

2019 Gender Pay Gap Report



Georgiana de Noronha, President
Kraft Heinz Northern Europe

Diversity is one of our core values. Here at Kraft Heinz, all voices matter.

We will not just listen, but truly work to hear different points of view. Diverse backgrounds and perspectives make us stronger, more interesting and more innovative.

Ensuring a balanced gender representation, equitable opportunities and pay are among the key priorities for our Diversity, Inclusion & Belonging program, and in 2019 we strengthened existing initiatives and developed new ones.

We are conscious however, that although we keep moving forward, we believe our results show that there is still a lot to improve.

When we look at our commercial entity, we can see that we improved the participation of women in the upper quartile by 1.2pp vs 2018's report and although there was some slight loss of representation in the upper middle quartile, we still have an overall balanced representation having 47.1% of women. We also had an improvement in our median pay gap that is now 20.6% vs 25.6% in 2018.

When looking at our manufacturing entity, it is clear that we need to reinforce our efforts in order to improve the current scenario. Although in terms of pay gap there is a small decrease from 13.7% in 2018 to 13.5% in 2019, the % of women receiving bonus in the factories decreased from the previous year, and overall representation is still very low.

As a result, if we combine these two populations with such different profiles, the median pay for women in the combined entity is 7% higher than men. This is because the combined representation is very unbalanced: whilst we have very few women in our factories, the medium hourly pay in the commercial entity is higher than in the factories.

So although we recognise we still have a long way to go, we are proud to share in this Report some of the initiatives we focused on in 2019, such as the roll-out of unconscious bias trainings for all managers before performance reviews, improving our analytical and tracking capabilities, enhancing our female mentoring plan, and our first leadership course dedicated to accelerating the progression of women in senior positions – WE Network.

We are confident that the plans and initiatives we have put in place will demand and drive the positive change we want to see, not just on pay gap, but in all aspects of Diversity, Inclusion and Belonging whilst we continue to listen to our employees and understand what more can be done.

Georgiana de Noronha
President
Kraft Heinz Northern Europe

Rodolfo Camacho
Head of People & Performance
Kraft Heinz International



Declaration:

We confirm that the information and data reported are accurate and in line with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

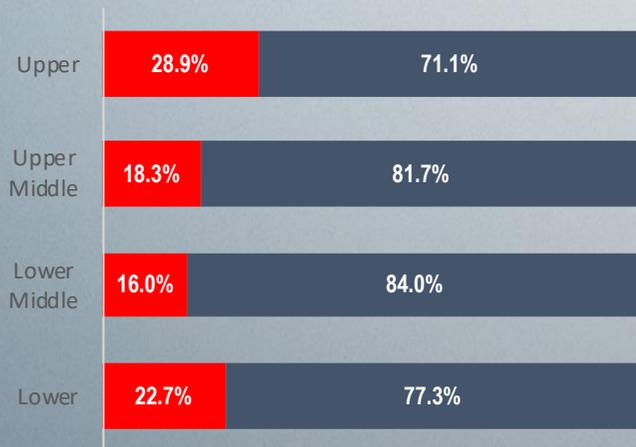
At a glance

Our overall mean gender pay gap is 6.5% **higher** for women than men. Our median gender pay gap is 67.0% **higher** for women than men.

When we look at the bonus gap, we have a mean gap of 19.8% **higher** pay for women than for men. Our median bonus is 219.0% **higher** for women than for men.

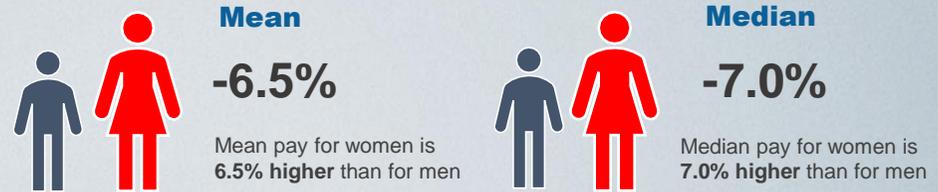
These results are explained by the fact that the majority of the workforce in our manufacturing operations are men compared with an almost 50:50 male to female distribution in our commercial entity.

