



**HENKEL UK
GENDER PAY
GAP
REPORT
2023**





“Equity is the cornerstone of our collective success”

*Emily Ross, Senior Trade Marketing Manager
HCB Hair Professional UK & Ireland and
Head of Henkel’s Diversity, Equity, and
Inclusion (DEI) Council*



What is your role as Head of the DEI Council?

As the Head of the DEI Council, I see myself as a catalyst for positive change, fostering an environment where diversity, equity, and inclusion are not just buzzwords but lived experiences for everyone in the company.

What inspires your work on the Council?

I really want to help create a culture where differences are celebrated, barriers are dismantled, and equity is the cornerstone of our collective success. We want to inspire and empower others to join this journey towards a more equitable and inclusive future.

Why is the Council’s work important?

It is vital in ensuring that every voice is heard, every perspective is valued, and every individual feels a sense of belonging.

What are your proudest achievements as part of the Council?

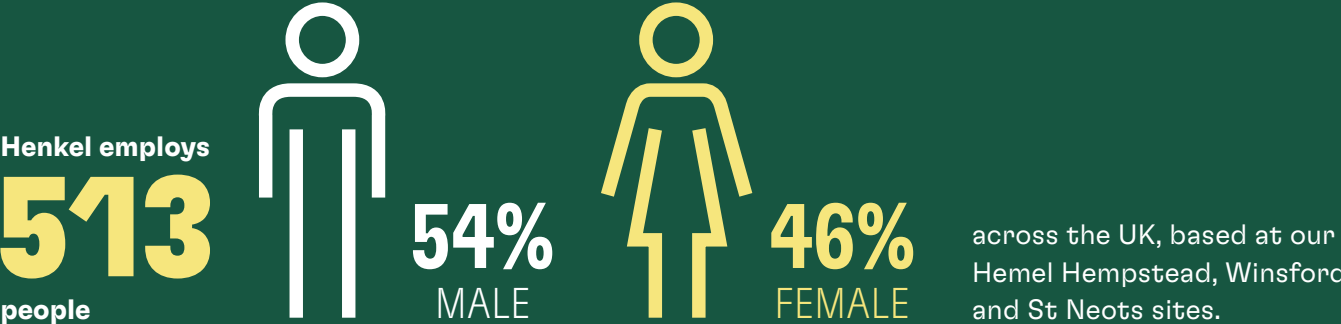
For me it is about the small wins that we achieve everyday towards a more inclusive culture and being part of such a fantastic and passionate team.



INTRODUCTION

Welcome to the seventh annual Henkel UK Gender Pay Gap Report, this year encompassing statistics for both Henkel Ltd and Henkel UK Operations Ltd combined.

The changes in this year's figures, outlined in this report, are predominantly a result of the inclusion of Henkel UK Operations Ltd.



Henkel's combined UK businesses comprise of Adhesive Technologies and Consumer Brands, as well as corporate functions including finance, HR, corporate communications, infrastructure and governance, and legal.



GENDER PAY GAP

The gender pay gap is the difference between the average earnings of men and women across an entire organisation, typically caused by having 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.

Our UK operations have a mean gender pay gap of 23.8%, which means that remuneration for women was on average 23.8% lower than for men, reflecting a higher proportion of men in senior roles across the company. We recognise that this is too high, and we are fully committed to addressing it. To close the gap at Henkel UK, we are working to improve the representation of women at all levels.

Globally, Henkel has set an ambition to reach gender parity across all management positions by 2025. This means the proportion of women is to be significantly increased at the top management levels as well as in junior and middle management. With this ambition, Henkel backs its clear commitment to a more diverse, equitable and inclusive organisation with concrete ambitions and actions.





REASONS FOR OUR GAP

Despite our ongoing commitment to reducing the gender pay gap in the UK, it continues to be a challenge.

Our industry has been traditionally dominated by men and, over time, this has resulted in an imbalance across our business, including more men than women in senior roles.

