

Gender Pay Gap Report Carlsberg UK 2017



Foreword

2017 was a huge year of change for Carlsberg UK as we began the exiting of our porterage and logistics business and shifted our focus onto craft beers and our premium brands.

As we want to be the most admired and daring brewer, the pace of change is not slowing down for us and we embrace the Carlsberg motto of 'Semper Ardens'.

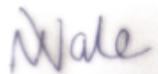
Semper Ardens means 'Always Burning' and capturing this spirit and bringing it to life in the everyday of what we do and how we do it at Carlsberg UK remains the mission of our Semper Ardens cultural change programme.

The overall objective is to drive positive change in our people - in our behaviours, our environment and our spirit to enable and empower everyone in Carlsberg UK to contribute to the realisation of our ambition. This really does mean everyone as we value diversity and inclusion and welcome the Gender Pay Gap reporting.

As we move forward, we will actively seek ways to address where we have a gender imbalance. This is not about promoting one group of people above another, but about ensuring everyone, regardless of their gender, has an equal opportunity to flourish within Carlsberg UK and help drive our business forward.



Julian Momen
Managing Director



Nicola Hale
VP, Human Resources

Gender Pay Gap Report 2017

What is the Gender Pay gap report?

It is now a mandatory requirement that all UK companies, with over 250 staff, have to publish and report their gender pay gap.

Gender pay is different to equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value.

The gender pay gap is the difference between average earnings of men and women, expressed relative to male earnings. For example: a pay gap of 15% would mean that on average across the whole workforce, men earn 15% more than women per hour.

Gender pay reporting involves six specific calculations to show the difference in average earnings of men and women in a company. The calculations are based on payroll information recorded on 5 April 2017 and must be reported before 5 April 2018.



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The importance of Gender Pay reporting

Gender pay reporting is an important step forward in putting a spotlight on where companies may have gender imbalances within their workforce, to assist them in understanding what's driving it and importantly, what to do to improve it.

At Carlsberg UK we believe that better gender diversity inspires our people and is fundamental to a better business. Introducing a focus on gender perspective will help us to:

- recruit and retain the best employees;
- create a positive work environment;
- inspire our people;
- assess how talent is maximised and rewarded.

We believe that valuing diversity and inclusivity contributes to our success in attracting and retaining the best people, and we are committed to ensuring that everyone, regardless of their background, race, ethnicity or gender, has an equal opportunity to thrive.



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Our Calculations

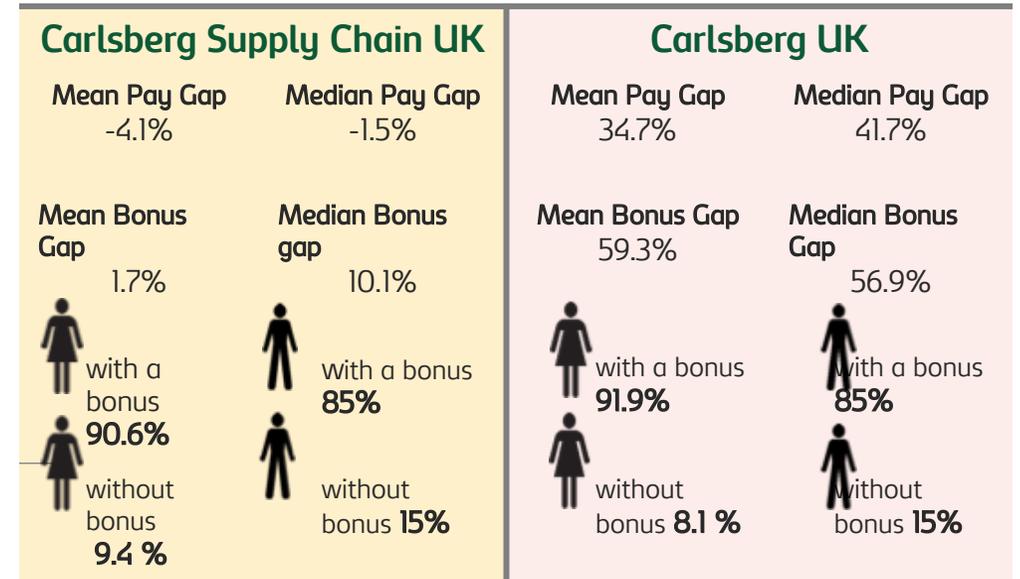
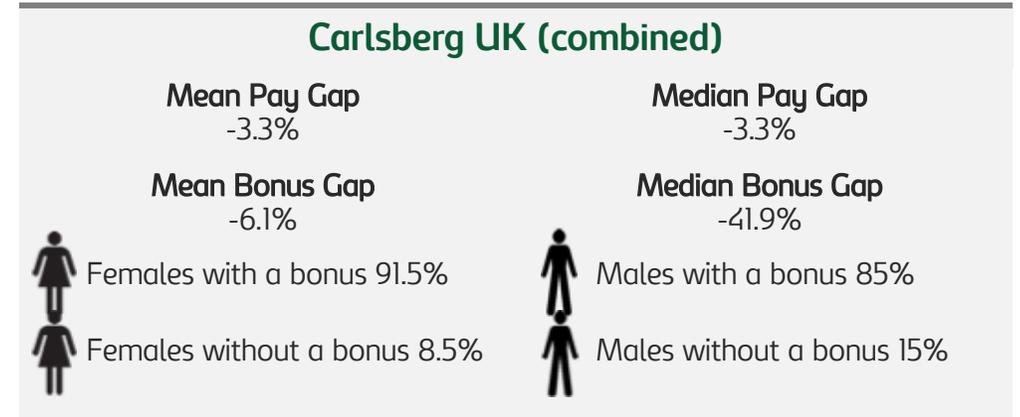
Our business, Carlsberg UK, actually comprises of two companies – Carlsberg Supply Company UK and Carlsberg UK. Overall, Carlsberg UK has a slight ‘minus’ gender pay gap, meaning that on average across the whole workforce women’s average pay is slightly higher than men’s average pay.

