



GENDER PAY GAP

REPORT 2021

This report details our
April 2020 to April 2021 results



Since the Government introduced the requirement for businesses to report on their gender pay gap in 2018, we've continued to focus on our inclusion and diversity agenda, with gender representation and gender pay an important part of this.

Since our 2020 report, our mean gender pay gap has reduced from 8.2% to 5.8%, and our median gender pay gap has reduced from 0.8% to -1.3%. The proportion of women in our upper pay quartile has increased marginally from 31% to 32%. Our bonus gap has significantly reduced from 33.2% to 1.7% and the median bonus gap is now -3.4%. This is largely due to the economic conditions that prevailed during this period, resulting in significantly lower levels of bonus being paid.

Our ambition is to make HEINEKEN UK a truly inclusive and diverse organisation and, despite the challenging external environment, our commitment to this ambition is stronger than ever. It's one of our strategic priorities.

Our I & D taskforces are doing great work and we're starting to see positive progress. Since last year's report we've launched a global Leadership Programme to support our female talents around the world. In the UK we've launched a Woman and Allies Network and are training all of our People Managers in inclusive leadership to ensure we're all equipped to build a diverse, inclusive and balanced workforce.

Over the next few pages we provide more detail on our gender pay gap results and the steps we're taking to address it.

Best wishes

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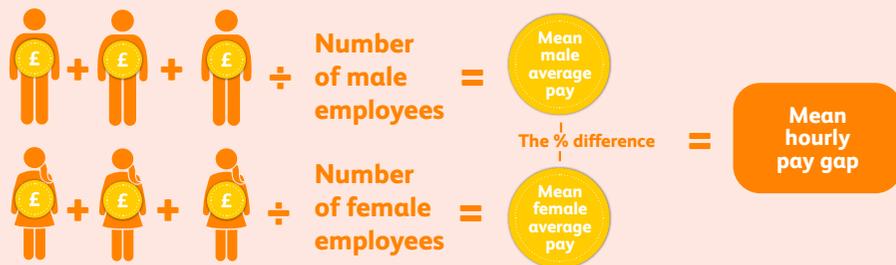
Jane Brydon
People Director, HEINEKEN UK

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.

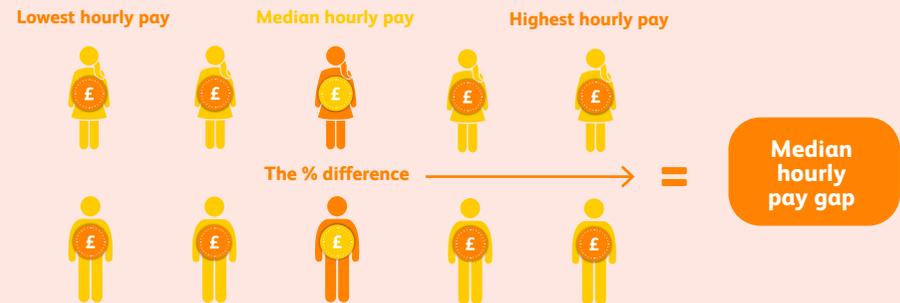
The gender pay gap shows the difference in average pay between women and men. It's different to equal pay, which relates to what women and men are paid for the same or similar jobs or work of equal value.

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.

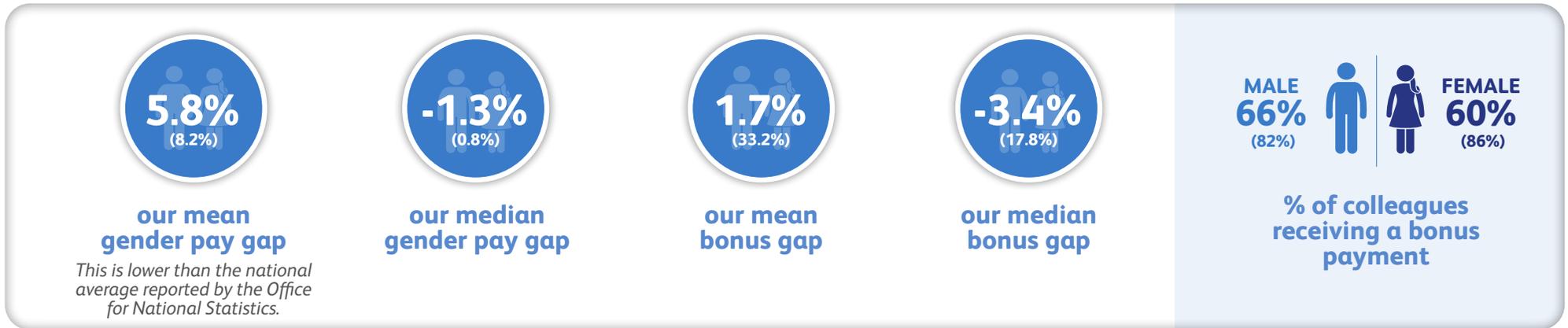
Why the difference?

