

A photograph of two women in a meeting. One woman with long blonde hair, wearing a purple top, is sitting and looking towards the right. Another woman with long blonde hair, wearing a yellow top, is sitting in the foreground, seen from the back. They are in a modern office setting with a white table in front of them holding papers and a laptop. The background is a blue wall with a large screen.

AutoTrader

Gender Pay Gap Report

April 2018

Introduction

Alison Ross

People and Culture Director



At Auto Trader we are passionate about creating a diverse, inclusive and conscious business. We aim for our colleagues to reflect the communities in which we operate and for them to feel they can bring their authentic selves to work every day. In 2016, we created a dedicated working group tasked with implementing a strategy to ensure diversity and inclusion become part of our Company's DNA. We are committed to ensuring everyone has equal opportunities to achieve their potential. An important element of this is ensuring that our colleague's pay and opportunities are based solely on their skill, behaviour and contribution and not on gender or any other such factor. We welcome the government's initiative to promote transparency on gender pay.

Diversity at Auto Trader means respect for and appreciation of differences in: gender, age, sexual orientation, disability, race and ethnic origin, religion and faith, marital status, social, educational background and way of thinking. We believe that inclusion is a state of being valued, respected and supported for who you are. In order for us to achieve our ambition, we have a strategy that is centred around taking action, with a focus on welcoming more women to our business and offering them opportunities for an exciting career.



**Diversity at Auto Trader
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What is the gender pay gap and why are we reporting this?

It's now 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 5 April each year.

The gender pay gap is the measure of the difference between the average pay for all women in the organisation compared to all men. It is a snapshot based on employees as at 5 April 2017, and is calculated using specific and detailed rules as set out in the legislation.

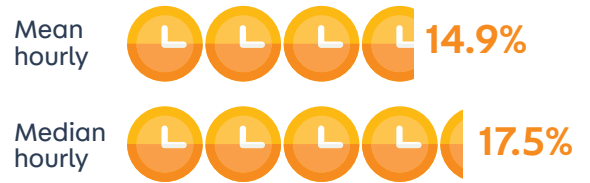
It is important to note that the gender pay gap does not show differences in rate of pay for comparable jobs. The calculations are an average for all women and men employees, regardless of job role.

What is Auto Trader's gender pay gap?

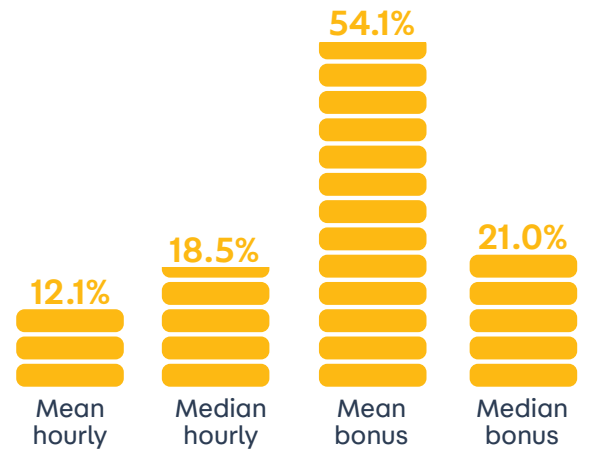
Substantially all our group employees are employed by Auto Trader Limited which is the only company within Auto Trader Group that has more than 250 employees; and so that is the focus of this report, but we've also included some of the key figures for the whole Auto Trader Group¹ which, although we aren't required to provide, we think is important for complete transparency.

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

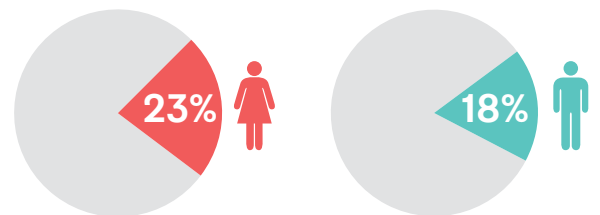
Pay gaps between men and women at Auto Trader Group¹



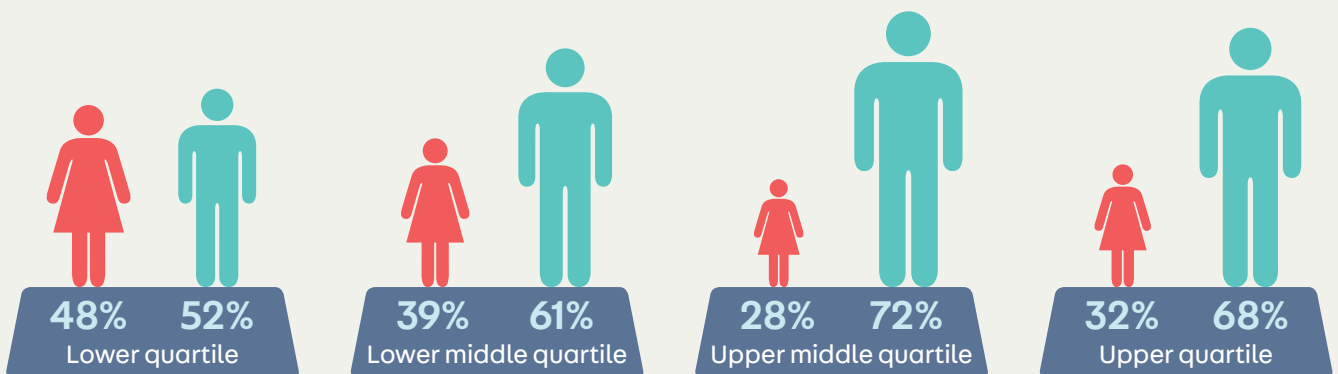
Pay gaps between men and women at Auto Trader Limited



