

UK Gender Pay Report 2022



Unilever

Equity, diversity and inclusion at Unilever in the UK



“Building a workforce that reflects the diversity of the communities we serve and providing a supportive working environment is a central ambition for Unilever. Furthermore, it is an ambition that we continue to make substantial progress towards achieving.

This year we have continued to reduce the gender pay gap across our business. At the same time, we continue to pioneer flexible ways of working, enabling our employees to build their careers in a supportive and nurturing environment. Our people are our most important asset, and we will therefore continue our drive to improve the representation of women and the opportunities they enjoy at all levels of our business.”

Richard Sharp

Head of Unilever UK and Head of HR for Unilever UK & Ireland

“In 2022 Unilever has taken a number of steps towards building a more diverse and inclusive culture that enables all our employees to fulfill their potential. This has included proactive steps to diversify our recruitment, gender balanced succession planning and the introduction of schemes that respond to the individual needs of our employees, such as the introduction of our Carers Network.

Our progress has been recognized externally, with Unilever becoming the first FMCG company to be Menopause Friendly accredited and being awarded Best for Family Support by the Working Mums Top Employers Awards 2023. Looking ahead, we are committed to building on this progress and providing women with further support and opportunities to excel in their careers.”

Emily Pittman

Executive Sponsor of our Unilever UK & Ireland Gender Network and General Manager, Unilever 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**.

Understanding our Data



Following the convention set out by the UK Government, 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 and all the men in a company in order of hourly pay, the median pay gap is the difference between the hourly pay rate for the woman in the middle of the data compared to that of the man in the middle of the data.

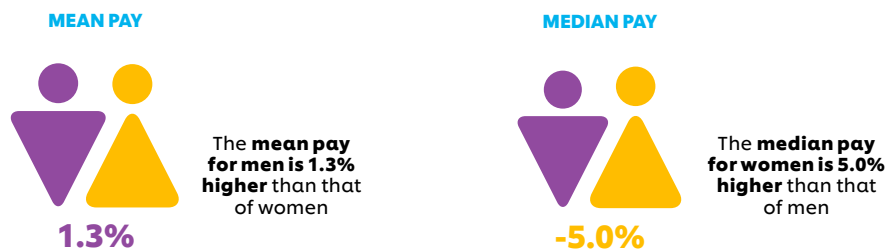


Unilever in the UK

Unilever in the UK is made up of various legal entities, with two main employers: Unilever UK limited and Unilever UK Central Resources Limited. We are required to report data separately for these two entities on the government website, which we have included on the next page.

We have also chosen to share data looking at the combination of these two entities and our integrated companies in the UK*, as this provides a more transparent and representative picture of our UK employment landscape. The results of this overall gender pay analysis are set out below.

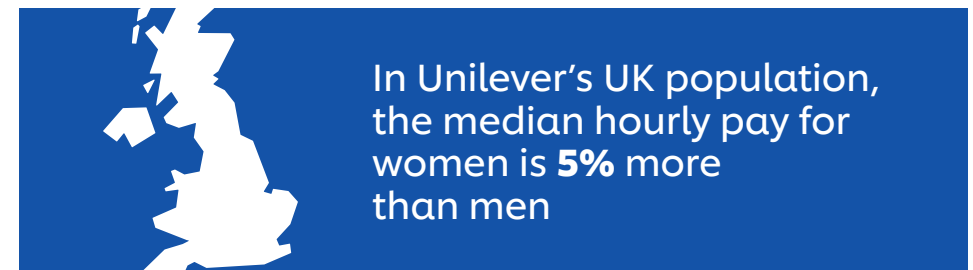
Pay



Proportion of men and women paid bonus pay



*This analysis uses our pay and bonus data between April 2021 and April 2022. Our bonus pay figures include both annual cash bonuses and vesting share awards made under our primary long-term share incentive plan. People who join our business after 1st October are not eligible for the year-end bonus paid in March.

