



GENDER PAY GAP

REPORT 2022

This report details our April 2021 to April 2022 results in line with UK Government Gender Pay Gap Reporting Guidelines



Since our 2021 Report we've evolved our Inclusion & Diversity strategy to become our Diversity, Equity and Inclusion strategy. Whilst equity isn't a new concept for HEINEKEN, we wanted to call it out explicitly within our strategy. Gender balance and gender pay are an important part of this.

This year, our mean gender pay gap has reduced from 5.8% to 2.5%, and our median gender pay gap has increased in favour of females from -1.3% to -6.2%. The proportion of women in our upper pay quartile has increased from 32% to 35%. The shape of our mean and median bonus gap has changed significantly compared to last year, largely due to a change in the timing of bonus payments to different colleague groups. Our average bonus gap is 17.2% compared to 1.7% last year and our median bonus gap is 23.2% compared to -3.4% last year. 94% of our females received a bonus payment in the period compared to 93% of males.

Our ambition is to put diversity, equity and inclusion at the heart of our business and this remains one of our strategic priorities.

Since last year's report The HEINEKEN Company, for the first time, has been included in the 2023 Bloomberg Gender-Equality Index (GEI). This Index recognises companies committed to more equal and inclusive workplaces and the goal is to encourage transparency and disclosure of gender equality metrics and policies among publicly held companies.

In the UK our Woman and Allies Network continues to raise awareness on topics that impact gender balance, and the Network is also working closely with our other Colleague networks on areas such as Menopause. We've trained 75% of our People Managers in inclusive leadership to ensure we all have the skills to build a truly diverse, inclusive and equitable workforce, and will reach 100% by the year end.

Over the next few pages, we provide more detail on our gender pay gap results and the steps we're continuing to take to improve it.

Best wishes

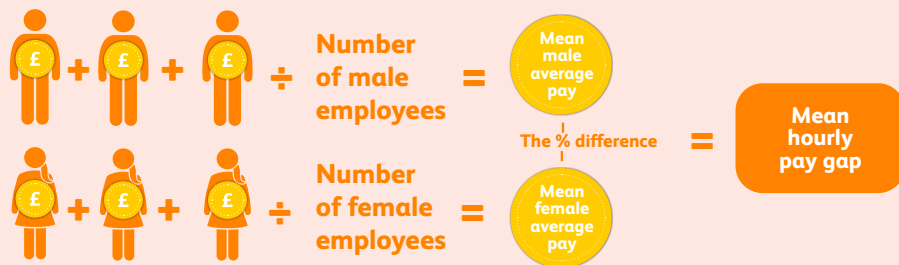
Marta Martins Pinto
People Director HEINEKEN UK

WHAT IS THE GENDER PAY GAP AND HOW IS IT CALCULATED?

The UK Government's Gender Pay Gap Regulations require companies to report their gender pay gap for all legal entities in Great Britain with more than 250 employees, with the aim of creating transparency and encouraging employers to explore any gender pay gaps revealed by the process.

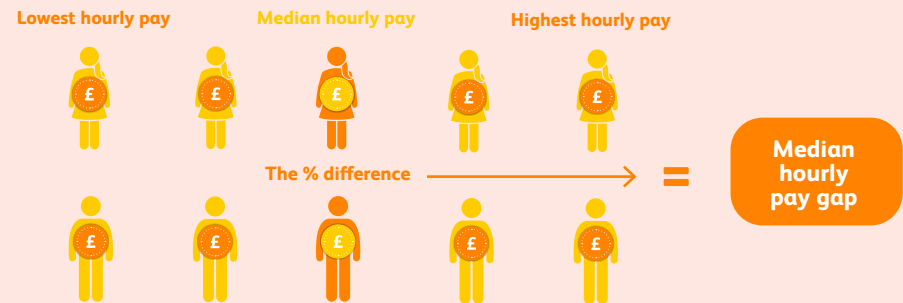
The gender pay gap shows the difference in average pay between women and men. It's different to equal pay, which relates to what women and men are paid for the same or similar jobs or work of equal value.

How we calculate the MEAN difference



The mean gender pay gap is the percentage difference between the hourly pay of all male employees divided by the total number of males, and the hourly pay of all female employees divided by the total number of females.

How we calculate the MEDIAN difference



If all female colleagues were lined up in order of hourly pay and all male colleagues were also lined up in order of hourly pay, the median pay gap is the percentage difference between the hourly pay of the middle female and the hourly pay of the middle male.

