



GENDER PAY GAP REPORT 2021

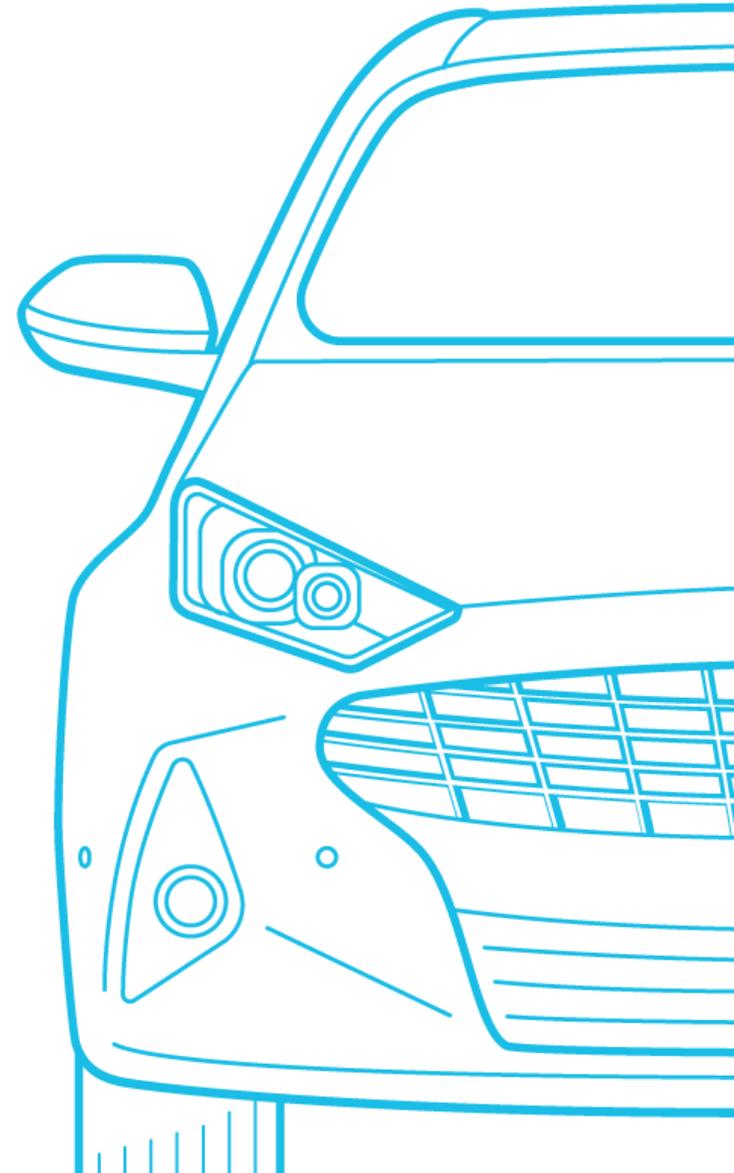




At Inchcape our people are our greatest asset, and we believe in rewarding our people fairly for the role they play, regardless of gender.

