



Hertz[®]

UK Gender Pay Gap Report 2022

Foreword

Following the 2021 Gender Pay Gap data, we proactively implemented a number of actions to resolve issues identified regarding pay, bonus, and incentives. We also reviewed and took on board the learnings from the final months of furlough in 2021.

Having anticipated that the 2021-2022 year would be more positive coming out of the pandemic, the operating environment we faced continued to be challenging for many reasons outside our control such as the global shortage of semiconductors chips to manufacture cars. The 2022 data included a period of six months of furlough data from the last part of the pandemic plus significant restructuring.

Despite the continued uncertainty and operating environment, we made some clear progress, resulting in a reversal from male favourable salary to female favourable. We opted to move away from key time working which may have negatively impacted more females while that was still in place. We introduced more flexible working practices including core hours, and actively supported hybrid / remote working for employees whose roles could accommodate it.

During the early months of 2022, we continued to focus on gender and diversity to attract, retain and develop a more diverse workforce, enriching the organisation with a wider variety of ideas, knowledge, and talent for the future and to better represent the communities and customers that we exist to serve.

Despite some good progress, we acknowledge that there is more we can do to create the right building blocks to support our efforts. With my team, I am keen to support and create meaningful initiatives in the coming year.

The figures submitted have been calculated using the standard methodologies required by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

I confirm that the calculations and the data provided for Hertz UK are accurate and in line with the above reporting regulations.

Bobby Chatterjee

Senior Director HR, Hertz UK

MIND THE GAP

Outside Hertz, research says that it could take 40 years to fully address gender pay gap issues due to the wide range of influencing factors.

Meaningful change takes time, but we can now start to see the results of our active efforts to close that gap during 2021-2022, particularly with regard to salary.

Understanding the Gender Pay Gap

The data is a combination of:

- The UK Rent-A-Car business
- Corporate Headquarters
- Hertz Accident Support

The workforce was just under 500 employees at that time.

The data includes a wide variety of roles ranging from Driver & Valet, Customer Service Representative to Maintenance and Sales, to Finance, to Human Resources and Marketing.

The calculations are based on pay data at the “snapshot” date of 5th April 2022, with bonuses and incentives paid over the 12 months prior, in line with gender pay gap regulations.

Interpreting the Gender Pay Gap Data - Mean and Median

The **Mean** is the average of the total of all hourly rates for male and female employees within the UK workforce.

The **Median** is the mid-point of hourly rates when listed in order.

Percentages

Throughout the report we use percentages to help illustrate the gap between men and women’s pay, bonus and incentives, and periodically use these to explain whether any gap found is favourable to either men or women.



Our Results: Gender Pay and Bonus

GENDER PAY GAP DATA

This shows the difference between the hourly rates of pay between male and female colleagues (full pay equivalent). A gender pay gap should not be confused with equal pay. Gender Pay reports the mean and median pay between male and female colleagues across the entire organisation.



Female mean hourly rate is 11.69% more favourable than men's hourly rate.

Female median hourly rate is 14.6% more favourable than men's hourly rate.

Female mean pay gap for bonus / incentive pay is 31.3% less favourable than men's bonus / incentive pay.

Female median pay gap for bonus / incentive pay is 26.98% less favourable than men's bonus / incentive pay.



35.9%



64.1%

Overall composition of the workforce

In comparison to the year before, we have seen a shift in our gender balance across the four quartiles (see below). The overall proportion of female to male employees has slightly declined following the restructuring and furlough periods.



59%



53%

Bonus/incentives paid

There was a notable increase in the percentage of women receiving any bonus / incentive payments compared to 42% last year (17% increase) plus more women receiving bonus / incentives compared to men receiving them in overall terms. However, the mean and median bonus / incentives paid were significantly more favourable for male colleagues. This period also included the final six months of the furlough period during the pandemic which will have particularly impacted this data.

Our Results: Pay Quartiles

Pay Quartiles are calculated by equally dividing male and female employees across four pay quartiles. Each quartile provides an indication of the representation of women at various levels of the organisation.

This shows that the initiatives implemented have delivered some progress for women in the Top Quartile with an increase of almost 5% and a reduction of 9% in the Lower Quartile. With overall fewer women in our workforce, many of whom were new joiners after the restructuring, we have not made the progress intended in the Upper Middle and Lower Middle Quartiles but have already planned how to address gaps for the 2022/23 year.