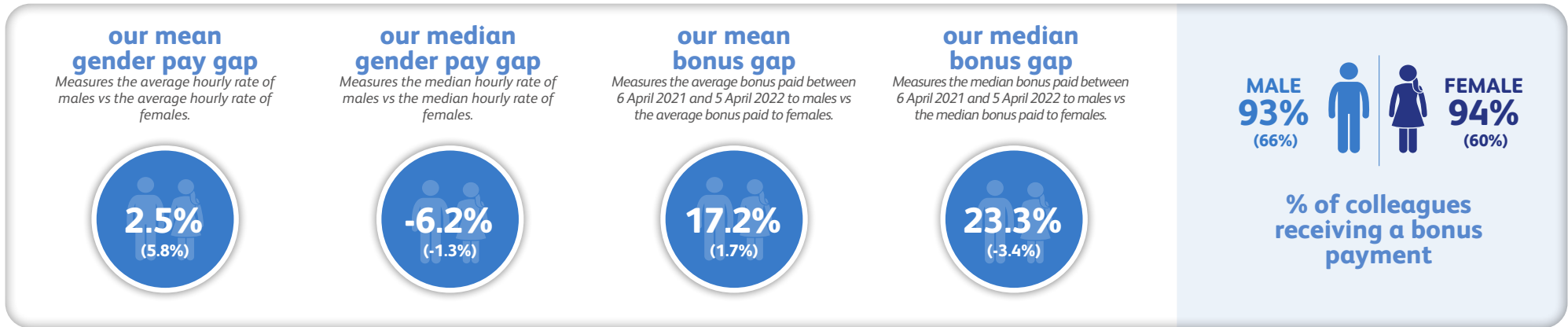
Why the difference?

Because different jobs pay differently and the number of men and women performing these jobs varies, a gender pay gap can exist. For example if there's a higher proportion of men in senior roles and/or a higher proportion of women in junior roles the gender pay gap will be bigger.

Why is gender pay gap reporting important?

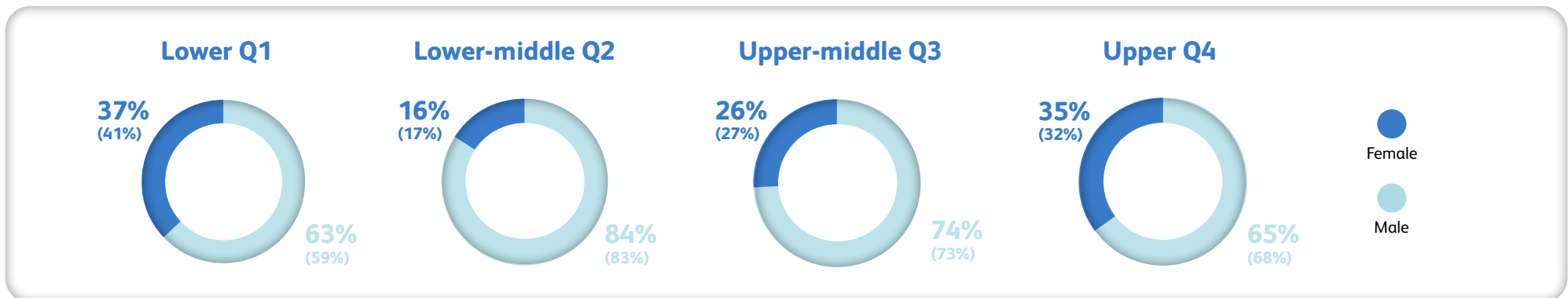
Gender pay gap reporting is an important step forward in putting a spotlight on where companies may have gender imbalances within their workforce, to assist them in understanding what's driving it and importantly, what to do to improve it.

HOW DO WE MEASURE UP?



Pay Quartiles

This shows the proportion of males and females in each pay quartile, ranging from the lowest hourly rate of pay to the highest. Each quartile has an equal number of colleagues.



Pay data is as at the snapshot date of 5th April 2022. Bonus data relates to bonus paid in the 12 month period ending on the snapshot date. Figures in brackets are our 2021 results.