Population by Quartile



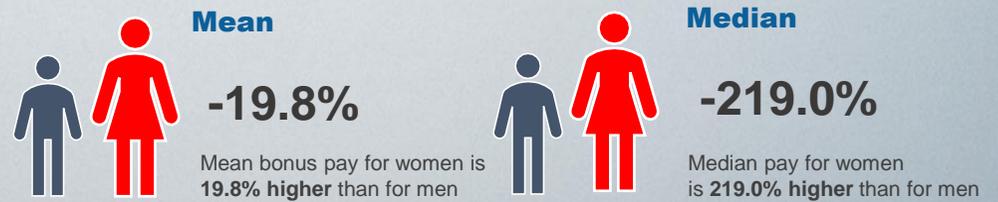
Pay Gap Results

Negative indicates that women on average earn more than men



Bonus Gap Results

Negative indicates that women on average earn more than men



Proportion of men and women paid a bonus



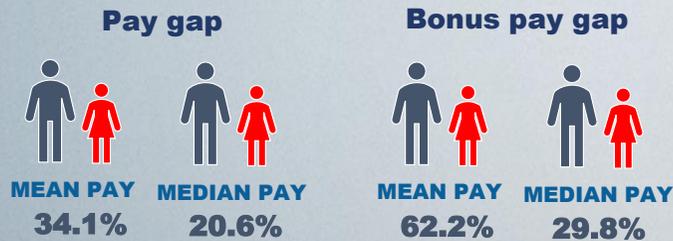
Kraft Heinz has two legal entities that are reported separately:



H.J HEINZ FOODS UK LIMITED

Includes our Commercial operations

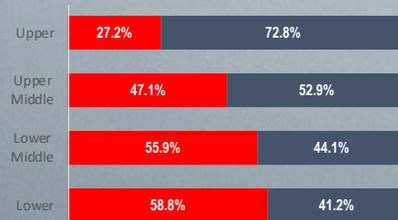
In our commercial operations the pay gap increases because women hold fewer senior positions compared to men. Women made up just over half of the workforce, at 47.2%, but, only 27.2% are part of the upper quartile. This is a 1.2% improvement from 2018.



Proportion of men and women paid a bonus



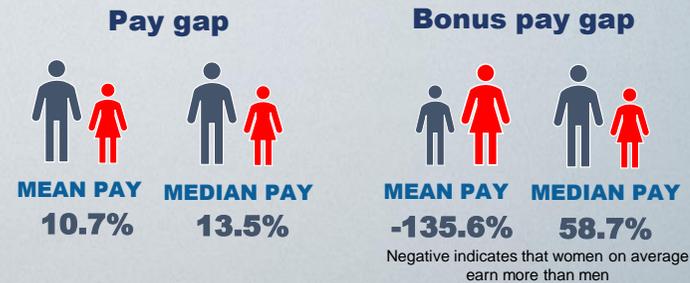
Population by Quartile



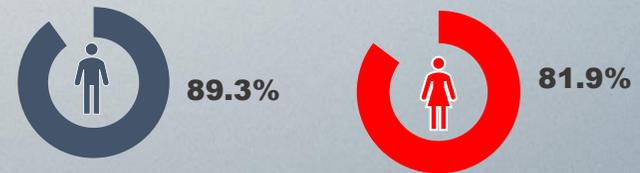
H.J HEINZ MANUFACTURING UK LIMITED

Includes our Manufacturing operations

In our manufacturing operations the majority of employees are men. On average more male workers choose to work on shifts entitled to salary premiums, like weekends, nights, bank holidays, and early or late shifts.



