

ATLAS COPCO LTD GENDER PAY GAP REPORT

To succeed, we need highly competent, creative and dedicated employees, and they will join us if they consider Atlas Copco to be a good employer and a responsible corporate citizen. This includes offering growth opportunities, preventing corruption and protecting the environment. Furthermore, we encourage diversity since this makes us stronger. To treat everyone with equal respect, regardless of gender, age or background is an important part of our company culture.

– Mats Rahmstrom, CEO Atlas Copco A.B

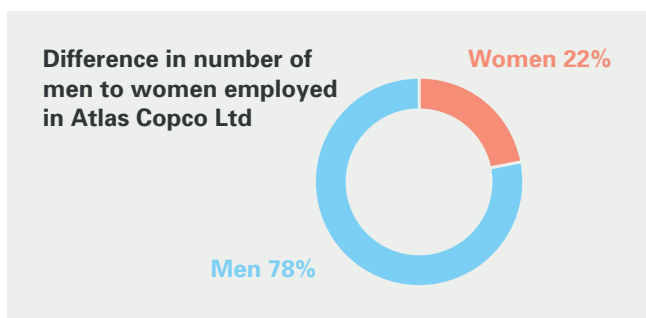


Our Organisation

Our goal as an organisation is to attract the best employees in every position regardless of gender. Diversity allows us a larger base for recruitment, to vary our perspectives, improve decision making processes and provide a more holistic view and analysis for more thorough problem solving.

Gender Pay Gap Report

In line with the new government regulations, this report sets out the first 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.

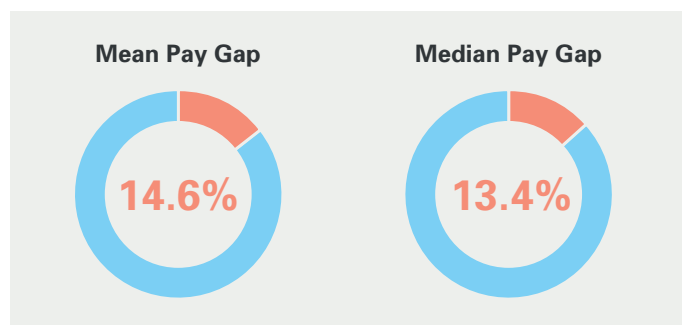


Our aim is to create a workplace that promotes and embraces the diversity of our employees as well as supporting them to achieve their own professional goals whilst adding value to our business performance, as well as respecting each other's values and perspectives.

How Gender pay is calculated?

In order to highlight gender pay equality the UK Government has now laid down a requirement for all organisations with more than 250 employees 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 14.6%. This is lower than the UK average pay gap which is 18.1%

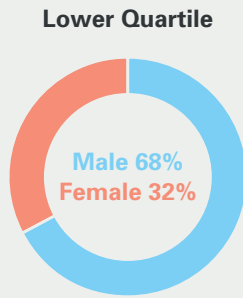
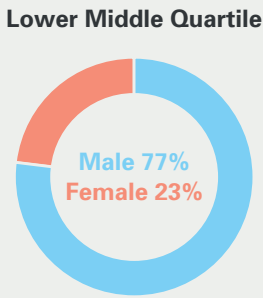
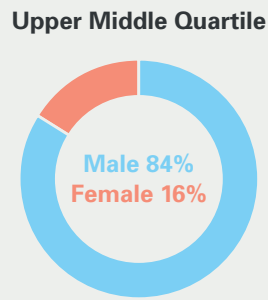
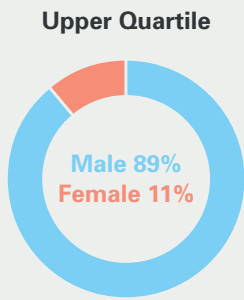
**Office Of National Statistics 2016*

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.



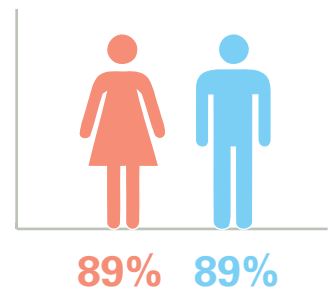
The charts above show the gender pay distribution across all UK employees based on the four pay quartiles (as of 5 April 2017). There is a trend where men have worked at different levels in our organisation and men are more likely to work in the senior leadership positions than women. This is also a reflection of the nature of our business and the industries in which we work, but we realise moving towards an equal distribution of males and females across all levels is important.

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 and 10% 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 35.99% higher than female bonus earnings.

Average (median) male bonus earnings are 20.19% 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

Conducting an **Annual pay equity review**

50% of this years Year in Industry students are female
[see more on their blog](#)

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 2017

Kevin Prince, Director
Atlas Copco Ltd

Joanna Heary, HR Manager
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