

# Gender Pay Report 2019



Unilever **Gender Pay Report** 2019 2

Diversity and inclusion at Unilever in the UK

"From our entry level roles, to our senior positions and everything in between, we're committed to driving gender equality across our business. By creating a truly diverse and inclusive business, one which reflects the people and communities we serve, we make better business decisions and unlock our full potential.

We've made further progress this year towards closing our pay gaps, however, we know we need to do more to improve representation in some parts of our business. We achieved gender equality at managerial level a few years ago, but we must maintain momentum and achieve equal progression opportunities for all."

Sebastian Munden - General Manager, Unilever UK & Ireland



# What is the **Gender Pay Gap?**

The Gender Pay Gap is the difference in pay between men and women explained through various statistics. It is influenced by a range of factors, including the demographics of a company's workforce.



#### The Gender Pay Gap is different from equal pay

'Equal Pay' is about a man and a woman receiving equal pay for the same or similar job. Along with equal pay, Unilever is committed to fostering a transparent and fair working environment, rewarding employees based on their performance. This is part of our global Framework for Fair Compensation.



A negative number indicates that women on average earn more than men

#### Mean Pay Gap

The mean gender pay gap is the difference in the average hourly pay for women compared to men, within a company.



#### **Median Pay Gap**

The median represents the middle point of a population. If you separately lined up all the women in a company and all the men, the median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the middle man.



### Unilever in the UK

Unilever in the UK is made up of various entities, with two main employers: Unilever UK Limited and Unilever UK Central Resources Limited.

Looking at the combination of these employees in the UK\*, our gender pay gap analysis shows the following:

### In Unilever's UK population, the median hourly pay for women is 2.7% more than men.

#### **Gender Pay**



The **mean pay** for men is 4.9% **higher** than that of women



The **median pay** for women is 2.7% higher than that of men

#### **Gender Bonus Pay**



The mean bonus pay for men is **34.5% higher** than that of women



The median bonus pay for women is 32.1% higher than that of men

#### Proportion of men and women paid bonus pay

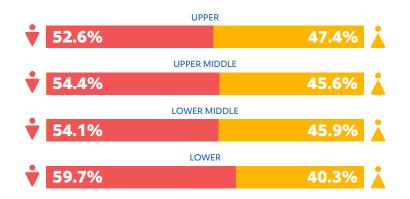


92.8%



#### Population by Pay quartiles

Quartiles represent the pay rates from the lowest to the highest for our UK employees split into four equal sized groups, with the percentage of men and women in each quartile.



<sup>\*</sup>This includes Unilever UK Limited, Unilever UK Central Resources and members of Unilever's executive team based in the UK

We have two main employing entities in the UK, which we are required to report separately on the government website. Their individual results are set out below.

#### **Unilever UK Limited**

Representing our UK specific operations, including our factories.

#### **Pay and Bonus Pay**









**MEDIAN BONUS PAY** 

#### **Unilever UK Central Resources Limited**

Representing our global functions based in the UK, which are mostly office based.

#### **Pay and Bonus Pay**







**MEAN BONUS PAY** 



92.5%

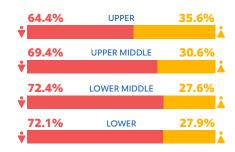
MEDIAN BONUS PAY

#### **Proportion of** men and women paid bonus pay





#### **Population by** pay quartiles

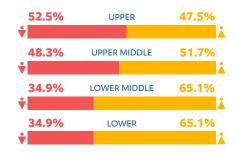


#### **Proportion of** men and women paid bonus pay





#### **Population by** pay quartiles



# Looking at our data

#### Unilever **Gender Pay Report** 2019 6

#### Total data for Unilever in the UK

When looking at our "Unilever in the UK" data, our median pay figures are in favour of women whilst our mean pay figures are in favour of men. This reflects both how the different averages are calculated, and the shape of our workforce.

Mean figures represent the average across our whole workforce, so are particularly impacted by the highest earners in the UK business generally senior management roles, more of which are held by men.

Median figures represent the midpoint of our workforce and so are higher for women, reflecting the fact that more of our manufacturing roles are held by men, with more women in managerial roles in this area of the business.

#### Data for our entity organisations

Unilever UK Limited represents our UK specific operations, including our factories. In Unilever UK Limited, our data reflects the fact that 70% of those working in manufacturing roles in Unilever UK Limited are men. Within the smaller female population, we see proportionally more women in managerial roles, which means that women on average earn more than men.

Unilever Central Resources Limited represents our global operations. In Unilever UK Central Resources Limited, our data reflects the fact that this population includes our global head office in London. Whilst we are striving for gender balance across every level of our business, and have gender balance across our managerial roles globally, more of our senior leadership positions are held by men, which means that men on average earn more than women.

#### **Our Bonus pay figures**

Our bonus pay figures include both annual cash bonuses and vesting share awards made under our primary long-term share incentive plan. We do not include figures relating to equity co-investment plans, as these reflect the outcomes of voluntary investment decisions made by limited groups of staff.

Including data from our co-investment plans would result in an overall UK mean bonus pay of 38.4% in favour of men and an unchanged median bonus pay of 32.1% in favour of women. We will keep this approach under review as we move towards a more co-investment-based reward model in coming years to ensure full and transparent reporting.

