



GENDER PAY GAP REPORT 2023

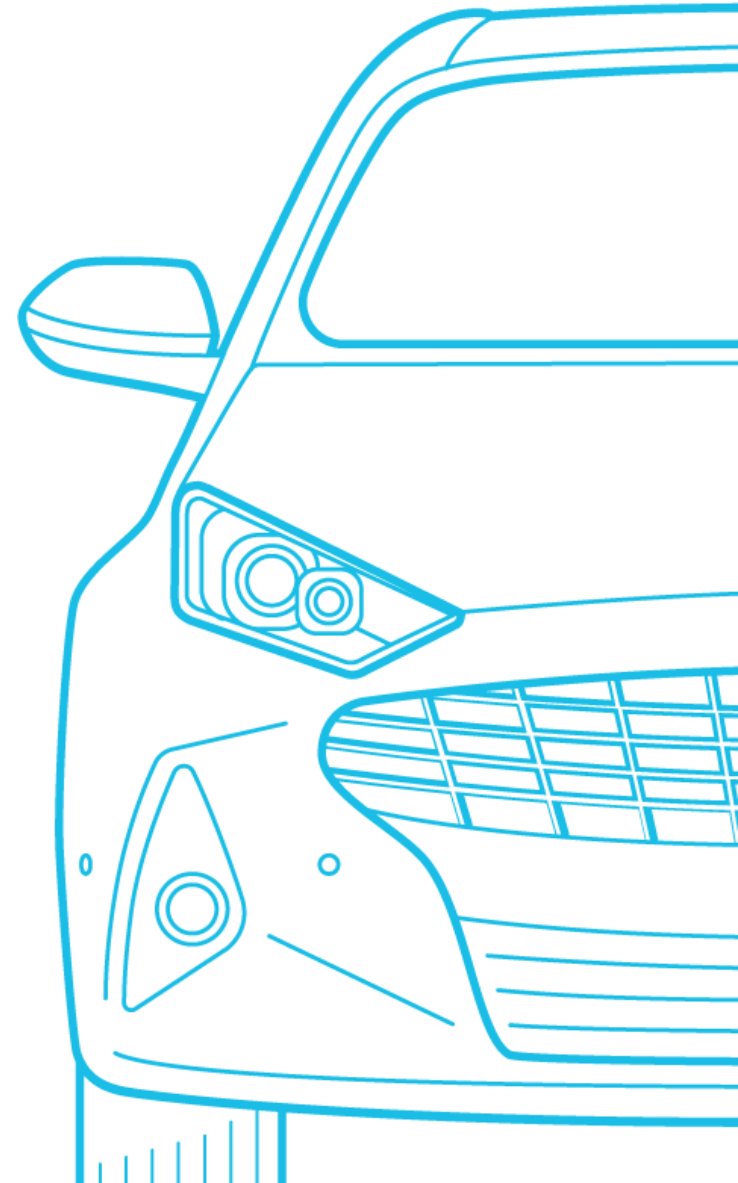




At Inchcape our people are our greatest asset, and we believe in rewarding our people fairly for the role they play, regardless of gender.