Henkel's Adhesive Technologies business makes up 62% of employees in the UK and because of the challenges over many years of attracting women into industrial sectors within which we operate, it has compounded the structural gender imbalance in our Company.

Furthermore, given the number of people we employ, even small changes across the business can impact the overall numbers.

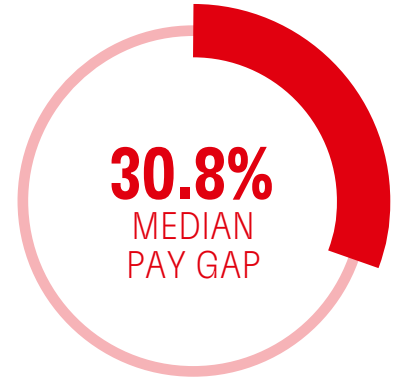
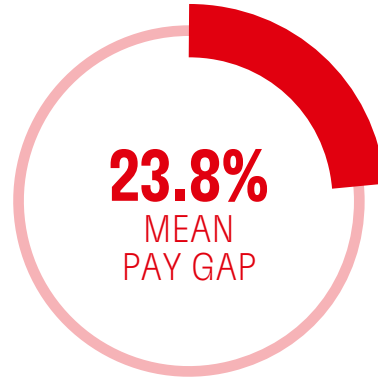
Although progress is affected by our relatively stable workforce, meaning we have a low number of open positions each year, we are fully committed to improving the representation of women at all levels across our business.

WHERE WE STAND

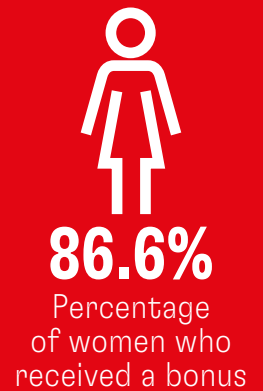
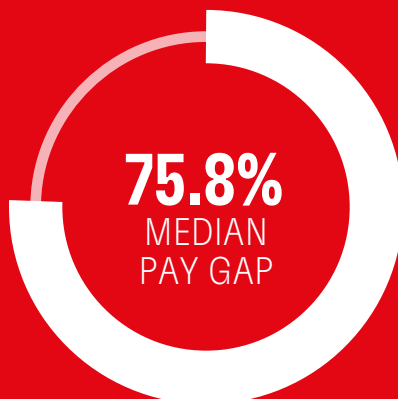
The information presented in this report is based on data collected on the 5th April 2023.

HOURLY PAY

These figures reflect a higher proportion of men in senior roles at Henkel UK, which we are actively working to address.



BONUS PAY



Henkel's bonus* pay gap reflects a greater representation of men in more senior positions with greater bonus potential. However, Henkel is committed to the promotion of females into the positions that will attract greater bonus potential.

**100% of men and women at Henkel are eligible to be paid a bonus – the percentages above reflect the number of staff qualifying by the reporting date of 5th April 2023.*



PAY QUARTILES



Pay quartiles are calculated by splitting all employees in an organisation into four even groups according to their level of pay. Looking at the proportion of men and women in each quartile indicates the gender representation at different levels of the organisation.



HENKEL UK STATISTICS

59% of new hires were women

66% of promotions were women

Average Seniority



MEN
13 YEARS



WOMEN
8 YEARS



HOW WE ARE CLOSING THE GAP

Henkel's markets and products are diverse, so we recognise that our people should be too.

At Henkel, we pursue a holistic DEI approach, with a particular focus on gender, ethnicity, LGBTQ+, disabilities, and generations.

Henkel has set itself the ambition to reach gender parity across all management levels by 2025.

With this ambition, Henkel backs its clear commitment to a more diverse, equitable and inclusive organisation with concrete ambitions and actions.

To strive for more gender diversity, we will further accelerate our programmes and measures along the whole employee lifecycle, including:

- Gender inclusive recruitment and talent attraction
- A thoroughly monitored promotion and succession plan
- Intensive internal upskilling on diversity
- Unconscious bias training and inclusion programmes
- Expanding working formats such as shared or part-time leadership roles
- Mentoring and networking initiatives for diversity worldwide

We recognise that significant focus is required to address the gender imbalances represented by the gender pay gap and we are fully committed to making progress on this matter.

