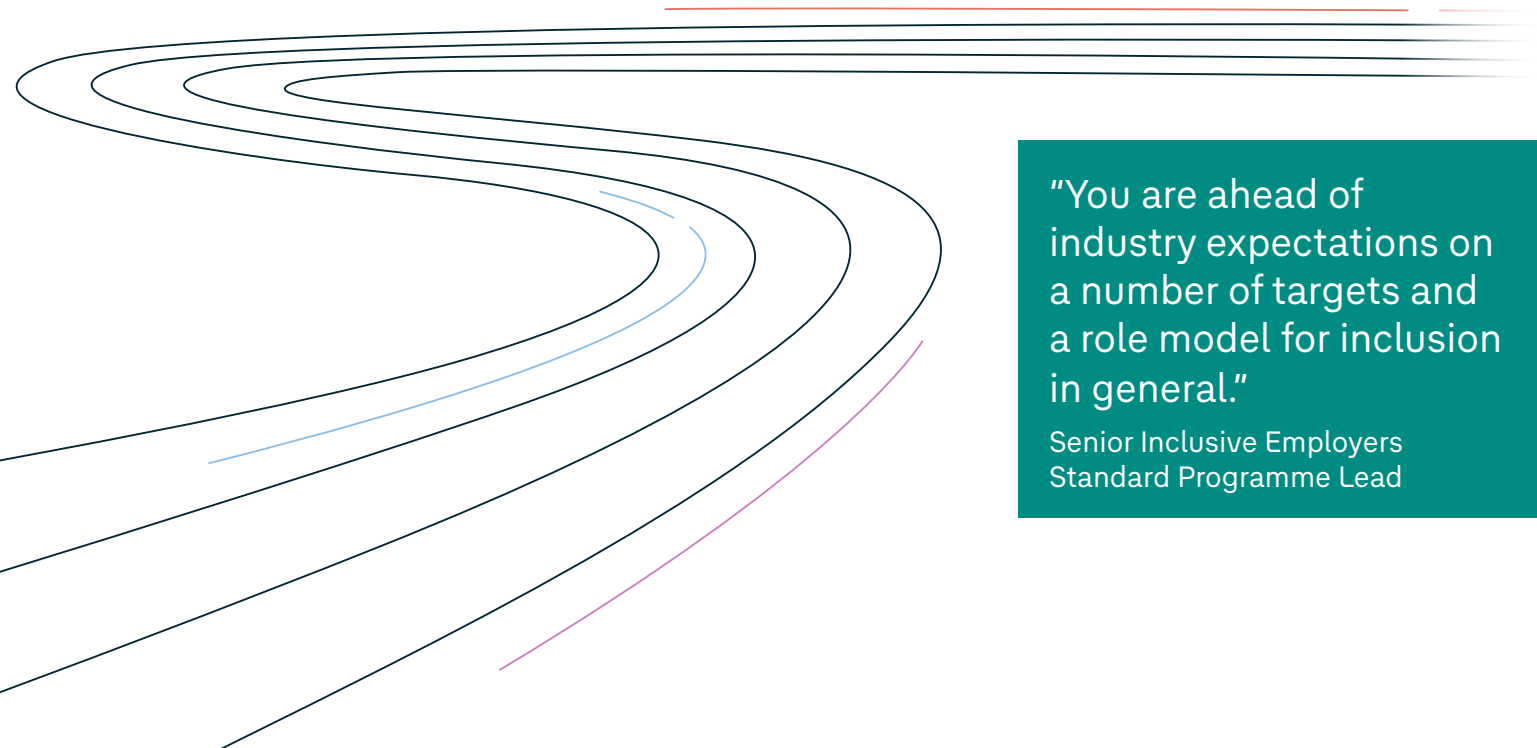
What was assessed?

The Inclusive Employers Standard scrutinised all our DE&I activities. It covered everything from leadership commitment to how we use data to inform our decisions. The judging team highlighted positive employee engagement, innovative approaches to inclusion, and good use of diversity data as some of our strengths.

