



Gender Pay Gap Report 2018

March 2019

 AutoTrader

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Introduction



Alison Ross

People and Culture Director

At Auto Trader we are determined to create a diverse and inclusive business whilst making a difference to the communities in which we operate. Diversity at Auto Trader means respect for and appreciation of differences in: sex, gender identity, age, sexual orientation, disability, race and ethnic origin, religion and faith, marital status, social, educational background and ways of thinking. We believe that inclusion is a state of being valued, respected and supported for who you are - we want people to be able to be their 'true' selves at work. When it comes to our gender pay gap we have followed the government's legislation in terms of reporting on those who identify as men or women, which in itself is a shame as those gender definitions don't include those who identify as non-binary.

We have made progress and improved in all areas since last year, and although a gap still exists, we are working hard to address them. We won't be satisfied until we reach parity, and therefore remain dedicated to eliminating the gender pay gap completely. Our commitment that everyone has equal opportunities to reach their full potential remains in line with our focus to welcome more women into our business and to offer them exciting careers.

Our comprehensive diversity and inclusion strategy remains at the forefront of our company's people strategy and is something that is constantly evolving and gaining greater momentum across our wider business and external communities all the time.



At a glance

What is the gender pay gap and why are we reporting this?

It's a legal requirement for all employers with 250 or more employees to calculate and publish their gender pay and gender bonus gaps as they are on 5th April each year.

The gender pay gap is the measure of the difference between the average pay for all women in the company compared to all men. It's a snapshot based on employees as at 5th April 2018, and it is calculated using specific and detailed rules as set out in the legislation.

It's important to note that gender pay gap does not show differences in rate of pay for comparable jobs. The calculations are an average for all women and men employees, regardless of job role. We are confident that there are no inequalities of pay for comparable roles within Auto Trader.

What is Auto Trader's gender pay gap and progress since last year?

The figures set out have been calculated using the mechanisms that are set out in the gender pay gap reporting legislation.



Pay gaps between men and women at Auto Trader Limited

Mean hourly pay gap 2018

9.1% ▼ **3.0%**
(12.1% in 2017)

Median hourly pay gap 2018

13.9% ▼ **4.6%**
(18.5% in 2017)



Pay gaps between men and women at Auto Trader Group¹

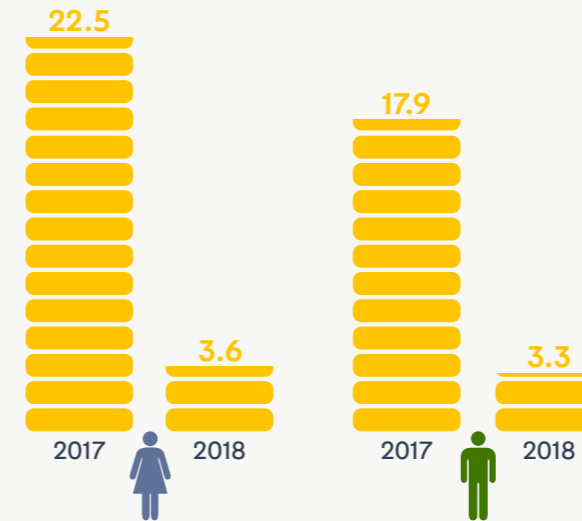
Mean hourly pay gap 2018

12.0% ▼ **2.9%**
(14.9% in 2017)

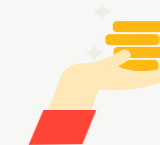
Median hourly pay gap 2018

13.3% ▼ **4.2%**
(17.5% in 2017)

Proportion receiving bonus² at Auto Trader Limited



1. This includes all full pay relevant employees within the Auto Trader Group as at 5 April 2018, including Auto Trader Group plc (which had only 2 employees) and Webzone Limited (a company registered in Ireland). 2. Bonus in 2017 included commissions which were incorporated into base salary part way through the year.



Bonus pay gaps between men and women at Auto Trader Limited

Mean bonus pay gap 2018

1.4% ▼ **52.7%**
(54.1% in 2017)

Median bonus pay gap 2018

-20.0% ▼ **41.0%**
(21.0% in 2017)



A **mean gap** is the calculation of the average hourly pay or bonus of a man in our company versus the average hourly pay of a woman, including all relevant additional payments and regardless of what they do.