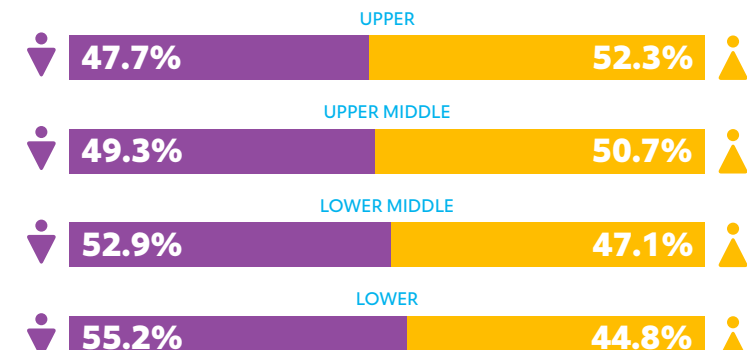


Bonus Pay



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.



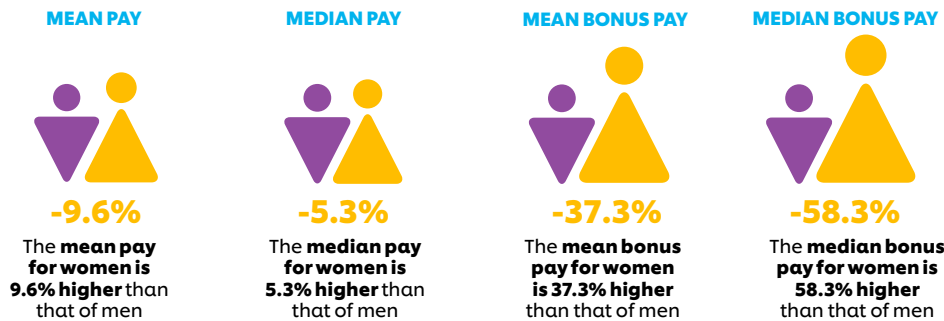
Breaking down our results

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.

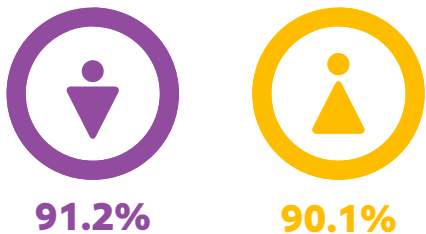
Unilever UK Limited

Representing our UK specific operations, including our factories.