#### **Corrected reports**

In the process of compiling our latest gender pay report, we found some unexpected changes in our data. As a result, we have carried out a complete audit of our reports and, unfortunately, identified errors in the data we previously published. These have now been corrected and, to ensure full transparency, we've updated this data on the government website and re-published both reports on our website.

The correction to our overall "Unilever in the UK" data, which paints the full picture of gender pay across our whole organisation, has had minimal impact. However, the errors made have more significantly affected the data we reported for our two entities beneath that.

As this is a fairly new reporting requirement, taking action to correct our data, being transparent with any errors that may have occurred and learning from the process is an absolute priority for us. We have conducted an audit to understand why our previous data was inaccurate and are confident that we have now identified the issues.

You can find our corrected 2017 and 2018 reports here.



### **Our Plans**

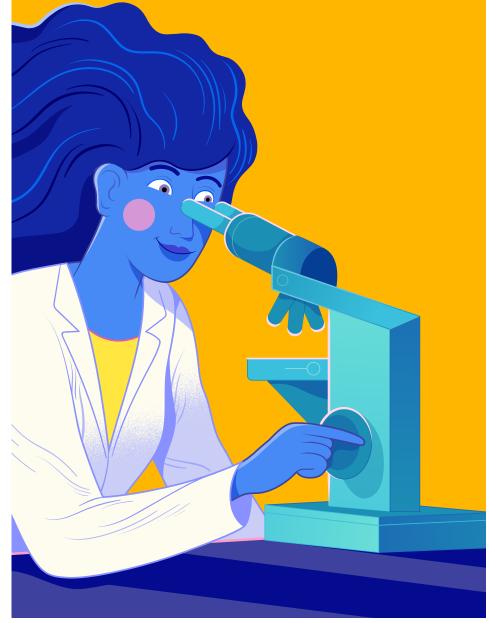
Women represent 55% of all management positions in the UK business

Last year 47% of apprentices joining STEM\* roles were female

For a business committed to having a positive social impact alongside sustainable growth, building a gender-balanced workforce is essential.

Gender equality is just one element of our inclusivity commitments. Our ambition is to achieve a fully inclusive workplace in which all our employees can thrive and we continue to pilot new initiatives and innovate across all areas of our business to achieve this.

More information on our progress towards creating an inclusive workplace can be found on our website's Diversity & Inclusion pages here.



\* Science, Technology, Engineering and Mathematics

## Our Plans continued

#### Recruitment

We want to embed diversity into our workforce by ensuring we attract and hire from diverse candidate groups for every role.

- We monitor and track our gender balance as part of our hiring process and are working hard to achieve even representation across functions.
- We've launched our Gender Appointment Ratio. This is an internal measure looking at gender representation for people hired by our senior leaders. Presenting managers with the big picture of their recruitment decisions improves their awareness, triggers conversations around the issue, and helps them make unbiased choices.
- We continue to boost investment in our outreach programmes, encouraging more young students to consider careers in STEM.

#### Culture

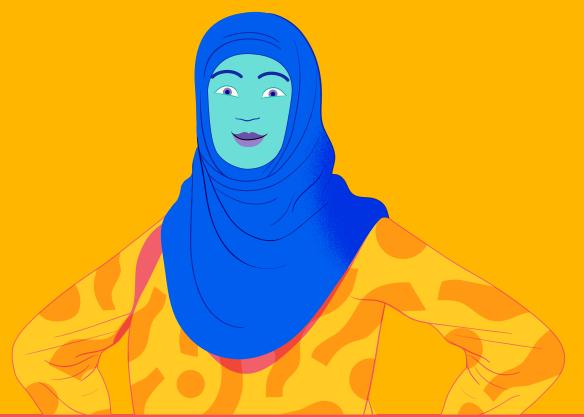
We want to create an inclusive workplace culture that makes all employees feel valued and supported.

- We're committed to promoting agile and flexible working, giving employees the opportunity to create a tailored work balance which works for them. Our internal programmes, such as Flex and U-Work, connect employees to projectbased roles to accommodate flexible working, as well as development outside of their current role.
- This year we've launched annual parental webcasts which provide support to employees balancing work life and being a parent, helping them to do this with confidence.
- In the UK, our wide range of 'Supporting U' family friendly policies, including shared parental leave, create a culture which supports and accommodates working parents.

#### **Progression**

We provide access to learning and development for all, ensuring that all our colleagues are given fair and equal opportunities.

- We partner with leading institutions to give advanced leadership training to our senior female executives.
- We tackle the challenge of unconscious bias with our '#Unstereotype Bootcamps', workshops created for senior leaders which support them to challenge their unconscious bias and encourage positive behaviours to eliminate discrimination in their teams and the wider business.
- Our learning and development portal is accessible to all our employees, ensuring that investment in progression is available to all and allowing people to make time for training when it suits them best.
- For all senior appointments, when considering succession, we insist on a gender balanced list of candidates which includes at least one female and one male candidate, as part of our efforts to improve representation at senior level.



#### **Declaration**

We confirm that the information and data reported are accurate and in line with UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

Richard

**Richard Sharp** 

Vice President of Human Resources, Unilever UK and Ireland (on behalf of Unilever UK Limited and Unilever UK Central Resources Limited)