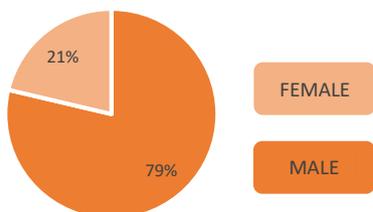


## Gender pay gap report, 2017

At Renishaw, we believe that equality and fairness are critical to the success of our organisation. This statement includes the statutory reporting information relating to gender pay gap, as well as a summary of the activities Renishaw is undertaking to address the gap and to increase the number of women at all levels within the company.

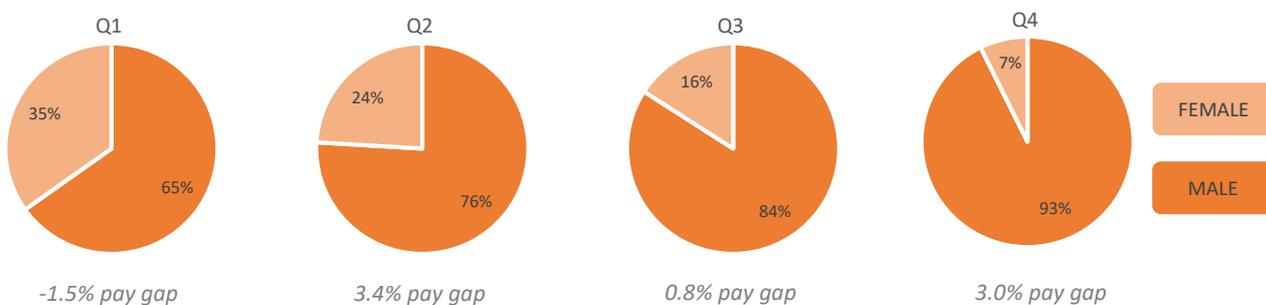
All information contained in this report has been calculated using data correct at 5<sup>th</sup> April 2017 according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. The data includes all relevant UK employees of Renishaw plc.

### Gender diversity



Women represented 21% of the relevant UK workforce on 5<sup>th</sup> April 2017.

### Pay quartiles



These figures illustrate the gender distribution at Renishaw across four equally sized quartiles, each containing approximately 690 colleagues. The statutory<sup>1</sup> gender pay gap is included below each quartile.

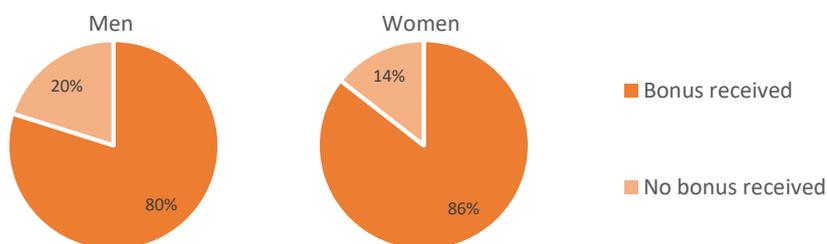
<sup>1</sup> Difference in median hourly rate of pay, Reg. 9, The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

## Pay and bonus gap

	Renishaw		UK avg. (electronics mftg) <sup>2</sup>	
	Mean	Median	Mean	Median
<b>Hourly pay gap</b>	25.7%	24.7%	35.0%	37.5%
<b>Bonus pay</b>	40.9%	29.5%		

The table above shows the mean and median pay gap across all pay quartiles for the year leading up to April 2017 (i.e. bonus period ending July 2016). We have also included the equivalent data within the relevant sector of UK manufacturing in order to provide some context to our report.

## Proportion of colleagues awarded a bonus



The charts above show the proportion of men and the proportion of women that were eligible for bonuses in July 2016.

## Commentary

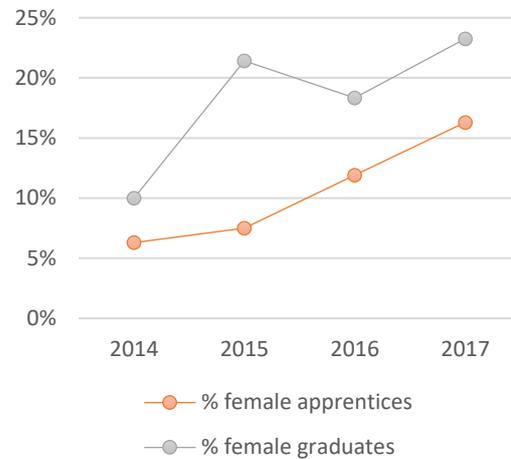
By analysing specific job grades and roles, we are confident that men and women are paid equally for doing equivalent jobs within the Renishaw Group. The data does, however, show that there remains a need for us to encourage more women to pursue a career with Renishaw and to improve gender diversity across the business, particularly at senior levels.

To help achieve these aims, Renishaw has been actively involved for a number of years in education outreach projects, particularly those intended to engage young women in science, technology, engineering and maths (STEM) subjects. Renishaw's UK-based education outreach team continues to work with primary and secondary schools, as well as higher educational establishments - to encourage young people of all backgrounds to learn about engineering; discover what engineers do every day; and to encourage them to choose engineering as a career. Our aim is to become a key educational resource for hands-on learning, through which we will raise the profile of engineering and encourage more female students to choose STEM subjects. To allow us to support these education outreach activities across our key regions, we offer STEM outreach training to all our new graduates and second-year apprentices. We now have over 135 trained ambassadors involved in STEM activities, including more than 40 female ambassadors. Our female-only STEM outreach events

<sup>2</sup> Office for National Statistics (ONS) Annual survey of hours and earnings (ASHE) gender pay gap tables 2017, ref. code 264

were attended by over 500 students in 2017. These efforts are already starting to have an impact on our recruitment, as shown by the improved gender diversity of our apprentice and graduate intakes in recent years (right).

We acknowledge that, notwithstanding our efforts to date, as Renishaw has a very low employee turnover and a large proportion of long-serving employees, changes to the gender balance have been gradual. The rate of change will be heavily influenced by the current availability of applicants having the right skills and experience. However, the age analysis of our workforce shows a larger percentage of women in the younger age groups, with approximately 50% of our female employees being under 35 compared to 32% of males.



We further acknowledge that the task of developing more engineers in particular is not something that we can do alone. As a result, Renishaw works with leading industry organisations and engineering peers to advise government on national policy that will benefit the sector. For example, we are members of the Royal Academy of Engineering's Diversity and Inclusion Leadership Group that has been established to help remove barriers and encourage more women and other under-represented groups into engineering.

We have also looked at changes that can be made to improve retention of female employees. Renishaw introduced a significantly improved maternity pay policy in the 2016/17 financial year and operates a variable working time programme (VWTP) for all UK employees, allowing families to better manage their work/life balance.

Renishaw will continue to invest and work towards improving gender diversity and gender equality within our workforce.

---

I confirm the data reported is accurate.



William Lee  
Chief Executive Officer, Renishaw plc