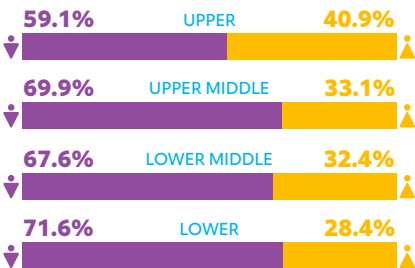
Pay and Bonus Pay



Proportion of men and women paid bonus pay



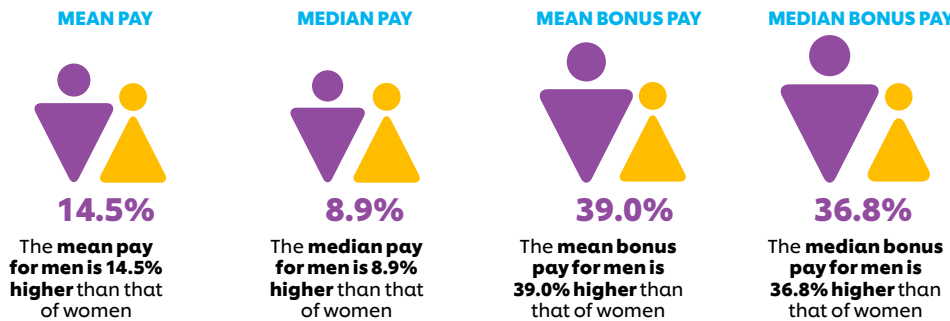
Population by pay quartiles



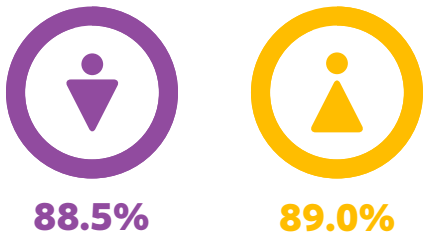
Unilever UK Central Resources Limited

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

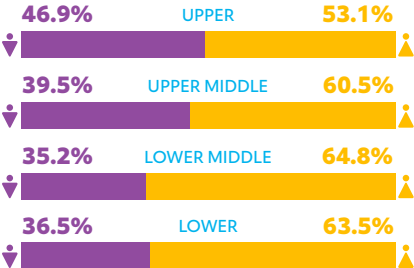
Pay and Bonus Pay



Proportion of men and women paid bonus pay



Population by pay quartiles



Looking at our data

Total data for Unilever in the UK

In this report, we outline our UK gender pay gap data for the sixth year. Here a positive pay gap indicates that men are paid more whilst a negative pay gap indicates women are paid more. At the same time, a positive percentage figure reveals that typically or overall, female employees have lower pay or bonuses than male employees.

In 2022 we found that our mean gender pay gap decreased from 2.3% to 1.3%, while our median pay gap moved from -3.8% to -5%.

These findings are a product of both how the different averages are calculated, as well as the shape of our workforce. This means that mean figures show the average across our workforce as a whole and therefore are more directly impacted by compensation awarded to our highest earners in the UK business, a greater proportion of which are currently male. Meanwhile, 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.

The increase in female representation within our middle management positions is an important factor driving the trends we have seen around gender pay. The way in which the gender pay gap has continued to improve is also the product of our longer-term gender policies and strategies which we provide further details on as part of this report.

Data for our entity organisations

Unilever UK Limited captures all our operations in the UK, including factories. Within this part of our business 68% of our workforce are men, which reflects that men continue to fulfil a high proportion of manufacturing roles within the UK business. Among our female employees, a higher proportion can be found in managerial roles, meaning that women earn more on average than men.

Unilever Central Resources Limited represents Unilever's global operations. Our data for

Unilever UK Central Resources Limited, consequently reflects the fact that this population includes our global head office in London and our research labs.

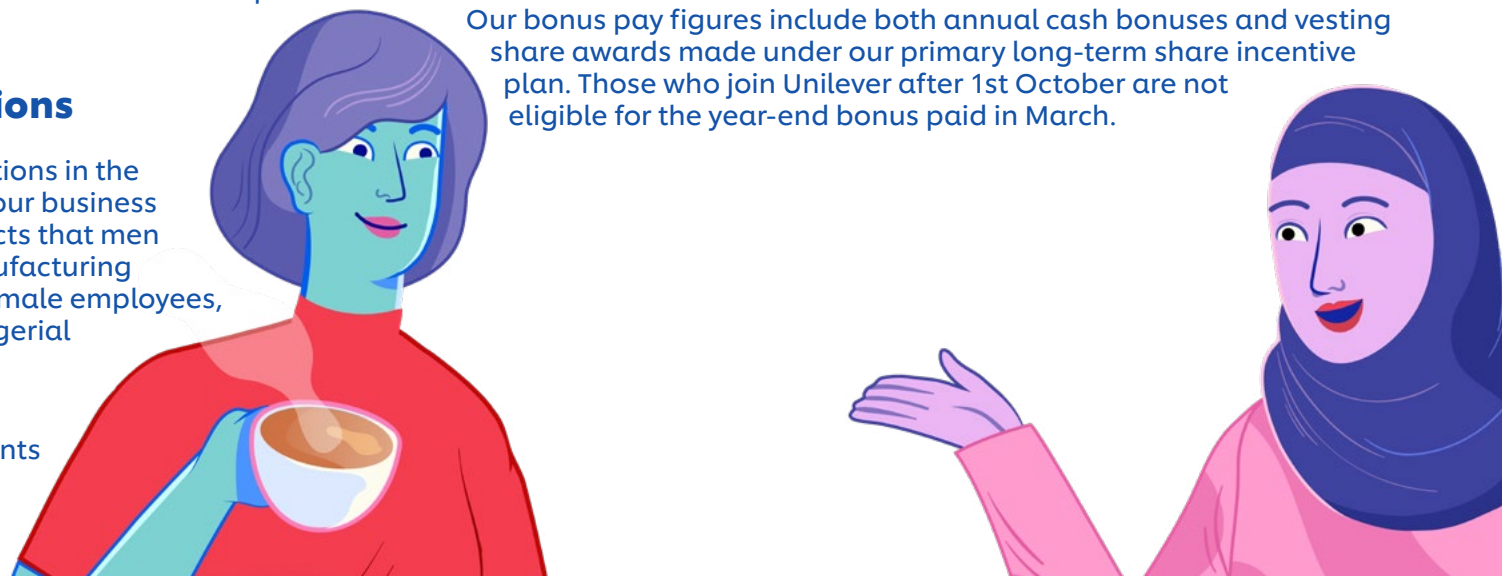
Unilever continues to work towards gender balance across every level of our business and has achieved gender balance across our managerial roles, however more of our senior leadership roles continue to be held by men. This distribution of our senior management roles means that men's salaries will be higher on average than those of women. This is also echoed in bonus payments, where bonuses are linked to pay, with a bonus being a larger proportion of total reward for more senior leaders.