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?

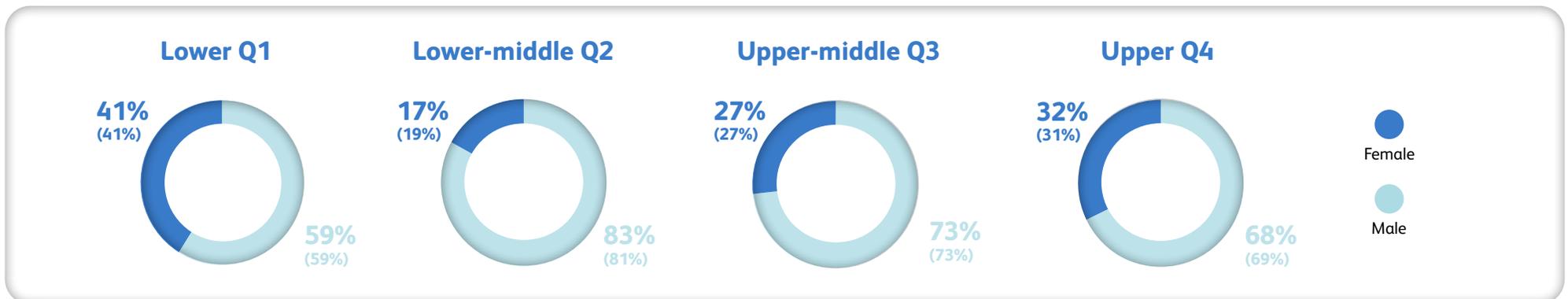
Gender pay gap reporting is an important step forward in putting a spotlight on where companies may have gender imbalances within their workforce, to assist them in understanding what's driving it and importantly, what to do to improve it.

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.



Data as at 5th April 2021. Figures in brackets are our 2020 results.

WHAT DO OUR RESULTS MEAN?

We've seen a reduction in our pay gaps and a slight increase in the proportion of females in our upper pay quartile – this is positive. Our pay gap compares well to the UK national average reported by the Office for National Statistics.

Whilst we're pleased to be heading in the right direction with our pay gaps, we know we've more to do with regards to balanced gender representation at all levels in our business.

The make-up of our workforce continues to be predominantly male, with 29% female and 71% male colleagues. 31% of our middle and senior leadership roles are occupied by females, with higher levels of remuneration attached to more senior roles. Also we've a higher proportion of men in our breweries and commercial areas, where roles typically attract a premium through shift payments and higher bonus levels.

We've a clear ambition to increase the proportion of women in senior roles. We're making progress in this area and acknowledge it will take time to achieve our ambition in this area.



WHAT ARE WE DOING TO CLOSE THE GAP?

In 2021 we launched our Brew a Better World 2030 Strategy, which alongside our Sustainability targets, sets out our I&D 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. We're making progress towards this ambition and are absolutely committed to drive further change.



Gender Task Force

The Task Force has made significant progress in the last 12 months and has a comprehensive action plan in place to continue to address gender representation and progression across HEINEKEN UK in 2022 (see next page).

HEINEKEN UK has now launched a Women & Allies Network. Its aim is to promote that 'balance is better for all' and is driving innovative ways to advance women's careers. Its mission is to accelerate growth and advancement by inspiring, listening and offering support across all levels of the organisation. All colleagues are welcome. This is one of the many initiatives our company is taking to ensure a level playing field for everyone when it comes to recruitment, development, and career advancement.

The Task Force has focussed on the role of allyship and increased the number of visible male allies across the business. Data is important and detailed analysis on gender across the organisation has been completed.

The Gender Taskforce also has a roadmap of initiatives which have come from colleague focus groups. These colleague-driven initiatives are designed to accelerate progress and support colleagues as we continue on our journey to address gender representation and progression.