George Ashford - Chief Executive Officer, Inchcape UK

Justine Bates - Human Resources Director, Inchcape UK

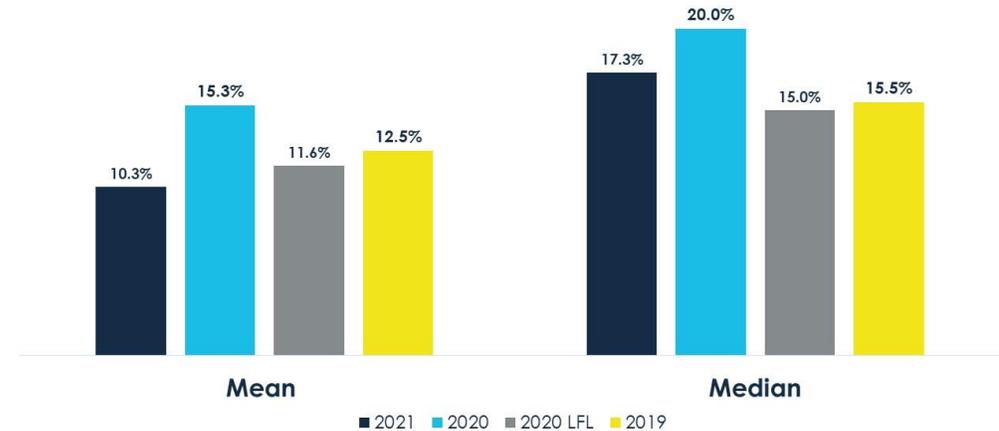


2021 Results

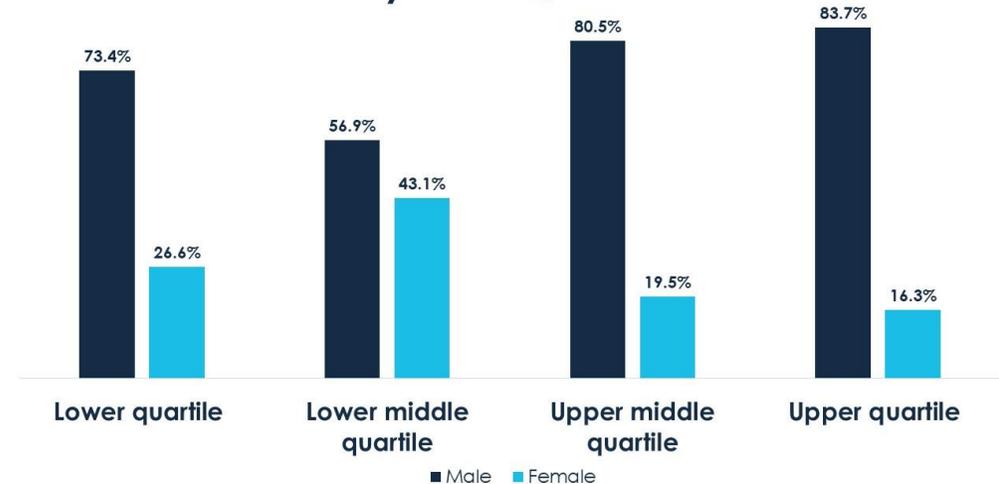


- Our headline reported mean gender pay gap for 2021 is 10.3% and our median gender pay gap is 17.3%. Both gaps have narrowed versus reported 2020 figures, but the median pay gap has increased slightly over the year on a like-for-like (LFL) basis calculated for 2020 when employees who were furloughed on full salary are included.
- As the graphs show progress over this year towards closing pay, bonus and female vs male representation gaps has been mixed. Positive movement on the mean gender pay gap and on the proportion of females receiving a bonus indicates that our sustained actions are having an impact. However there is a slight widening of the median pay and bonus gaps. The widening of the median pay gap is due to changes in our workforce mix with an increase in the proportion of roles in the bottom two quartiles of the pay distribution which are largely comprised of female employees.

