

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 – 5th April 2023

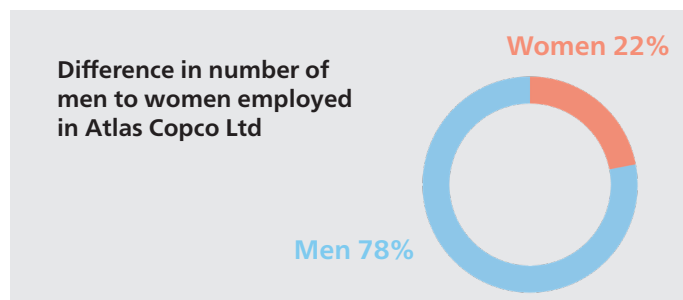
Our Organisation

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 characterised 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 Atlas Copco Limited gender pay gap, 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.



We have a Group goal of 30% women by 2030. Achieving this goal will be a challenge. Today we have 22% women in our business areas.

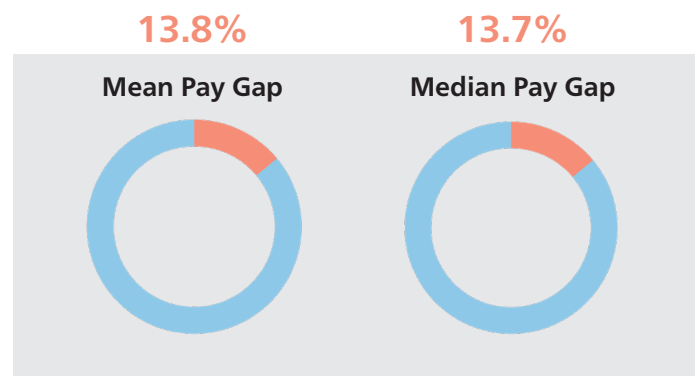
Our aim is to create a workplace that promotes and embraces the diversity of our employees as well as supporting them to achieve their own professional goals whilst adding value to our business performance, as well as respecting each other's values and perspectives.

Why 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.



Our Mean Pay Gap has reduced from 21% in 2021 to 13.8% in 2022

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 realises 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.

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.

Average (mean) male bonus earnings are 6.94% higher than 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;

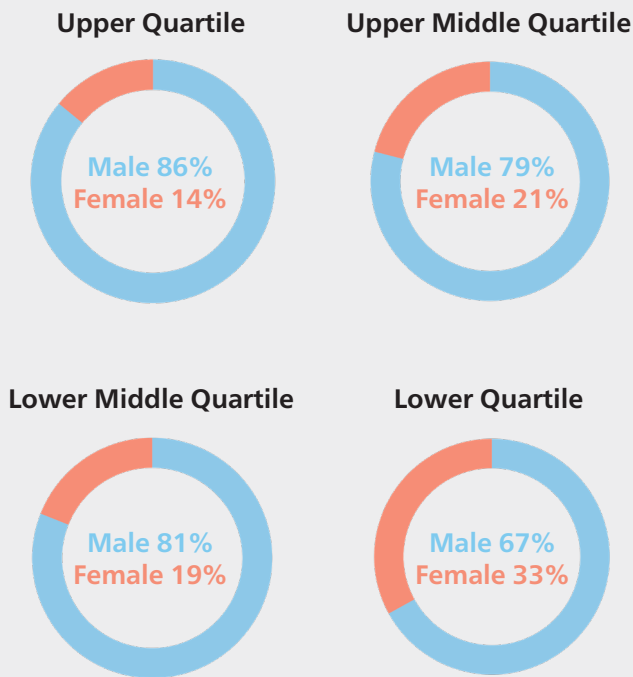
Mentoring programme for female students Celebrating Women in Engineering Day

Promoting diversity and inclusion in the workplace

Culture film interviewing three female engineers about being a women working in the field of STEM.

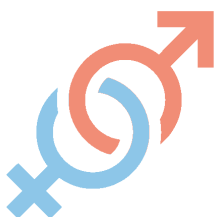
Mentoring female STEM students at Kingston University with their Beyond Barriers scheme learn more

Annually celebrating International Women's Day



The charts above show the gender pay distribution across all UK employees based on the four pay quartiles (as of 5 April 2022). 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.

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 13% of all male employees are senior leaders with an increase to 19% female.



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 31st March 2023

Alex Bongaerts, Director
Atlas Copco Ltd

Joanna Heary, HR Manager
Atlas Copco UK Holdings Ltd

Atlas Copco