George Ashford - Chief Executive Officer, Inchcape UK

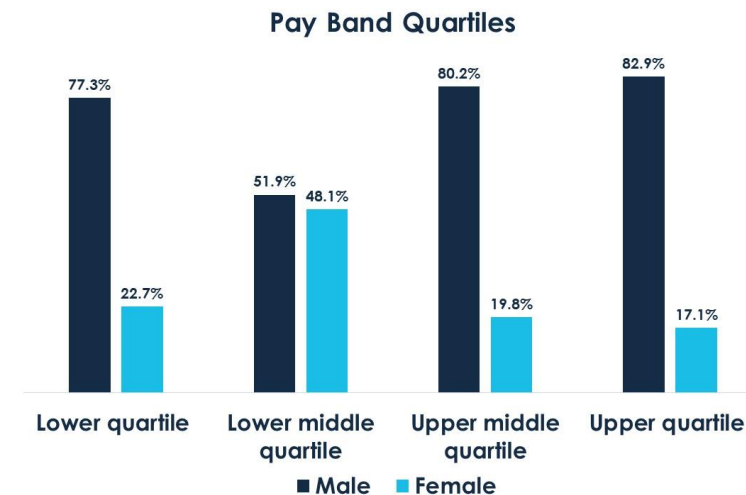
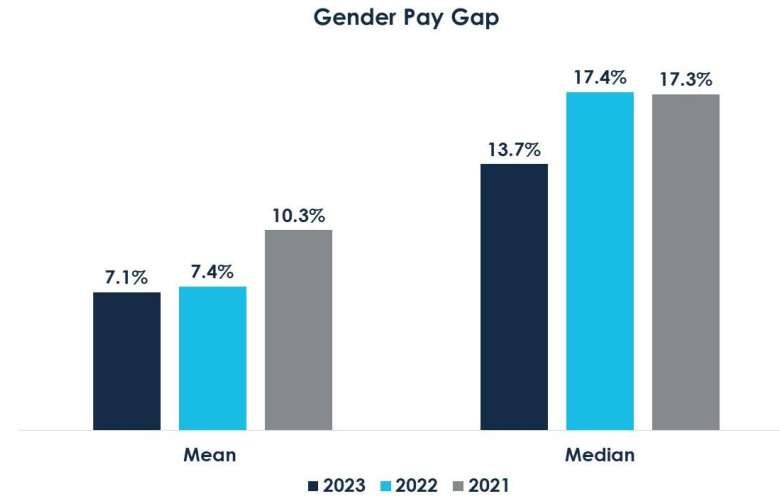
Justine Bates – People Director, Inchcape UK



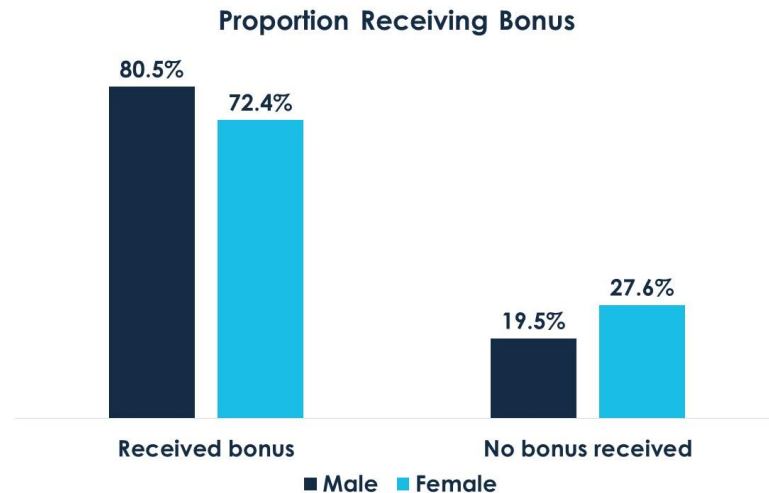
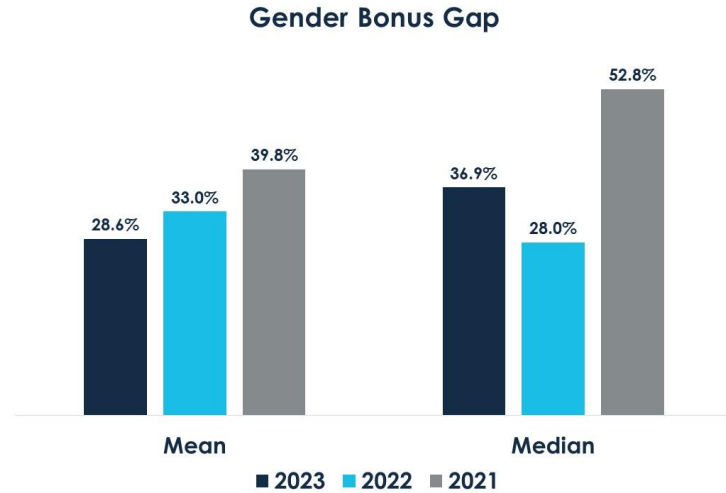
2023 Results



