

GENDER PAY GAP REPORT 2018

The knowledge, experience and dedication to excellence embodied by Inchcape people in all fields of activity is the Company's greatest asset. We believe that the workforce should be diverse and balanced, and our employees rewarded fairly for the role they play, regardless of gender.

During 2017 and early 2018, we reviewed and updated the pay and bonuses offered to some of our key roles, including Sales Executives and Technicians. As is common across the automotive industry, these roles are currently predominantly male and make up a considerable proportion of our workforce.

As a result of this review, base salaries were increased, and commissions/bonuses lowered. Whilst the ambition is to be an attractive and more diverse population, the short-term result of these changes has been that the pay gap has widened, whilst the change in bonuses for those in such roles were lower, meaning that the bonus gap has reduced.

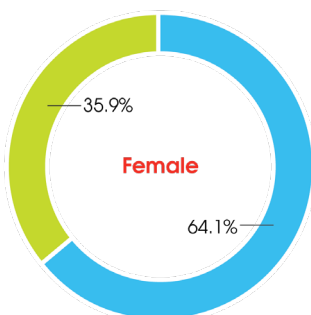
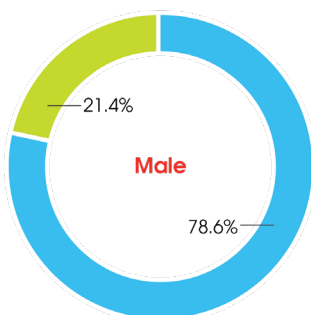
For 2018, our mean gender pay gap is 12.6% and our median gender pay gap is 16.2%.

Whilst this is less than the current national median average of 17.9%, we will continue to review our reward offering to ensure we become an increasingly inclusive and gender diverse business.

Gender Pay and Bonus Gap

Difference between men and women	Mean (average)	Median (middle)
Gender Pay Gap	12.6%	16.2%
Gender Bonus Gap	47.6%	57.1%

Proportion of Employees Receiving a Bonus

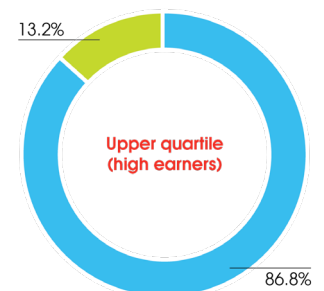
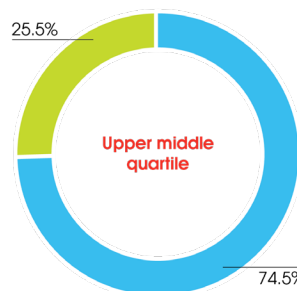
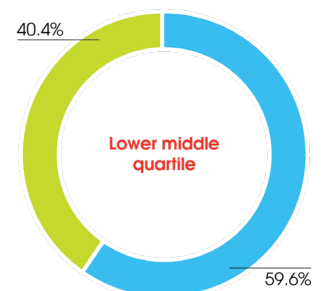
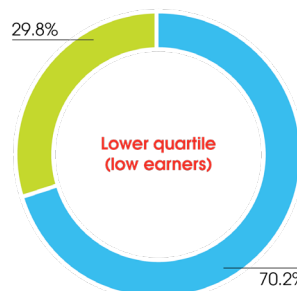


- Received a bonus
- Did not receive a bonus

Currently roles which have a bonus are mainly populated by males and those which do not provide bonuses are mainly populated by females, creating the wider gap in bonuses. This is common in the automotive sector where commissions are paid (which are included in the definition of bonus). Most sales executives and technicians (both commission-based roles) are male and most support staff (non-commission-based roles) are female and this structure is typical in the automotive sector.

The data shows that our Gender Pay Gap is not an equal pay issue but down to the types of roles populated by males and females and the structure of the related reward offering.

Pay Band Quartiles



- Male
 - Female
- *1,416 employees in each quartile

We continue to be committed to closing the pay gap and becoming a more gender diverse business. Our approach of revised pay offering will help us attract candidates from sectors other than from automotive across all roles, with the view to becoming a more gender diverse organisation.

We will also continue to:

- Remain involved in key forums such as the 30% automobile club which actively looks to reduce the pay gap in the sector;
- Participate in an initiative - Speakers for Schools. As part of this, members of our UK executive team will speak in schools. The aim of this activity is to raise awareness of the industry and to promote and encourage more females to enter the automotive profession;
- Examine labour flows and female progression within the business, putting in place development plans at entry into the organisation and fast-tracking progress as appropriate;
- Request 50% female recruitment shortlists where appropriate; and
- Explicitly train all employees and build awareness on the topic of diversity and inclusion.

James Brearley

Chief Executive Officer, Inchcape UK

Louise Manzano

Human Resources Director, Inchcape UK

March 2019