3

Why it's important

The feedback from Inclusive Employers reinforces that we're ahead of industry expectations in several areas, for example, the work we're doing to close pay gaps, increase the proportion of women in leadership roles, and attract diverse talent.



"You are ahead of industry expectations on a number of targets and a role model for inclusion in general."

Senior Inclusive Employers
Standard Programme Lead

Becoming Disability Confident

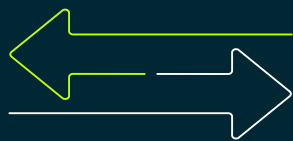
We're committed to creating a workplace where all colleagues, including those with disabilities, can thrive. In May 2024, we launched a series of workshops to equip our leaders with skills to break down barriers and create an inclusive workplace. So far, more than 70 per cent of our managers have taken part, with more courses planned this year.

Then in November 2024, we achieved Disability Confident Level 2 status, recognising the work we've done around accessibility for all. This includes practical workplace adjustments, proactive engagement to support colleagues with disabilities, and encouraging education and allyship.

We are a Level 2
Disability Confident
Employer

How we're improving accessibility

We prioritise accessibility at every stage of our colleagues' journey with us, from recruitment to career progression. Here are just some of the things that we do to transform the work environment for disabled and neurodiverse colleagues.



Streamlined workplace adjustments: Through partnerships with neurodiversity experts Lexxic and Health Partners, we offer personalised support for neurodiverse colleagues and those with disabilities. For example, employees with dyslexia or ADHD can receive tailored coaching sessions, assistive technology, and adjusted workflows.



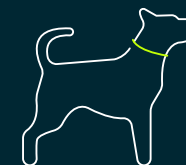
Supporting parents and carers of disabled dependants: Our Enable ENG is the focal point for supporting our employees who care for someone outside of work with a disability and/or who are neurodiverse.



Raising awareness through lived experiences: We invite influential speakers to inspire and educate colleagues about disability. Dame Sarah Storey and Sam Ruddock have shared compelling narratives about physical disabilities in sport, while Rory Bremner discussed his personal journey with ADHD.



Proactive recruitment practices: In 2024, we relaunched our careers website, making it fully inclusive and accessible to all. Working with Recite Me, we integrated accessibility tools that allow users to customise their online experience.



Aligning charity partnerships with disability awareness: Through our charity partnerships, we focus on causes directly connected to disability and diversity. This includes being a proud supporter of organisations such as Medical Detection Dogs, Dogs for Good, and Autism Early Support.