Our reports

Like many large businesses, re-organisation and employees moving between our reporting entities is expected within the normal course of our business any given year, which may affect the year-on-year data recorded as part of this report.

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. Those who join Unilever after 1st October are not eligible for the year-end bonus paid in March.



Our Progress

We know that harmful social norms and stereotypes can contribute to persistent gender pay gaps. Challenging and changing those norms is a vital part of our Unilever Compass strategy, which includes gender as a critical component in our goals on culture and leadership.

Some of the strongest forces behind persistent gender gaps are harmful social norms and stereotypes that limit expectations of what women can or should do. Women face too many barriers to access, their rights are not respected, and they are too often prevented from fulfilling their potential. Outdated norms that discriminate against women are all around us, and they are deeply ingrained.

Challenging and changing these norms is a vital part of our Unilever Compass strategy, which includes gender as a critical component in our goals on culture and leadership.

Some of our longest-running programmes have focused on leadership and gender balance, enabling us to achieve gender balance at management level in the UK in 2017. However, there is more to do, particularly at senior management level where women are still under-represented.

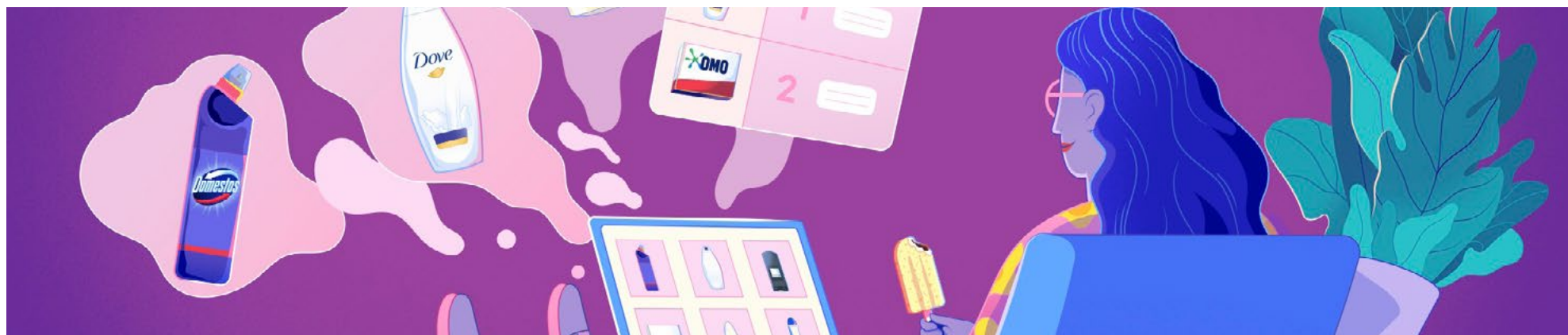
Through our Equity, Diversity and Inclusion strategy, of which gender is one element, we are removing barriers and bias and working to achieve equity in our policies and practices, our employee experience and culture and in our approach to retention, development and promotion. We are establishing leadership accountability to drive change, supporting employees to excel in their roles and aiming to achieve a workforce that is fundamentally representative of the communities we operate in.

