

ATLAS COPCO LTD GENDER PAY GAP REPORT

Our View on Diversity

At Atlas Copco we believe that diversity is a business-critical driver for our long-term success. To capture global growth opportunities and explore the full talent pool, we strive for increased diversity and aim to work with inclusion in all aspects of our operations. We believe that competent and passionate people are key to bringing the Group forward in line with our strategies. Our vision is for Atlas Copco to represent a Group with diversity of cultures, nationalities and ethnic origins. To be a work place that offers equal opportunities and a good balance between female and male employees and role models.

At Atlas Copco, we strive for a culture that encourages diversity of mind, inviting all voices to the table.

Atlas Copco Group – 1st March 2019



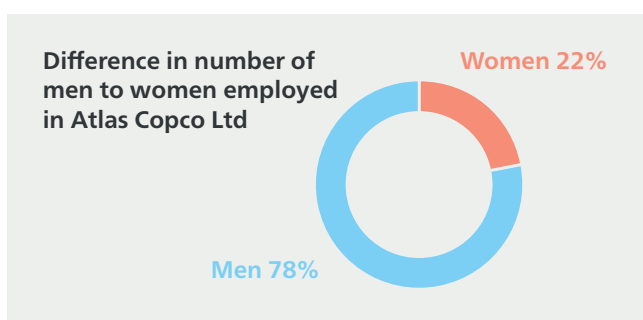
Our Organisation

Our employees are our most valuable resource. It is they who, with creativity, knowledge and dedication, drive us forward. Therefore, all employees' skills, experience and development opportunities must be treated equally.

Our workplace should be attractive and inclusive. Therefore it is crucial to promote equal opportunities for all employees and offer an open culture characterized by tolerance and respect for each other's differences and opinions.

Gender Pay Gap Report

In line with government regulations, this report sets out the second Atlas Copco Limited gender pay gap report, the reasons behind it and the steps we are taking to close the gaps. Atlas Copco believe this is a positive move to show transparency and the differences in the average earnings between men and women and for us to take informed actions to close any gender pay gaps. Providing equal pay for equal work is in line with the values within our organisation globally.



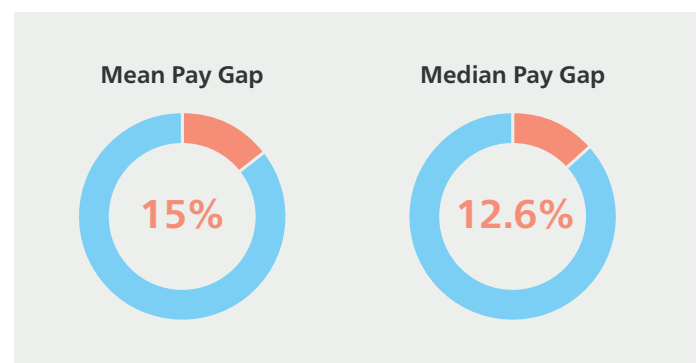
Our aim is to create a workplace that promotes and embraces the diversity of our employees as well as supporting them to achieve their own professional goals whilst adding value to our business performance, as well as respecting each other's values and perspectives.

How Gender pay is calculated?

All organisations with more than 250 employees have to annually publish their own gender pay data which must also be published on the Government website.

Atlas Copco Ltd Gender Pay

These figures show the difference between the mean pay gap and the median pay gap of all male and female employees regardless of position in the organisation shown as a percentage of male employees pay.



Our average pay gap is 15%. This is lower than the UK average pay gap which is 17.9%

**Office Of National Statistics 2018*

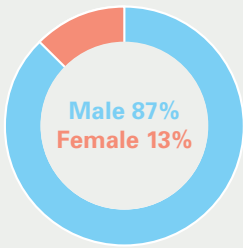
Whilst men and women are paid equally for equivalent work we employ close to four times more men than women and a higher proportion of our senior management positions are held by men.

This is not an unusual statistic for an industrial engineering company like ours and in fact is similar in many of the countries we operate in around the world.

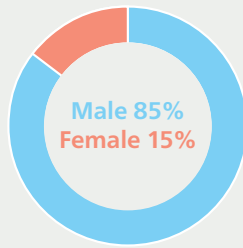
Many of the positions we employ require qualifications in mechanical and / or electrical engineering and other STEM subjects and a large proportion of our roles require a level of engineering know how.

Whilst we do employ some talented women in this part of the workforce, the reality of the UK labour market realizes far fewer women available and a smaller talent pool of females to recruit from. Hence many of our women are recruited into the seemingly more female typical roles in finance, marketing and administration, with more of them employed in part time roles than the men.

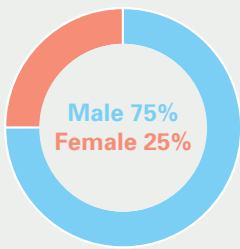
Upper Quartile



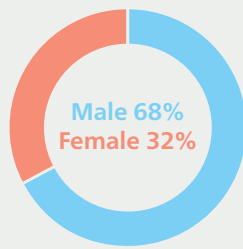
Upper Middle Quartile



Lower Middle Quartile



Lower Quartile



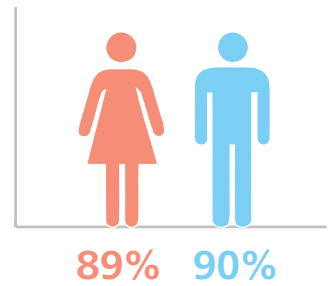
The charts above show the gender pay distribution across all UK employees based on the four pay quartiles (as of 5 April 2018). There is a trend where men have worked at different levels in our organisation and men are more likely to work in the senior leadership positions than women. This year we see an improvement in both the upper and lower middle quartiles towards female employees.

It is important that we are able to grow female leaders in the same positive way as we grow male leaders. We ask all our leaders to embrace their commitment in finding new ways and channels to broaden our recruitment base ensuring we have an inclusive culture in all our workplaces. Within our total workforce, currently 17% of all male employees are senior leaders with an increase to 12% female.

Bonus gender pay gap

Diversity is one of Atlas Copco's goals for sustainable, profitable growth. Atlas Copco always offer an inclusive workplace where employees are given equal opportunities and this includes an equal opportunity to participate in variable compensation programs. We have bonus programs for all levels of employees which shows our high percentage levels for both men and women.

Proportion of Males and Females Receiving a Bonus Payment



Average (mean) male bonus earnings are 39.44% higher than female bonus earnings.

Average (median) male bonus earnings are 13.85% higher than median female bonus earnings.

We are striving to address the Gender Diversity Gap as we believe that diversified teams generate better results in the long term.

We have been working to address the gender balance and encouraging more women to join the Atlas Copco organisation which we are doing using employer branding geared towards potential female employees. We recognise that across the industrial engineering fields it is already well documented for its under representation of females, therefore we understand that we will not provide immediate changes however we are committed to assisting such change. Some of our positive actions include;

Sponsoring local female STEM initiatives

Promoting diversity and inclusion in the workplace

Hosting on site **Women In Engineering days** where local female students are invited to learn more about 'what we do' and careers with Atlas Copco

Mentoring female STEM students at Kingston University with their Beyond Barriers scheme [learn more](#)

Annually Celebrating International Women's day



Atlas Copco's Commitment

We are committed to providing and creating an inclusive place to work as gender diversity is key for our future and long term success.

We can confirm the information and data in this report is accurate as of the snapshot 5 April 2018

Kevin Prince, Director
Atlas Copco Ltd

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