When the calculation is split between the two companies, we can see different results and identify areas where we have under-representation of men and under-representation of women in certain areas.

For example, we have an under-representation of women in senior roles, brewery production and sales roles and under-representation of men in junior roles and contact centre roles.

Our reporting has therefore highlighted an imbalance of gender for our business in certain areas and is largely driven by the nature and structure of our workforce e.g. men rather than women have traditionally worked in our beer production and women rather than men tend to work in our contact centre.

We are confident that we pay fairly and equally for people in similar jobs and that there are a variety of reasons as to why we have some gender imbalances. We will now review this further, test our assumptions and consider how we can improve the imbalance and ensure there are no barriers in job opportunity for either gender anywhere at Carlsberg UK.



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How we are reducing the Gender Pay Gap

Our reporting shows that we do need to take steps to reduce our gender pay gap.

The gender pay gap shown in the Carlsberg UK calculations demonstrates that male employees receive a higher average pay rate. This is largely through them being under-represented at our most junior level and overrepresented in the most senior or highly paid roles and functions.

We're taking a closer look at the key areas within the structure of our workforce, where we have an imbalance. We are gathering data and testing our assumptions as to why we have an under-representation of men and women in certain areas.

Additionally, we have created a gender pay gap working party which will lead employee surveys and discussion forums.

Once clear we will decide on an appropriate action plan to address and improve the imbalances and ensure we have no gender bias.



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Statutory Disclosure



Carlsberg UK Combined Companies		Carlsberg Supply Chain UK		Carlsberg UK	
%male/female employees	81%/19%	%male/female employees	92%/8%	%male/female employees	53%/47%
Median gender pay gap	-3.3%	Median gender pay gap	-1.5%	Median gender pay gap	41.7%
Mean gender pay gap	-3.3%	Mean gender pay gap	-4.1%	Mean gender pay gap	34.7%
Median bonus pay gap	-41.9%	Median bonus pay gap	10.1%	Median bonus pay gap	59.9%
Mean bonus pay gap	-6.1%	Mean bonus pay gap	1.7%	Mean bonus pay gap	59.3%
% male/female receiving a bonus payment	85%/91.50%	% male/female receiving a bonus payment	85%/90.60%	% male/female receiving a bonus payment	85%/91.90%
Upper quartile (male/female%)	76%/24%	Upper quartile (male/female%)	91%/9%	Upper quartile (male/female%)	71%/29%
Upper middle quartile (male/female%)	83%/17%	Upper middle quartile (male/female %)	93%/7%	Upper middle quartile (male/female %)	67%/33%
Lower middle quartile (male/female %)	88%/12%	Lower middle quartile (male/female %)	96%/4%	Lower middle quartile (male/female %)	46%/54%
Lower quartile (male/female%)	77%/23%	Lower quartile (male/female%)	90%/10%	Lower quartile (male/female%)	26%/74%

Declaration

I confirm that the information and data is accurate as of the snapshot date 5 April 2017

Julian Momen CEO, Carlsberg UK

Gender Pay Gap Report – Carlsberg UK 2017