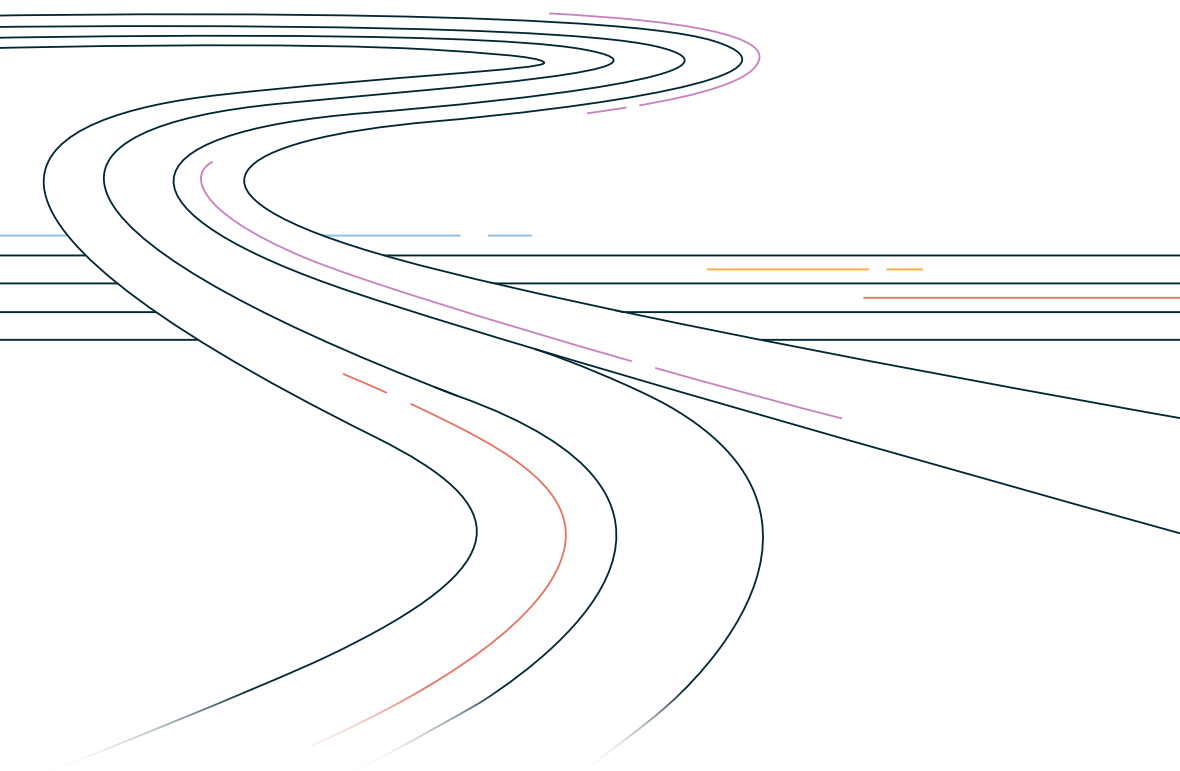


Leadership in action

We know that leading the way on DE&I starts at the top of any organisation. Last year we launched our DE&I Leadership Charter, setting out what we expect from leaders in our business. It commits us to challenge biases and create an open environment where colleagues feel confident to speak up, voice concerns, and share ideas.

Why the charter is important

The charter makes our leaders directly accountable for embedding DE&I into what we do every day and is built around six commitments:



1

Respect and inclusion for all

Removing any form of discrimination and enabling our employees to bring their best selves to work.

2

Challenging bias

Creating an open environment that fosters innovation and ensures everyone's voice is heard.

3

Focus on skills and performance

Ensuring that allyship, sponsorship and mentoring play a central role in our DE&I activities.

4

Equal opportunities

Providing every colleague with the opportunity to thrive, while building a diverse team that reflects our customer base and local community.

5

Innovation through diversity

Harnessing diversity of experience and thinking to fuel fresh ideas and innovative solutions for our customers.

6

Leadership accountability

Ensuring that our leaders translate commitments on DE&I into meaningful improvements for our employees and customers.

Taking action on inclusivity

Creating an inclusive work environment is not just about existing employees, it's also about how we hire new people, welcome them into our business and provide great career progression opportunities. This covers three primary areas:

1

Improving our hiring processes

- Expanding our advertising channels to reach a broader and more diverse talent pool.
- A relaunched careers website that's digitally accessible for all, ensuring a seamless experience for all candidates.
- Reviewing job adverts to remove bias and jargon, and ensure inclusive language to attract a wide range of applicants.