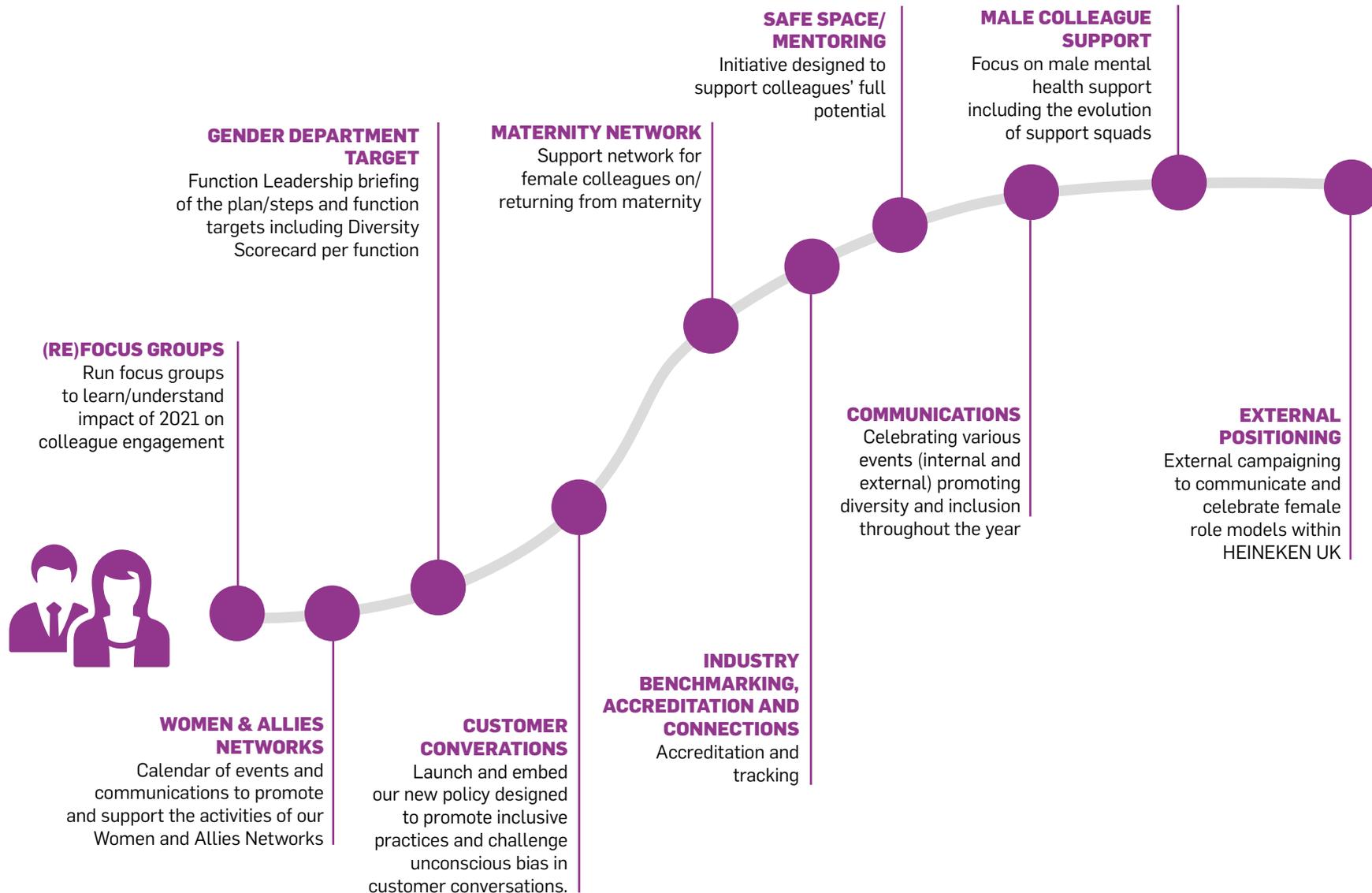
The Gender Task Force is just one of our I&D Task Forces, which together will continue to shape and change our business for the better.



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 will complete four Inclusive Leadership modules in 2022. We recognise 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.

HEINEKEN UK GENDER TASK FORCE: ROADMAP





Statutory Disclosures

Legal Entity: HEINEKEN UK Ltd

Gender Pay Gaps:

Difference in hourly rate of pay
– mean 5.8%

Difference in hourly rate of pay
– median -1.3%

Difference in bonus pay
– mean 1.7%

Difference in bonus pay
– median -3.4%

Employees who received a bonus payment:

Males who received a bonus payment
– 66%

Females who received a bonus payment
– 60%

Employees by pay quartile:

Upper quartile
Male – 68%
Female – 32%

Upper middle quartile
Male – 73%
Female – 27%

Lower middle quartile
Male – 83%
Female – 17%

Lower quartile
Male – 59%
Female – 41%

Declaration

I confirm the information and data reported is accurate as of the snapshot date 5th April 2021, 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 "Jane Brydon".

Jane Brydon
People Director
HEINEKEN UK