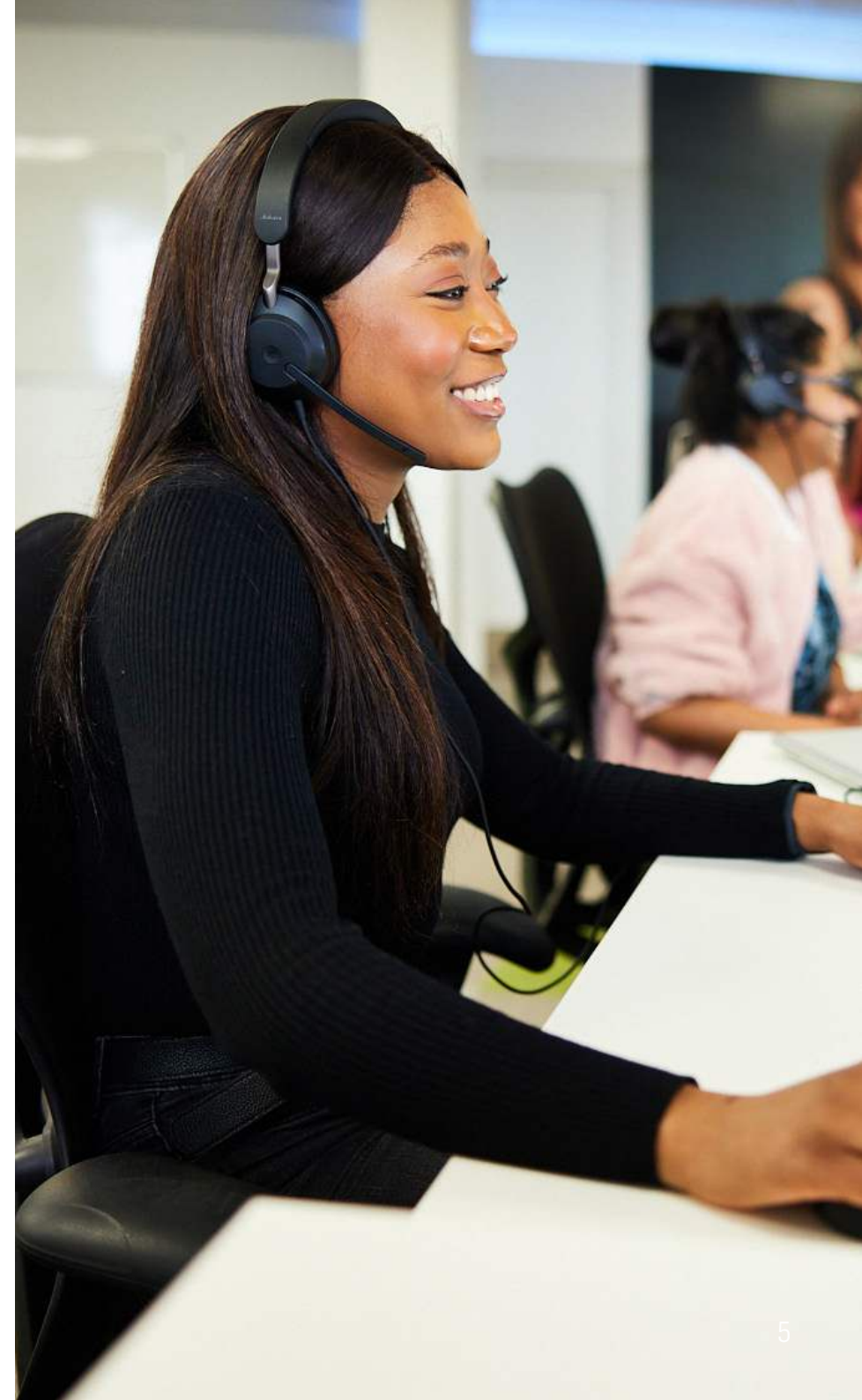
WHAT DO OUR RESULTS MEAN?

We've seen further movement in our pay gaps, with our mean pay gap falling closer to neutral and our median gap shifting more in favour of females. Whilst overall the average hourly rate for males is still higher, the median hourly pay analysis shows the favourable pay comparison position for men isn't a trend that's consistent at all levels. We're also pleased to report an increase in the proportion of females in the upper pay quartile to 35%, which is progress in the context of our current gender representation, with females making up 29% of relevant employees for the purpose of the full-pay analysis.

Rebalancing the demographic of our workforce continues to be a challenge, with a predominantly male population, particularly within our Supply Chain and production environments. We've seen significant success in the recruitment of females onto our early careers programmes creating opportunities to organically grow our future talent. Across our commercial areas, we continue to focus on introducing greater diversity. Over the past year we've seen more female senior leaders appointed onto our Commercial Functional Management Teams. We're actively measuring our progress with tracking across all areas. Within HEINEKEN we also conduct our own internal equal pay assessment, which is on track as part of our Brew a Better World commitments, and for 2023 we're aligned to paying no less than the fair wage rate, as set by the Fair Wage Network.

