

# Gender Pay Gap report 2020





During the pandemic, Henkel committed not to furlough employees.



We enabled all office-based colleagues to work from home, and with flexible hours. This meant that employees with children or who had caring responsibilities did not have to give up work to fulfil the demands of juggling home schooling, caring and work.

We also managed to continue to recruit and made a small number of promotions, both of which benefitted women in our workforce."

Peter Budden

President, UK & Ireland

# Introduction

Under a law that came into force in April 2017, UK companies with 250 or more employees must report annually on the gender pay gap. Henkel is committed to transparency and equality and therefore fully supports this approach.

This fourth report gives the statistics for Henkel Ltd at April 2020, together with an overview of our progress towards closing the gender pay gap.

#### What is the Gender Pay Gap?

A gender pay gap is the difference between average earnings of men and women across an entire organisation. Within the UK, the national average median gender pay gap in 2020 was 15.5% for all employed people.

By contrast, equal pay is about individual job roles; it deals with pay differences between men and women who carry out the same job or work of equal value.

#### **Declaration**

We confirm that Henkel Ltd's gender pay gap calculations are accurate and meet the requirements of The Equality Act 2010 (Gender Pay Gap Information).

Signed

Peter Budden

President, UK & Ireland

Robert Larsen

Head of Human Resources UK & Ireland, and Nordic Region



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# Gender Pay Gap results

**377** 

On 5 April 2020, the snapshot date for reporting, Henkel Ltd had 377 employees.

### Mean and Median Gender Pay Gap

#### Mean

Total sum divided by number of employees.



#### Median

Mid-point between the lowest and highest paid.



Mean hourly pay gap

28.2%

**♣** 2.6<sub>pp</sub>

Median hourly pay gap

31.6%

**▼** 5.5<sub>pp</sub>

Please note that increases and decreases are compared to the 2019 snapshot and are shown in percentage points (abbreviated to 'pp').

### **Mean & Median Gender Bonus Pay Gap**

100% of men and women at Henkel are entitled to be paid a bonus – the percentages below reflect the number of staff qualifying by the reporting date of 5 April 2020.



93.6% of men paid a bonus



**90%** of women paid a bonus

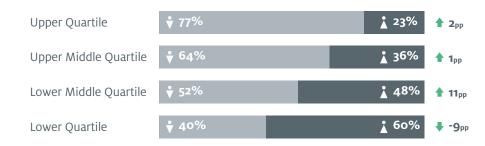
Mean bonus pay gap

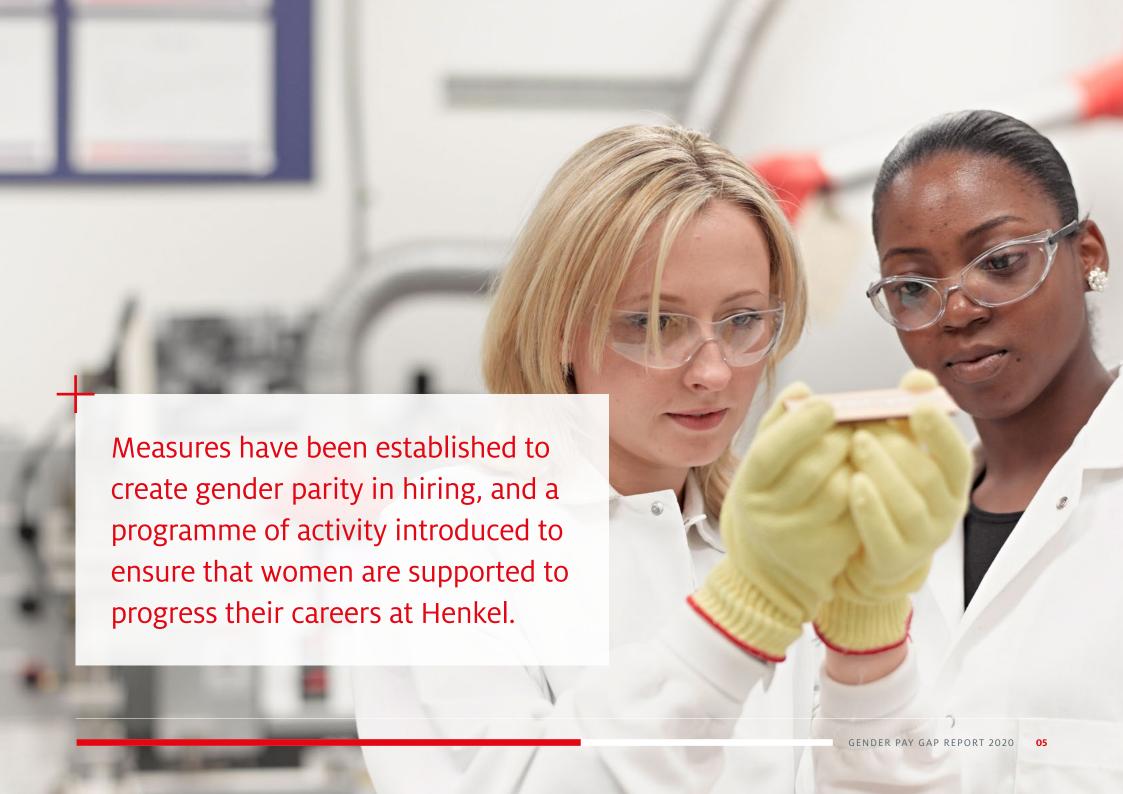
58.7% **↑** 2.9<sub>pp</sub>

Median bonus pay gap

77.4% **★** 2.7pp

### Percentage of Men and Women in each quartile





# Henkel's progress towards reducing the gender pay gap

This is the smallest median pay gap since we started reporting and we are encouraged that our initiatives are starting to have an impact, although we do acknowledge that the gender pay gap is still too wide.

Analysis has highlighted that Henkel's track record in providing long, stable careers has led to senior management comprising more men than women. This heavily influences the reported figures and a key initiative to mitigate this was introduced two years' ago.



Each management-level promotion is reviewed from a gender perspective by our entire local Executive Committee to ensure that women are not being overlooked for promotion. Appointments and promotions are heading in the right direction (with increased numbers of women in the upper two quartiles) but it will be another year or two before we see a more significant impact on the pay gap.

Henkel's Adhesive Technologies business accounts for more than 50% of employees and this is where the greatest imbalance remains. While Henkel is actively working to reach and attract more women into this business unit, the small number of open positions each year makes progress slow. However, globally the division has acknowledged the relative lack of female leaders worldwide in its business area. Measures have been established to create gender parity in hiring, and a programme of activity introduced to ensure that women are supported to progress their careers at Henkel.

Each management-level promotion is reviewed from a gender perspective by our entire local Executive Committee to ensure that women are not being overlooked for promotion.

At a local level, the activities of the gender pay gap working group set up in 2018 have been rolled into a Diversity & Inclusion Council that has a wider remit, encompassing all dimensions of diversity. It is working to ensure that Henkel UK creates the most inclusive working environment possible.





Henkel is fully committed to developing a culture that is inclusive, transparent and accountable and our gender pay gap data challenges us to constantly review and enhance our initiatives that support this. We see Gender Pay Reporting as critical in driving change, measuring our long-term strategy, and ensuring Henkel remains a great place to work."

Katy Shanks
Total Rewards Manager



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