A **median gap** is the calculation of the exact mid-point between the lowest and highest-paid man versus the equivalent woman.

% Women

% Men

Salary quartiles	% Women		% Men	
	2018	2017	2018	2017
Lower quartile	47.9%	47.9%	52.1%	52.1%
Lower middle quartile	40.9%	38.6%	59.1%	61.4%
Upper middle quartile	30.3%	27.9%	69.7%	72.1%
Upper quartile	34.7%	31.6%	65.3%	68.4%



Quartiles are calculated by ranking the pay for each of our employees from lowest to highest. This list is then divided into four equal sized groups of men and women. In our table it shows the percentage of men and women in each of these groups.

Why does the gap exist?

We have made good progress in the past year, but we still face challenges. Our gap exists because the number of women in certain highly-paid roles including technology and other STEM related roles remains low, although it has increased from 11% to 15% this year. Our Operational Leadership Team is 50% gender balanced but we recognise that we have work to do in the leadership levels below that team.

As a result of our remuneration policy which aims to provide a simple approach to reward, the vast majority of our employees do not receive bonuses or commissions. As such a small proportion of our employees now receive Bonus pay, the Bonus pay gaps are not reflective of the employee population as a whole. Year on year changes in the Bonus gaps are not comparable because in 2017, this also included commissions which were incorporated into base salary during that year.

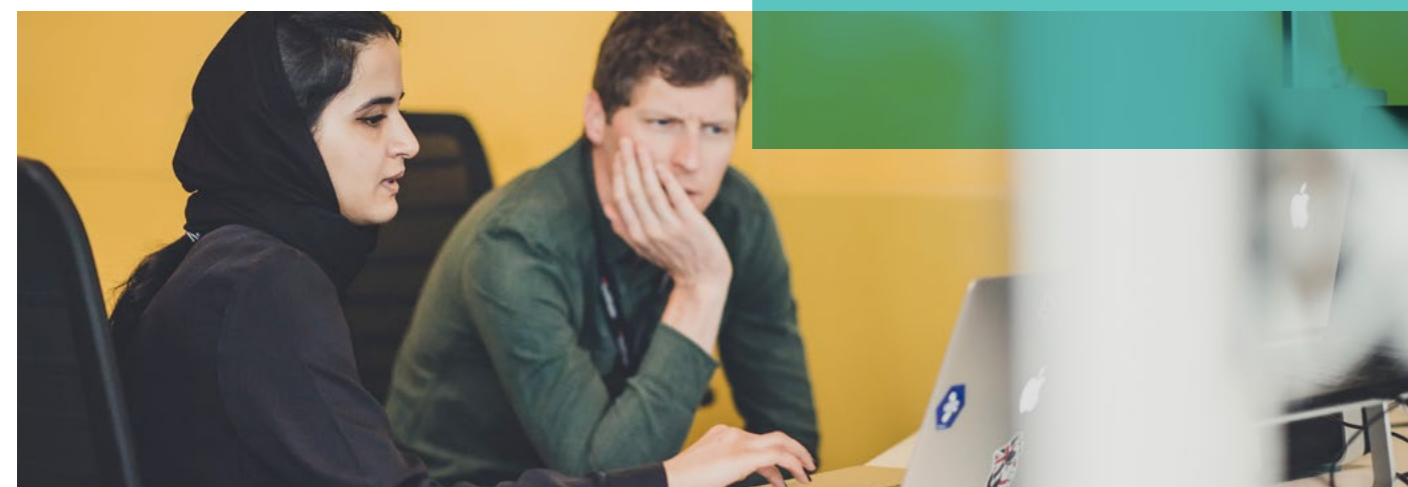
Continuing to make a difference

Since 2016, our Diversity & Inclusion Working Group, a cross-functional team of determined colleagues, has concentrated on different aspects of diversity. We have placed a significant focus on positive action across gender, LGBT+, Disability & Neurodiversity and BAME. We recognise the impact of intersectionality: that people can experience barriers based on their gender as well as other diversity characteristics simultaneously, so we have changed our approach to address this.