In 2022*, women represented

57% of Unilever's
management positions
in the UK

54% of our UK &
Ireland Leadership Team

23% of our
Global Unilever Leadership
Executive Team



*At the time of the reporting period ending 31 December 2022

Our Plans



Culture

Unilever's ambition is to cultivate an inclusive work place where everyone has a voice and can succeed. In 2022 we have introduced a number of initiatives to help us achieve this:

- Senior female representation continues to increase, thanks to gender balanced succession planning. We continue to support our senior women with bespoke development plans, mentoring and career coaches.
- We launched our WomanKind community in 2022 that unites senior female leaders from across our business as a force for positive change.
- Our actions to support and foster the potential of employees with families has been recognized externally, with Unilever being awarded Best for Family Support by the Working Mums Top Employers Awards 2023.
- We have continued to pioneer flexible ways of working through our U-work scheme, which has allowed many of our female employees to enjoy the freedom and flexibility associated with contract roles with the security and benefits typically linked to permanent roles.
- Our Carers Network has grown steadily in numbers throughout the year and continues to develop a community of individuals with similar care commitments who can feel supported and encouraged to legitimise their care needs with their career wishes.



Dr Nooshin Haj-Hassan, R&D Manager, Colworth:

After a year of maternity leave with my first child, in a time of covid, I felt quite conflicted about the return to work. I wanted to work part-time, but all part-time roles I was aware of required more time than I wanted to give. Luckily Unilever started offering U-Work, which was just the solution I needed. I work 1-2 days per week, on a variety of short-term projects. It gives me the balance I need, and it gives the project managers the short burst of focused effort they need to get the job done – everyone's a winner.



Recruitment

We want to attract and hire the very best candidates, regardless of their gender or socioeconomic background and through doing this we hope to build a business where diversity is embedded across our workforce. With this aim in mind, we have undertaken the following activities:

- We actively work to create a balanced shortlist of candidates for our Hiring Managers to review before making a final decision.
- We conduct regular unconscious bias training for our hiring manager which includes recruitment best practices.
- We ensure our recruitment content is reviewed to allow the creation of more accessible adverts, job descriptions and recruitment materials.
- We work with female hires in areas of the business where women are underrepresented, creating narratives around their career paths that can be used to attract more women to these roles.

Policies

We are developing inclusive policies which provide meaningful support to our employees, providing them with the flexibility to achieve the work-life balance that works best for them.

- We were the first FMCG company to be Menopause Friendly accredited in 2021, having extended our Bupa medical provision to include menopause support and training our Time To Talk team so they can act as Menopause allies.
- Our Fertility Policy includes support for the challenges and time off required to manage a fertility process, as well as extending our Bupa cover to include support for all assisted conceptions, including surrogacy.
- We launched our first Pregnancy Loss Policy in October 2022 aimed at sensitively addressing this difficult experience and encouraging open dialogue with managers around employees needs and support services available to them.
- We continue to offer an increasing range of ways for employees to work flexibly, with employees in U-Work scheme working on varying assignments, and between assignments are free to do other things that are important to them.



Ed Shepherd, Sustainability Manager:

The enhanced fertility benefit helped my partner and I to progress our plans around our future at a time where there was a lot of uncertainty about when we could begin fertility treatment via other means. As with many fertility journeys, we had been through a challenging 18 months that had put a lot of strain on our relationship and often meant it was difficult to bring my best self to work. We are hugely grateful that [Unilever] brought this policy in, it took an enormous weight off our shoulders during a difficult time, and we feel immensely grateful that we have now managed to get pregnant via treatment offered through the fertility benefit.

Progression

As part of our Unilever Compass goals, we are committed to accelerate diverse representation at all levels of leadership. To help achieve this we offer our employees opportunities to learn and develop new skills that can support their career progression.

- A coaching programme, run online by specialist coaches, is available to our senior women leaders to support their careers and progression plans.
- Our employees have access to over 50 centrally funded formal training courses that aim to develop participants leadership and technical skills anchored in a vast range of topics.
- Our employees can also receive support through a £200 annual budget to fund learning outside of work.



Declaration

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

Richard

Richard Sharp

Head of Unilever UK and Head of HR for Unilever UK & Ireland (on behalf of Unilever UK Limited and Unilever UK Central Resources Limited)