2

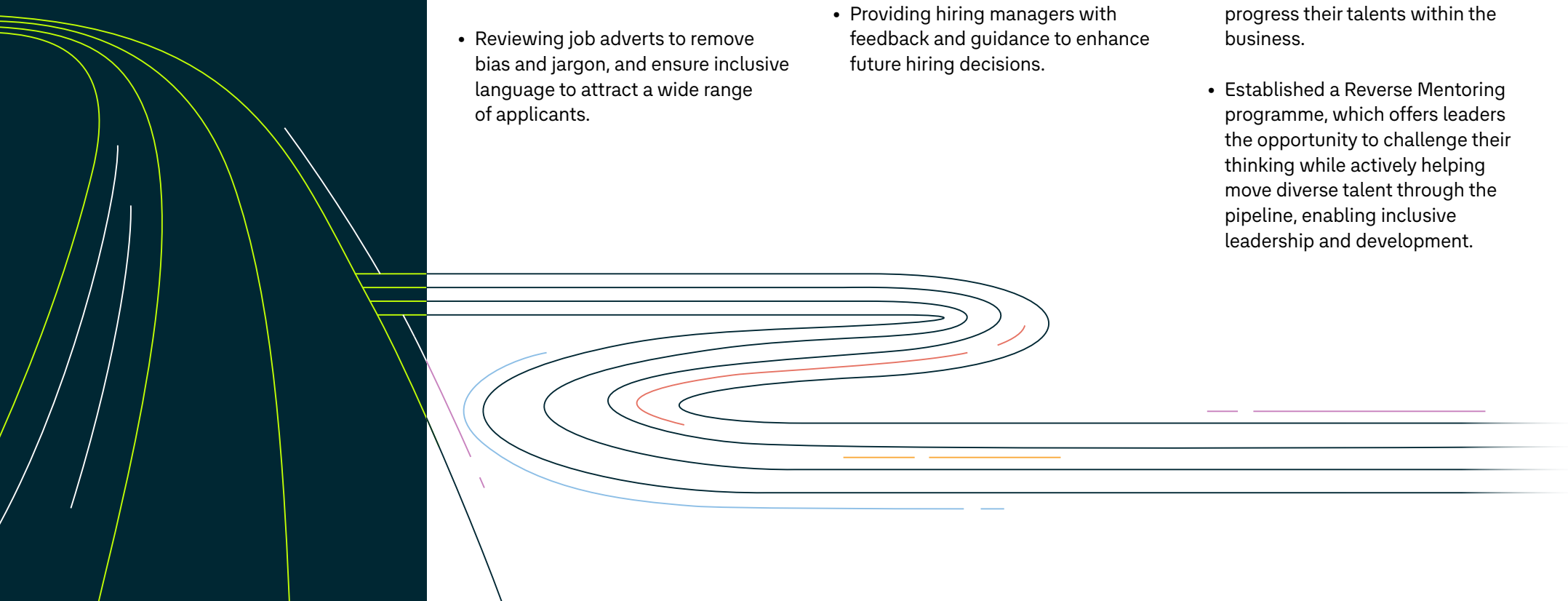
Post-interview review sessions with hiring managers

- Identifying any potential unconscious bias or barriers in the selection process.
- An opportunity to reflect on decisions and ensure fairness in recruitment.
- Providing hiring managers with feedback and guidance to enhance future hiring decisions.

3

Comprehensive professional development

- Personalised coaching, mentoring and development plans to support long-term growth for all colleagues, plus specific sessions focused on under-represented groups.
- Targeted career planning to help colleagues from all backgrounds progress their talents within the business.
- Established a Reverse Mentoring programme, which offers leaders the opportunity to challenge their thinking while actively helping move diverse talent through the pipeline, enabling inclusive leadership and development.



Employee Network Group highlights



We DRIVE PROUD

We championed allyship with our sponsorship of MK Pride for the fourth year.



We are DRIVEN WOMEN

International Women's Day: External speakers hosted events and discussions around imposter syndrome, self-promotion and female mental health awareness.

Launched 'Group Chat', an intersectional discussion space rotating DEI topics across ENGs.



We ENABLE

Neurodiversity Week: Special guest Rory Bremner spoke to 120 colleagues at an ADHD awareness event.

Developed peer-to-peer communities for parents and carers of children with additional needs, fostering knowledge sharing through 'Support the Supporter'.



We are PARENTS & CARERS

Hosted regular support meetings for carers, under 5s, primary, and secondary+ groups.



We live CULTURAL DIVERSITY

200+ colleagues attended our 'You, Me & Diversity - Live' panel discussion for National Inclusion Week.

60 colleagues joined our Ramadan 'Fast a Day'.



We INSPIRE

44,000+ students reached across
174 events

Our awards

Automotive 30% club

Two colleagues shortlisted

Autocar 2024

Two colleagues won

Autocar Drivers of Change

Four colleagues in the Top 50

Best D&I strategy

Shortlisted for the 2024 Engage Award

Championing Diversity in Automotive

Winner of IMI Awards 2025