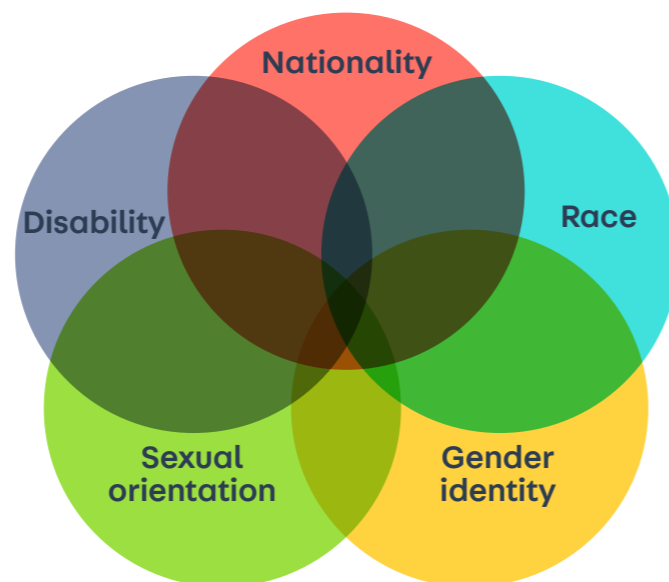
Some of the actions we are taking may make the gap widen in the short term as the proportion of women in entry level roles increases.

Gender diversity

As at 31st March 2018	Male	Women	Total	Women as % of total
Board	4	2	6	33%
Operational Leadership Team	7	7	14	50%
Operational Leadership Team direct reports	70	26	96	27%
Total company	509	315	824	38%



Intersectionality



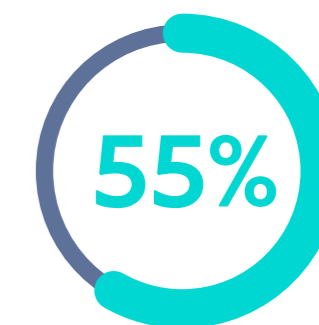
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90%
of our women would recommend Auto Trader as a great place to work

Developing the next generation

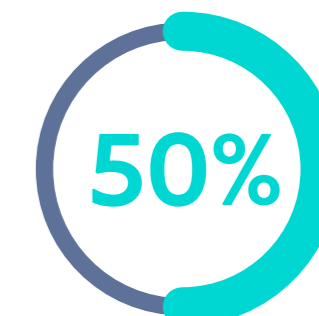
- As part of our future talent strategy and with the aid of our STEM ambassadors programme, our colleagues have worked with schools, colleges, universities and other educational institutions. We welcomed c.800 students into our offices for various experience days including Code Clubs throughout the year, designed to inspire the next generation of women into digital careers.



of Auto Trader's 2018 graduate intake are women

Internal and external recruitment of women

- In the twelve months to December 2018 women have successfully secured 44% of all internal vacancies.
- Our external recruitment efforts remain successful and 46% of all external job offers have been accepted by women who have joined us.
- 55% of our graduates and 60% of our apprentices who joined us last year were women. We also introduced a "re-training" programme for people that want to change their career to digital and 60% of participants are women.



of our Operational Leadership Team are women

Educating colleagues

- We have continued to deliver our 'One Auto Trader: Creating a Diverse & Inclusive Culture' one day workshops to all new starters who join our business during their first three months of employment. We also run a "Brilliant Recruitment" training course for everyone involved in hiring for our business to help colleagues explore their unconscious biases and ensure they do not play a part in their decision-making.

