

GENDER PAY GAP REPORT 2021

What is the Gender Pay Gap?

The Gender Pay Gap Regulations apply to UK employers with more than 250 employees.

The *gender pay gap* is different from *'equal pay'*.

The gender pay gap represents the difference in the average hourly earnings of men and women across a business, regardless of the role they do. The gender pay gap can be impacted by a number of factors related to the composition the workforce, primarily the number of men and women occupying the different roles that exist across the company.

As a result of different jobs paying different rates and the number of men and women performing those jobs being variable – a gender pay gap will often exist.

This is different to *'equal pay'*, which is the difference in pay between men and women who carry out the same or similar jobs, or jobs of equal value.

ATS EUROMASTER - GENDER PAY GAP

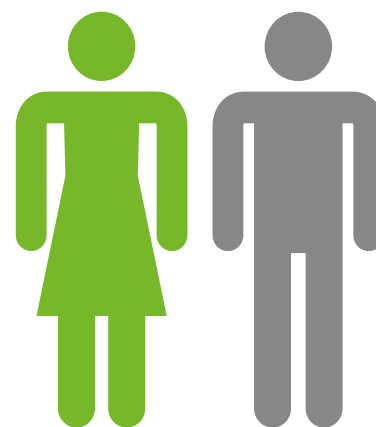
This is the Gender Pay Gap report for ATS Euromaster as at the snapshot date of 5 April 2021. It captures the differences in hourly pay and bonus paid to men and women in the year up to and including 5 April 2021.

MEAN AND MEDIAN - WHAT'S THE DIFFERENCE?

The **mean** gender pay gap is the difference between the average hourly rate of pay for women and men within a company.

The **median** gender pay gap shows the middle point of the group. So if all colleagues within the company were lined up in a female line and a male line, in order of pay, the median pay gap is the difference between the hourly rate of pay for the woman in the middle compared with the hourly rate of pay for the man in the middle.

The Gender Pay Gap for 2020 was significantly impacted by the COVID pandemic. The actual mean Gender Pay Gap for 2020 showed male pay to be **17.4%** higher than female pay. However, when the effect of furlough was stripped out, the underlying mean pay gap showed female pay to be **19.8%** higher than male pay, in line with the position in both 2019 and 2021.



MEAN

MEDIAN

PAY GAP 2021	-13.1%	8.8%
PAY GAP 2020 (actual)	17.4%	33.0%
PAY GAP 2020 (underlying)	-19.8%	-0.6%

WHY IS FEMALE PAY HIGHER THAN MALE PAY AT ATS?

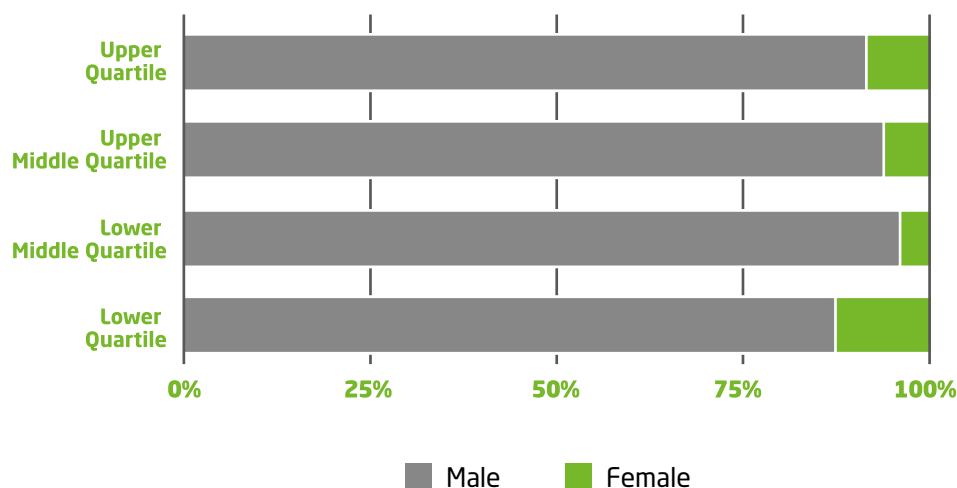
At ATS, over **90%** of our employees are male and less than 10% are female. This gender split is typical of the tyre and vehicle maintenance industry in which we operate.