Gender Pay Gap



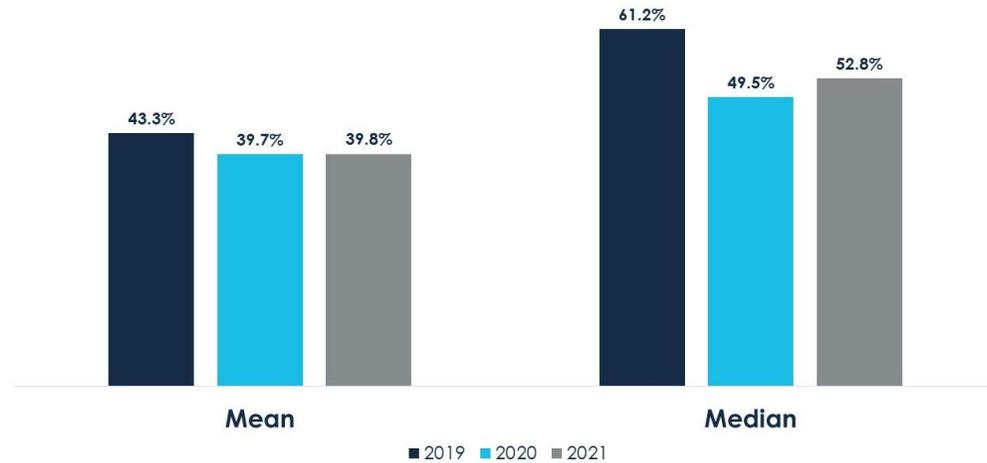
Pay Band Quartiles



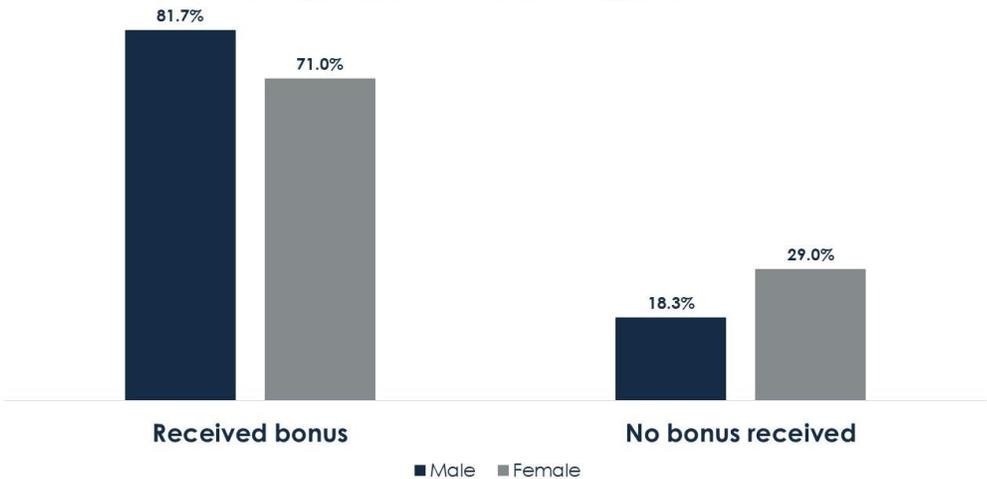
2021 Results



Gender Bonus Gap



Proportion Receiving Bonus



- As is typical in the automotive sector, roles with a high proportion of their reward linked to commission or bonus, for example Sales Executives, are predominantly populated by males.
- Equally, we have a higher proportion of females in roles where their reward is primarily salary with lower or no bonus opportunity. As a result, 81.7% of males received a bonus last year compared to 71.0% of females. Our mean bonus gap is 39.8% and median bonus gap is 52.5%. Whilst the mean bonus gap is largely unchanged the median bonus gap has widened slightly. This widening is driven by strong business performance driving higher bonuses than in 2020 for the male dominated sales executives and sales management roles.



What we are doing to make a difference

We remain committed to using data to drive forward inclusion, diversity, and gender balance with our overall ambition to close the gap at Inchcape Retail in the UK.

We are dedicated to demystifying the historic perceptions and stereotypes that perpetuate roles within our industry that are often viewed as 'masculine' and 'feminine'.

To help us do this we are building action into our everyday practices to address bias in our decisions, as well as structural biases, to create a more equitable and inclusive place to work.

We will continue to strive for diversity of all identities, backgrounds and experiences and build an inclusive environment where everyone feels they can belong, be themselves and succeed.

Our commitment to action is outlined below, aligned to the People pillar of our global Responsible Business plans and our global Inclusion & Diversity Framework.



What we are doing to make a difference



Attracting new talent

Creating new ways for talent to join Inchcape and broadening where we find new talent helps us to drive an inclusive culture and contributes towards closing our gap.

- We are actively involved in key forums which drive gender balance within the automotive industry, including The Automotive 30% Club and the Institute of The Motor Industry Diversity Task Force.
- To inspire interest in male dominated fields, we regularly showcase female role models through our networks and communications.
- We are one of seven companies in the engineering and automotive industry participating in the ground-breaking internship programme, #10000 Black Interns.
- We launched an internship programme across the business to create a pipeline of diverse future and early careers talent.
- The launch of our new, used car brand, bravoauto, provides more flexibility for our customers but also provides an opportunity to trial and deliver alternative routes into the automotive industry.
- We reviewed pay levels for our UK colleagues to ensure they meet the everyday needs of our people.
- We have started to build and track diversity metrics across our attraction and recruitment processes.

Developing the best talent

Developing and creating a pipeline of diverse talent is a core part of our approach to talent development.

- In 2021, female colleagues from the UK participated in the pilot of our global Women into Leadership Programme. This will continue as a full programme in 2022 and aims to accelerate high potential females through the organisation and into leadership roles.
- Our annual talent and leadership review strengthens diversity within the talent pipeline.
- We examine female progression within the business, putting in place development plans and fast-tracking progress as appropriate.
- Our Management Essentials and Leadership Essentials Programmes focus on principles of good leadership and management.

Driving an inclusive culture

Our education and awareness programmes help to reduce bias and drive more inclusive hiring, promotion, and reward decisions.

- In 2021, we launched an Inclusion & Diversity training session for our people managers in the UK enabling them to understand their role in creating diverse teams and nurturing inclusive behaviours.
- Beginning in 2021, our UK senior leadership team are undertaking a 5-month Inclusive Leadership Programme which is a key enabler to our business strategy.
- In 2021 we refreshed and relaunched our I&D training for all colleagues in the UK with a focus on understanding non-inclusive behaviours.
- The creation of our 'Driving What Matters' responsible business plans and Inclusion & Diversity Frameworks aim to ensure we have a safe operating environment with an inclusive and diverse culture and the best talent and skills for our future success.
- The launch of our Code of Conduct and Speak Up helpline reinforces the desired values and behaviours to help embed an inclusive culture.