Auto Trader's Women's Network

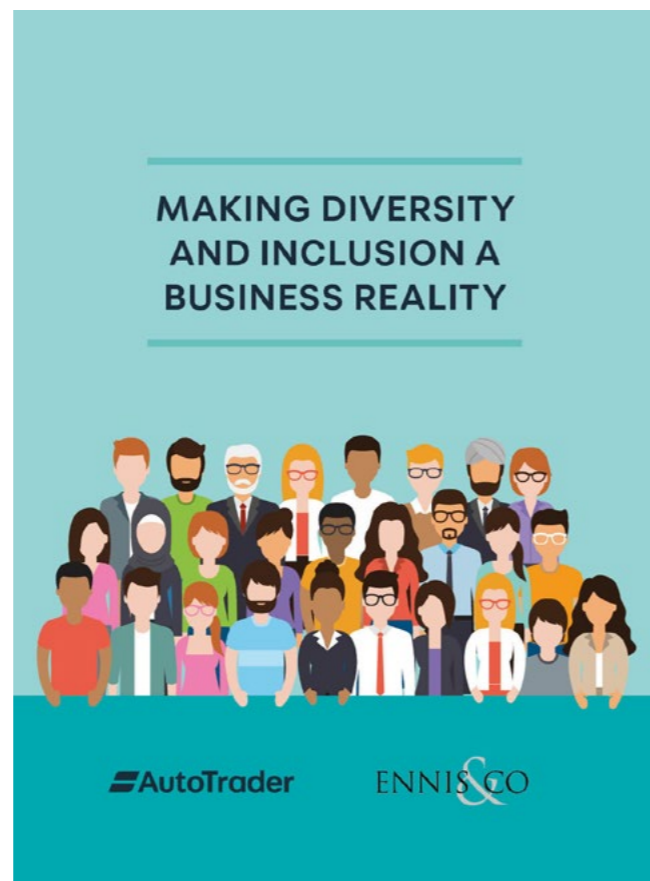
- Our Auto Trader Women's network is a working group of men and women hosting events focussing on supporting gender balance, for example we have focused on helping women to be resilient in the workplace, building their own personal brand, as well as launching a book group and support network.
- We have an established internal mentoring and coaching community, launched earlier this year as part of the Auto Trader Women's network. We have sponsored three of our women colleagues to become qualified coaches so that they can support our people with their personal and professional career development.

Colleague engagement

- Our annual Colleague Engagement Survey answered by 91% of our workforce has provided positive evidence about the experience of our women colleagues in Auto Trader. 96% of our women are proud to work for Auto Trader, 90% of our women would recommend Auto Trader as a great place to work, 85% of our women receive support from people at work when they need it.

Being community-minded

- Progress will come if our industries (automotive and technology) work together to find positive solutions for change. We are playing an active role to support both industries through a mixture of hosting events, sponsoring initiatives and participating in panel discussions. For example, we have provided sponsorship to various initiatives including "Digital Her" by Manchester Digital to provide support, the opportunities and the guidance needed to encourage a new generation of women into the technology industry.
- We partnered with automotive recruiter, Ennis & Co, and Auto Retail Bulletin to conduct research into what diversity currently means to the automotive industry, which we followed up with an industry event attended by over 50 different companies, and an insight driven White Paper.
- We are also now sponsoring the UK Automotive 30% Club, which brings together automotive manufacturers, retailers, and suppliers. The focus of the club is to work towards having women in 30% of key leadership positions by 2030.



Summary



Trevor Mather
Chief Executive Officer

Becoming one of the most diverse and inclusive employers is a key aim for our business, and something I personally strive for. As one of the largest marketplaces in the UK we help a huge proportion of society with their car buying and selling needs, so it's crucial that our employee base reflects our society so we are best placed to serve everyone. The fact that our Board comprises 33% of women, and our Operational Leadership Team is 50% gender balanced, is a positive position, but we appreciate that more needs to be done to ensure a gender balanced workforce at all levels. A greater level of diversity allows for more innovative, creative and rounded ideas and the development of more inclusive products and services.

Gender is a hugely important part of our diversity and inclusion strategy, and addressing issues like the gender pay gap remains at the fore. However our strategy is broader including LGBT+, BAME, disability and neurodiversity. We have groups of people from across the business dedicated

to championing and supporting these areas and I am really pleased to say that we are making great progress to change our business for the better.

We are involved more widely in both the technology and automotive industries supporting campaigns like encouraging more girls into STEM qualifications and careers, as well as sponsoring the automotive 30% club which aims to have 30% of women in key leadership positions by 2030. We also continue to host initiatives internally and within our local communities that aim to educate, inspire and change attitudes, all of which are driven by a blend of our leadership team and the wider business.

We are committed to long-term change and so will continue our relentless focus in this area until inequalities are eradicated and diversity in all its forms is truly accepted and indeed celebrated.

I confirm the data reported is accurate.

Trevor Mather



 **AutoTrader**