- The mean gender pay gap has improved slightly from 7.4% to 7.1% since 2022 with continued year on year improvement since 2020. The mean gender bonus gap also shows continuous improvement since 2022 and has moved from 33.0% to 28.6% since 2022.
- The median gender pay gap illustrates the same year on year improvement and has moved from 17.4% to 13.7% since 2022. Whilst the mean gender bonus gap shows a 13% year on year improvement, the median gender bonus gap has widened from 28.0% to 36.9%. This is due to year-on-year changes in the number of females and their resulting position in the pay distribution.
- The proportion of both male and females receiving a bonus has decreased slightly since 2022.



2023 Results



- 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.
- Within the wider population agreed spot rates drives fair pay within roles but the disproportionate number of women in roles with lower spot rates drives the gender pay gap.



What we are doing to make a difference

We are making progress to narrow our gender pay gap year-on-year and 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 diverse 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 Network.
- To inspire interest in male dominated fields, we regularly showcase female role models through our networks and communications.
- We continue to be one of seven companies in the automotive and engineering industry participating in the ground-breaking internship programme via the 10000 Interns Foundation.
- We are introducing a new flexible annual leave entitlements to enable colleagues to tailor their leave to better support their needs.
- We review pay levels for our UK colleagues to ensure they meet the everyday needs of our people.
- Through the implementation of our new global system we are able to track and have greater visibility of our diversity metrics across our attraction and recruitment processes.
- The impact of the reset of our senior level recruitment partners has been successful and there has been an increase in diversity of our external candidates for senior roles.
- We are rolling out an Inclusive Hiring Training programme for all our recruitment teams and our hiring managers to ensure our colleagues have practical tools they can apply to hiring decisions and ensure a fair candidate experience.
- A key focus area for 2024 is reflecting our employee value proposition and brand in our sourcing and onboarding experience to reach more diverse talent across society.

Developing the best talent

Creating an inclusive culture where everyone is empowered to reach their potential and developing a pipeline of diverse talent is a core part of our approach to talent development.

- We are in our third year of our global Women into Leadership Programme that aims to accelerate high potential females through the organisation and into leadership roles, with colleagues from the UK participating each year.
- Female colleagues who have completed the Women into Leadership Programme have become mentors within the programme to enable greater networking and connections across the business.
- In 2024 we will launch an Aspire Women programme focusing on junior female talent development.
- 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 internal jobs board creates further transparency and equal access to roles across the business.
- Our Leadership Programmes focus on principles of being an inclusive leader and our new Leadership Framework will guide our current and aspiring leaders' behaviours.
- We are now able to track colleagues on an early career programme through our talent management processes.
- We are exploring a wider sponsorship programme targeted at our female talent to create more inclusive pathways to leadership roles.

Driving an inclusive culture

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

- We enhanced our maternity, paternity, adoption and shared parental paid leave entitlements and policies to support parents across our UK Retail and Group. The policies have also been updated with inclusive language to ensure they are accessible to all our colleagues.
- The business has a global gender metric of 30% female representation across our senior leadership roles and the whole workforce by 2025.
- Our UK Leadership and their direct reports have undertaken a bespoke Inclusive Leadership Programme which is a key enabler to our business strategy.
- In 2023, we launched a new Inclusion & Diversity elearning for all colleagues which on non-inclusive behaviours, bias and microaggressions.
- Our 2023 'Be Heard' employee engagement survey saw high levels of engagement, with 'Inclusion' being a strength globally and in the UK and exceeding external benchmark measures.
- The delivery 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.
- Continued promotion of the Code of Conduct and Speak Up helpline reinforces the desired values and behaviours to help embed an inclusive culture.
- Our Fair Reward Principles and Practices ensure that our reward systems are equitable, competitive and sustainable.
- We are introducing inclusion checks during our annual performance and reward cycle to measure the effectiveness of our actions to close the pay gap.