Whilst we're heading in the right direction with our pay gaps in pockets of the organisation, we know we've more to do with to achieve balanced gender representation at all levels of our business. Amongst our most senior leaders only 1 in 5 are female, receiving the higher levels of remuneration and incentive arrangements associated with these senior grades. Our commitment to increase the proportion of women in senior roles is demonstrated through the setting of clear gender ambition targets shared in more detail on page 6, and we also recognise it will take time to achieve these.

Our bonus gap is influenced by the timing of our different incentive arrangements. Due to the impact of the pandemic on our company performance, we didn't pay any bonuses in April 2021, with the exception of our 2020 production site bonus. In December 2021, an advance bonus payment was made across all schemes below senior manager level, as an exceptional measure to recognise colleagues in the wake of Covid disruption but this was a partial early pay-out. The remainder of payments, due under our commercial incentive schemes, were paid in March and are included in the bonus analysis window. However, the full payment for the short-term incentive scheme, in which the majority of females participate (61% compared to only 24% of males), was paid after the snapshot date.



WHAT ARE WE DOING TO CLOSE THE GAP?

In 2022 we continued to make progress against our Brew a Better World 2030 strategy, which alongside our Sustainability targets, sets out our DE&I ambitions across all HEINEKEN operating companies. This includes our gender ambition to move to 30% of women in senior leader positions by 2025 and 40% by 2030. At the end of 2022 we've achieved 27% of female representation in senior leadership positions globally. In the UK we have a gap of 14% to reach the target by 2025.



Women & Allies Network

The Network's aim is to promote 'balance is better for all' and, over the past 12 months, it has made significant progress and is driving innovative ways to advance women's careers.

Some of the initiatives include podcasts discussing women working in the beer and pub industry and events where female leaders have shared their career journeys with other females in the organisation. The Network also ran a series of "green table talks" where we discussed gender bias in sport, supporting our '12th Women Campaign' for UEFA Women's EURO 2022.



Supporting Equity

We're proud to have launched HEINEKEN Maternity Buddies. We've worked with colleagues to create supportive and meaningful connections for women going through the maternity experience – helping to ensure that women feel supported and can learn from one another.

We also published Menopause guidance last year for colleagues experiencing the menopause and for People Managers to enable them to support team members. As we continue to raise awareness on this key topic which supports gender equity, we've also trained accredited Menopause Mentors, including two male Mentors – recognising that menopause isn't just a women's issue.

HEINEKEN continues to use its scale as a global organisation to share best practice across operating countries. The UK has been part of launching TogetHERness. The global network is in place to learn, share and reapply relevant insights and opportunities to break down barriers towards gender equity.



Inclusive Leadership Training

Another commitment within our Brew a Better World strategy is to train all our People Managers in Inclusive Leadership. In HEINEKEN UK all People Managers have now completed four Inclusive Leadership modules in 2022. We know it's important that our leaders are equipped with the necessary skills to bring colleagues on the journey and to create an inclusive environment in which they can thrive. This will also support our gender balance ambition.



Talent Acquisition

Our recruitment practices are evolving to proactively encourage female candidates to our business. We're helping our People Managers to develop their own talent pools with diverse candidates, broadening our searches outside of normal routes and exploring experiences from outside our industry. Our new Employee Value Proposition, launching this year, will also have a specific focus on attracting female talent into commerce.



Statutory Disclosures

Legal Entity: HEINEKEN UK Ltd

Gender Pay Gaps:

Difference in hourly rate of pay
– mean 2.5%

Difference in hourly rate of pay
– median -6.2%

Difference in bonus pay
– mean 17.2%

Difference in bonus pay
– median 23.3%

Employees who received a bonus payment:

Males who received a bonus payment
– 93%

Females who received a bonus payment
– 94%

Employees by pay quartile:

Upper quartile
35% female
65% male

Upper middle quartile
26% female
74% male

Lower middle quartile
16% female
84% male

Lower quartile
37% female
63% male

Declaration

I confirm the information and data reported is accurate as of the snapshot date 5th April 2022, and in line with the UK Government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in black ink that reads "Marta Pinto".

Marta Martins Pinto
People Director HEINEKEN UK