Proportion receiving bonus² at Auto Trader Limited



Salary quartiles at Auto Trader Limited



1. This includes all full pay relevant employees within the Auto Trader Group as at 5 April 2017, including Auto Trader Group plc (which had only 3 employees) and 37 employees at Webzone Limited (a company registered in Ireland).

2. Bonus includes commissions which were incorporated into base salary part way through the reporting year.

Why does the gap exist?

This is not about inequality of pay. We are confident that men and women are paid equally across the business for comparable roles.

Our gender pay gap arises from;

- Under representation of women in certain highly-paid functions, including technology and other STEM (science, technology, engineering and mathematics) related roles.
- Under representation of women in leadership roles.

Although we do not believe that any level of gap is acceptable, our gender pay gap is lower than the UK high-tech sector of 25%³, showing the progress we have already made. Our median gender pay gap is in line with the UK average of 18.5%.

Our bonus pay gap is higher than our hourly pay gap. As part of our remuneration policy we aim to operate a simple approach and so we incorporate bonuses into basic pay for the majority of employees. Part way through 2016/17, we also incorporated commissions into base salary so these will no longer appear in our bonus pay gap in future years. The remaining gap is reflective of the different bonus structures for different roles within our senior management team.

Our commitments to make a difference

We are committed to addressing the gender pay gap, and we are taking a number of actions. We have established a Diversity and Inclusion Guild, with representation from across all parts of the business and led by members of our Operational Leadership Team. This guild is responsible for developing and driving our strategy to create a diverse, inclusive and conscious Auto Trader.

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.

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Our progress so far

Educating colleagues

- We have delivered our “One Auto Trader: Creating a Diverse & Inclusive Culture” one-day workshops for all our colleagues. Every new joiner will attend the workshop as part of their induction into the business.
- Our “Brilliant Recruitment” training for everyone involved in hiring for our business help colleagues explore their unconscious biases and ensure they do not play a part in their decision making.

Encouraging girls and women into STEM careers

- For the past two years we have run Code Clubs in local schools to inspire the future generation of women developers in technology.
- We have joined forces with Manchester Digital to launch the Software Development Apprenticeships
- Our graduate scheme has strong representation of women.

Internal and external recruitment of women

- In the twelve months to December 2017 women have successfully secured 60% of all internal vacancies, compared to 24% in the previous year.
- Our external recruitment efforts have resulted in 47% of all external job offers being accepted by women, compared to 37% in the previous year.

Flexible working

- We are encouraging more people to take advantage of the flexible working practices we offer including part time hours, job share, term time working and flexible hours.

Career development

- We have a fair representation of women across our key learning and development programmes. Our Leadership Development Programme, which aims to nurture our future senior leaders of our business, comprises 50% women and 50% men.
- Our women colleagues have benefited from a variety of development opportunities including full sponsorship to study for professional qualifications and academic qualifications.



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Coaching and mentoring for women

- We offer coaching and mentoring for our women so they can be supported in progressing to more senior positions and realising their full potential at work.

Women's network

- Our women's network is an employee network of men and women that champion women in the workplace not only within our business but also in the communities we operate in. They run educational and networking events throughout the year bringing together like-minded people and initiating real change.

Summary

Trevor Mather

Chief Executive Officer



I am personally very dedicated to addressing the diversity balance in our organisation, of which gender is one area. I spend a lot of time with Alison thinking about how we initiate real change through our organisation so our ambition to become one of the most diverse and inclusive employers can become a reality.

Having a truly diverse employee base allows for a more rounded, creative and innovative organisation. That is why we have created not only our overarching diversity and inclusion guild, but also four sub-groups focused on creating and executing inclusive strategies in the following areas: women; LGBT+; BAME and; disability and neurodiversity.

The fantastic thing about AutoTrader is that the whole business is passionate about driving change in both

the wider technology and automotive sectors, and it is as a collective that we care deeply about doing the right thing. We continue to launch initiatives both internally and within the wider communities to educate, challenge attitudes and address issues like the gender pay gap, some of which are driven by leadership, most of which are driven by groups of employees who are passionate about the specific challenge we are trying to address.

There is still a lot to be done but together I believe we can make great strides to eradicate inequalities and truly celebrate diversity in all its forms.

I confirm the data reported is accurate.

Trevor Mather



 **AutoTrader**