The vast majority of our male employees are employed in technician roles in our operational network. Our female population however, is more equally dispersed across operational, clerical, professional and managerial roles.

Professional and managerial roles attract higher rates of basic pay than technician and clerical roles. The comparatively high numbers of females in these type of roles mean that the underlying average female pay is higher than average male pay.

PAY QUANTILES

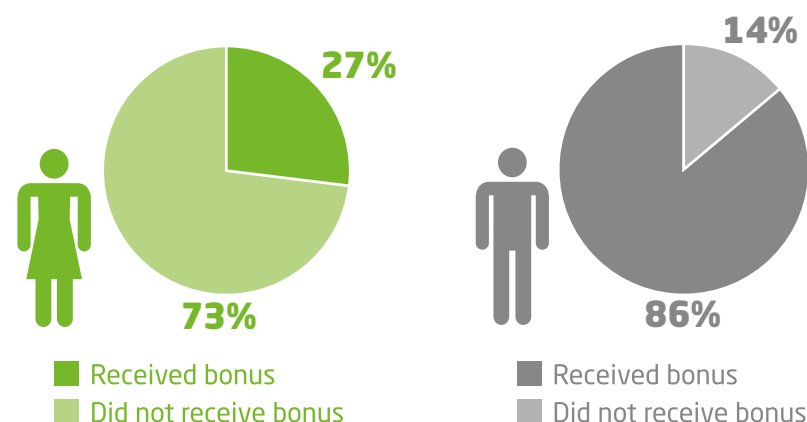
The graph below shows the male to female split of our workforce across four equal sized pay quartiles. The graphs show that ATS has a much higher percentage of male employees across all pay quartiles.



BONUS GAP

In 2021, ATS Euromaster operated a number of bonus schemes for people in sales, operations and management roles. Bonus payments did not form part of the remuneration package for clerical and professional roles.

The graph below shows that in 2021, **86%** of male employees received a bonus payment, compared with **27%** of females.



Most of our male population were employed in operational roles which attract bonus payments. A comparatively large proportion of our female workforce were employed in clerical and professional roles that do not have a bonus element in the remuneration package.

In the main, the small number of female employees that received a bonus in 2021 occupied higher paid senior management roles and therefore the average female bonus payment was significantly higher than the average male bonus.

During 2021 as part of our drive to develop a 'one ATS' culture, we have extended our bonus scheme provision, to ensure that all employees across ATS Euromaster, including those in clerical and professional roles, now have the opportunity to earn a bonus. The impact of these changes will be visible in the Gender Pay Gap report for 2022.

SUMMARY

We are confident that men and women are paid equally for doing equivalent jobs across the organisation. Our gender pay gap is very much the product of our workforce composition.

The pay structures in place across the organisation are gender neutral by design and are reviewed regularly. We continue to see healthy levels of female representation in management and executive positions and we have been actively working to replicate this success across our operational network.

For example, our approach when recruiting for Centre Operations Managers is to focus on generic competences, rather than the more traditional approach of recruiting on the basis of technical skills and experience. This has widened the available talent pool and has enabled us to attract a greater number of female candidates for these traditionally male roles.

ATS works hard to establish a diverse and inclusive culture that represents the communities we serve and this is brought to life through our policies and working practices.

Going forward we will

- **Continue to challenge our recruitment practices and develop new approaches. This will help us attract a more diverse range of applicants and thus encourage more women into technical and operational roles**
- **Monitor levels of pay and bonus across the organisation and continue to ensure that our pay structures remain gender neutral and support our drive towards an increasingly diverse workforce**

I can confirm that the data outlined above has been prepared in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Vitor Silva
Managing Director

March 2022