Proportion of men and women paid a bonus



Population by Quartile



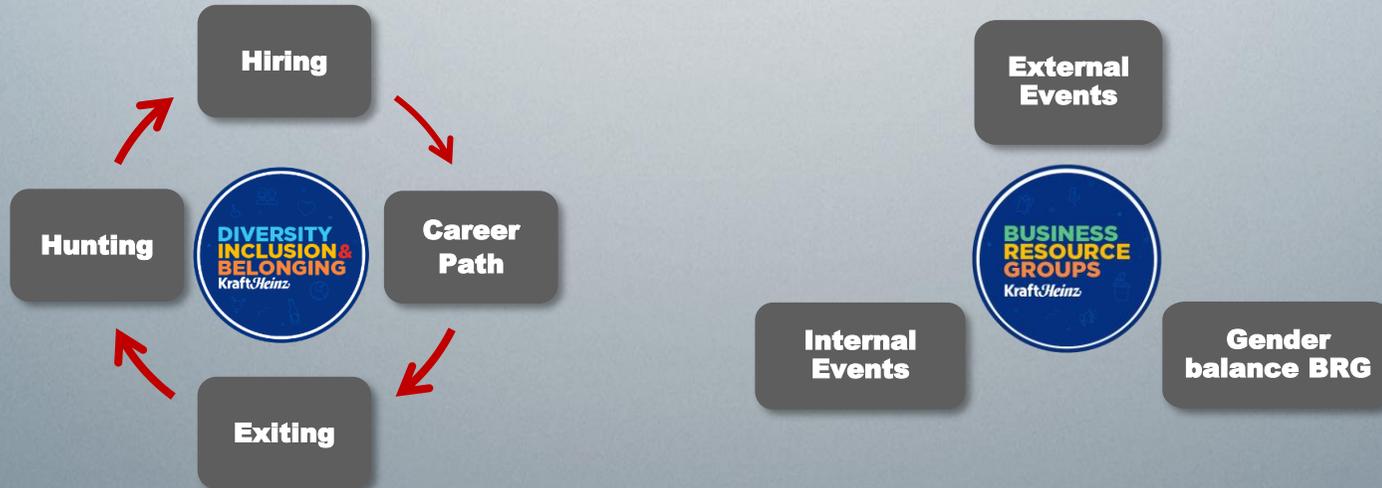
OUR JOURNEY 2019 – Driving Change

When we look at the results of our commercial entity, we can see that we still only have 27.2% of the upper quartile as female. We recognize that although there was a slight improvement from previous year, this is far from what we would like to achieve.

In 2019, we continued working on our Diversity, Inclusion & Belonging framework that aims to drive fair and equal opportunities throughout all aspects of employee's career: from recruiting among a balanced pool of candidates, unconscious bias training before hiring and throughout the talent cycle, and full exit interviews. Gender equality is surely a key pillar. We want to ensure that no one joins, leaves or works at Kraft Heinz believing they couldn't be themselves or be able to express their full potential and thrive in their career.

In addition to this, we are benefitting from the support of our amazing Business Resource Groups that help us define and reshape our understanding of women's challenges in our current world. The Gender Balance BRG continues to drive change in our culture, increasing awareness of what still needs to be done in order to achieve a better gender equality here at Kraft Heinz.

Diversity, Inclusion & Belonging Framework





OUR JOURNEY What we are doing?

INTERNALLY

Unconscious Bias Training

Prior to performance ratings, we trained all Managers in how to identify and mitigate bias behaviours through our **Unconscious Bias Training**. We aim to show how bias can happen and what they can do to keep it in check and fairly assess employees.

Mentorship Programme

We launched our **Mentoring Programme** in 2018 to support the development of talented women to become future leaders. In 2019, we rolled this out further to our second cohort, increasing the number of female talents who have the support of senior leadership to grow and develop their careers.

Gender Balance BRG

During 2019, our Gender Balance BRG drove events and initiatives to engage and bring awareness around gender equality and reinforce the diversity of our workforce. Key events included a **Women's Week Celebration** and **November**.

Diversity Tracking

To better monitor our progress in creating a more diverse and balanced workforce, we began **tracking the hiring and promotion of Employees by gender**. In 2019, 53% of our opportunities for mid-senior leadership positions were filled by women, either through internal promotions or external hiring.

EXTERNALLY

Through our external networks and partnerships, in 2018 we saw the power of coming together with other organisations to create a cultural change; it is through sharing best practices and experiences that we can accelerate gender equality. Thus we continue our membership and sponsorship of external networks committed to equality.

A few highlights of 2019 were; sponsoring the **Diversity and Inclusion in Grocery**, holding a **Lean in** session on 50 ways to fight bias at our company, hosting a **Lead Network** chapter together with EY on equality in the consumer goods industry and taking part in **Google's #IAmRemarkable** series. Our relationships with external networks continue to bring additional expertise into our DI&B framework and allows us to work together with other organisations to create change, through accessing platforms for inspirational role models and providing inter-company mentoring.