To this end, Henkel is refocussing on reducing its gender pay gap among UK employees. The initiatives that we have already implemented, or we plan to implement include:

- Additional commitment from business leaders to support Henkel's Gender Parity ambition by 2025
- Introduction of several initiatives into our recruitment process to encourage more female applicants
- Greater co-ordination between local DEI Council, HR and businesses to achieve common goals
- Reintegration programme after period of parental leave
- Inclusive management upskilling programme and individual development plans
- DEI scorecard reviewed by Executive Committee as set agenda point
- Flexible work concepts and working arrangements, including initiatives such as smart work, part time working, job sharing, along with new working formats where feasible, which will contribute to achieving work-life balance



“It’s all about culture”



Alena Nagornyak is Head of HR UK, Ireland, and the Nordic Region, having joined Henkel in 2012. In this interview, Alena speaks about her pride in Henkel’s “impressive company history” but, most importantly, the “values we stand for”. One of the key factors in increasing female participation in the workplace is “culture” according to Alena, who believes the future opportunities being created now for young women is “inspiring”.

What makes you proud to work at Henkel?

Our impressive company history, our products and brands, values we stand for and people.

In your view, why is Henkel a great place to work?

Because we care. We care about people, diversity, sustainability, local communities. Because Henkel is a great company to learn, to grow, to make an impact. Because we have amazing highly professional colleagues.

How would you describe Henkel’s commitment to diversity and inclusion?

Henkel’s commitment is solid and tangible. In 2007, Henkel was one of the first German DAX companies to establish a dedicated global diversity team. Today, DEI is deeply anchored into the company strategy and culture. It is reflected in the public commitment on gender parity ambition, announced several years ago. In fact, ESG targets are now an integral part of Long-Term Incentives KPIs, which is a clear and obvious commitment to make it a companywide business priority, and not just one that relates to HR. The volume of initiatives to bring diversity to life at Henkel is impressive – starting from global efforts like Disability and Inclusion Days or Joining the Pride Months, or making our recruitment process more inclusive, to local programmes or activities like Unconscious Bias Training or Black History Month.

What are Henkel’s gender diversity commitments and how do you feel about these?

Henkel announced in early 2022 an ambition to reach gender parity across all management positions by 2025. I believe this was a courageous, ambitious, and bold move. As a woman in leadership and a mother to a young girl, it is exciting to see more opportunities being created for women in business. For me it is not just about numbers.

Seeing companies like Henkel take proactive steps toward equality gives me hope and inspiration, showing that progress is possible, and that inclusivity benefits us all, creating a more vibrant and fair future for everyone.

What in your view is the most important thing an employer can do to increase female participation in the workplace, especially at senior levels?

I am convinced there is no silver bullet. Creating an ecosystem or environment where women feel empowered, respected, and supported in their professional growth is something which is crucial for increasing female participation, especially at senior levels. Actively addressing barriers that hinder women’s progression, such as implementing flexible work arrangements, mentorship programmes, transparent recruitment, and promotion processes, showcasing female leaders as role models and sharing their success stories, can greatly encourage and retain female talent. Ultimately, it’s all about culture.

Why in your view is female participation in the workplace, especially at senior decision-making level, of critical importance?

Firstly, because diverse perspectives foster better decision-making. Women bring different viewpoints, experiences, and insights that can lead to more innovative and well-rounded strategies. Secondly, it promotes a fairer and more representative workforce, reflecting the diversity of society. When leadership mirrors the broader population, it can better understand and cater to diverse customer needs and preferences. Lastly, based on my experience as a mother, encouraging female participation at senior levels sets an example for future generations, inspiring young women to pursue leadership roles and contributing to the ongoing progress toward gender equality in all spheres of life.

DECLARATION

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



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Ireland, and the Nordic Region



