

# GENDER PAY GENDER PAY REPORT

2021



"At Henkel we are deeply convinced that gender diversity plays a decisive role in our success. That is why Henkel is striving to achieve gender parity across its management structure by 2025. It's an ambitious aim and will help narrow the gender pay gap across the whole global organisation. The plan includes setting measurable targets for managers on recruitment, retention and promotion of women to leadership positions and will help to advance more women into senior leadership roles in Henkel UK."

ALENA NAGORNYAK | HEAD OF HUMAN RESOURCES UK, IRELAND, AND THE NORDIC REGION

## INTRODUCTION

Since 2017, UK companies with 250 or more employees must file annual statistics on the gender pay gap. Henkel is committed to transparency and equality and fully supports this approach.

This fifth report gives the figures for Henkel Ltd from April 2021, together with an overview of Henkel's approach to reducing the gap.





#### **DEFINING THE GAP**

The gender pay gap is the difference between the average earnings of men and women across an entire organisation, typically caused by more men than women in senior roles and more men than women in higher-paying job types.

By contrast, equal pay is the legal right of women and men in the

same employment to be paid equally for performing the same role or work of equal value.

Within the UK, the national average median gender pay gap in 2021 was 15.4% across all employed people, only one percentage point lower than in 2020.

#### 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

Juta Sin

Sutinder Bhandal President UK & Ireland

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Alena Nagornyak Head of Human Resources UK, Ireland, and the Nordic Region

## **REDUCING THE GENDER PAY GAP: A LONG-TERM CHALLENGE**

It is clear that the gender pay gap is still too wide at Henkel, despite steps taken by the local senior management team to address the need for more women in management roles.

Henkel's Adhesive Technologies business accounts for 60% of employees in the UK and this is where the greatest imbalance remains. Henkel is proactive in attracting more women into this business unit – through recruitment fairs and careers talks, ensuring that job descriptions and ads do not contain gender-biased language, and participating in external STEM schemes aimed at women and girls. The low number of open positions each year makes progress slow. Globally, the division has established measures to create gender parity in hiring, and a programme of activity to ensure that women are supported to progress their careers at Henkel.



of Henkel UK's employees are in Adhesive Technologies, which still has more men than women in senior positions.

4 | GENDER PAY GAP REPORT 2021

Henkel has a track record in providing long, stable careers, which means that progress in reducing our gender pay gap is challenging.

We are promoting more women to senior roles, including the appointment of Alena Nagornyak as Head of HR. However, with a relatively small employee base, these welcome changes do not significantly impact the overall gender pay gap.





Three years ago, the local Executive Committee introduced an additional step to review management-level appointments to ensure that female candidates have been fully considered for each appointment. This initiative will now be boosted by the global aim of achieving gender parity in management roles by 2025, as targets will be set for senior leaders organisation-wide.

With our new global aim for gender parity in management roles by 2025, the company is fully committed to significantly accelerate its efforts. Gender representation is being thoroughly monitored in promotion and succession data, including quarterly reporting on gender diversity to the Board. Global training includes a new Inclusion Upskilling programme for all employees and there are numerous mentoring programmes in place worldwide. All these measures will significantly support the efforts being made in the UK.

In 2020, the activities of the gender pay gap working group were incorporated into a Diversity, Equity & Inclusion Council, which is active in making Henkel an inclusive, equitable and diverse company in the UK.

# **HENKEL LTD FIGURES**

On 5 April 2021, the snapshot date for reporting, Henkel Ltd had 400 employees, 54.7% of whom were men, and 45.3% were women. MEAN Total sum divided by number of employees

d by QQ

### <mark>MEDIAN</mark> Mid-point bet

Mid-point between the lowest and highest paid.

AAA

MEAN HOURLY PAY GAP:

28.3% +0.1pp

## MEDIAN HOURLY PAY GAP:

31.8% +0.2pp

#### **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 2021.



### PERCENTAGE OF MEN & WOMEN IN EACH QUARTILE (2021)

TOP (HIGHEST PAID)					
MEN <b>75%</b>				-2 +2	WOMEN <b>25%</b>
UPPER MIDDLE					
MEN <b>58%</b>		-6	+6		WOMEN <b>42%</b>
LOWER MIDDLE					
MEN <b>52%</b>		0	0		WOMEN <b>48%</b>
LOWER (LOWEST PAID)					
MEN <b>34%</b>	-6 +6				WOMEN 66%
MEDIAN BONUS PAY GAP:		74.3	%	+3.1pp	



"Henkel is committed to developing our culture that is more inclusive, transparent and accountable. We will continue to address the challenges within our business to reduce the pay gap. Gender pay gap reporting gives us insights to develop further change."

SUTINDER BHANDAL | PRESIDENT UK & IRELAND



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