



KraftHeinz

2018 Gender Pay Gap Report



At Kraft Heinz, we believe diversity is a driver of creativity, innovation and growth. Ensuring that we foster a diverse environment where all employees are empowered to advance their careers is therefore imperative to our business. We welcome the Government's ask for transparency as this is fundamental to our vision **To Be The Best Food Company, Growing a Better World**.

We accelerated our journey to advance Diversity and Inclusion (D&I) in 2018 and although there is a long way to go, we are proud of our progress and commitment to change. Our overall mean gender pay gap is -7.5% while our median gender pay gap is -5.6%, which means the average hourly pay of all women is higher when compared to men, irrespective of their job role or level in the business. These results reflect our two entities in the UK combined and they are driven by the fact that although our commercial structure presents an almost fifty fifty male to female distribution, our manufacturing workforce is largely male.



The report confirms that we are improving and that we maintain a better position than the current national median of 17.9%. We recognize there is a lot more to be done and we are looking forward to the future and the impact that all of our initiatives will bring.

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.

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VP People & Performance
Kraft Heinz EMEA

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Managing Director
Kraft Heinz Nordics



KRAFT HEINZ UK RESULTS

At a glance

Our overall mean gender pay gap is 7.5% **higher** for women than men. Our median gender pay gap is 5.6% **higher** for women than men.

When we look at the bonus gap, we have a mean gap of 40.8% **higher** pay for women than for men. Our median bonus is 940.4% **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 fifty, fifty male to female distribution in our commercial entity.

Pay Gap Results



Negative indicates that women on average earn more than men

Bonus Gap Results

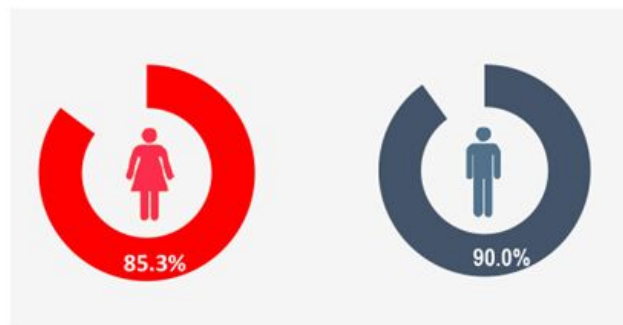


Negative indicates that women on average earn more than men

Population by Quartile

Upper	29.5%	70.5%
Upper Middle	17.6%	82.4%
Lower Middle	17.3%	82.7%
Lower	20.3%	79.7%

Proportion of men and women paid a bonus





BREAKING DOWN OUR RESULTS

Kraft Heinz has two legal entities that are reported separately:

H.J HEINZ FOODS UK LIMITED

Includes our Commercial operations

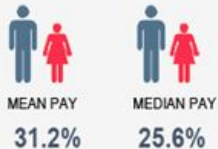
In our commercial operations the pay gap increases because women hold fewer senior positions compared to men. While women made up to 48.3% of the workforce, only 20% of our senior positions (director and above) are held by women.

H.J HEINZ MANUFACTURING UK LIMITED

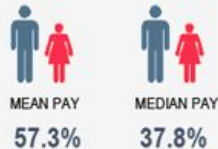
Includes our Manufacturing operations

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. If these premiums are removed, our pay gap drops to a mean of 4.7% and a median of 5.5%.

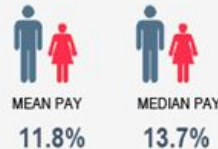
Pay gap



Bonus pay gap



Pay gap



Bonus pay gap



Negative indicates that women on average earn more than men

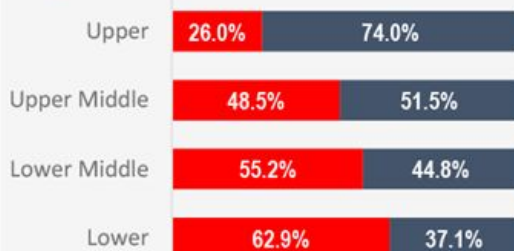
Proportion of men and women paid a bonus



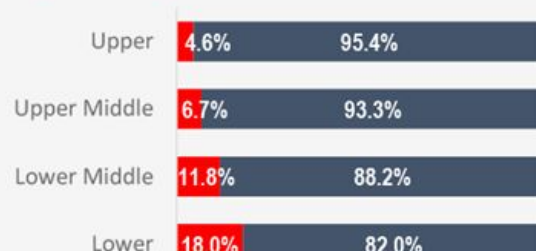
Proportion of men and women paid a bonus



Population by Quartile



Population by Quartile





OUR JOURNEY



At a glance

Gender pay gap, expressed as a percentage, is a snapshot of the difference between the average hourly pay of all women compared to men, irrespective of their job role or their level in the business.

In terms of our results, looking at our two companies combined, our pay gap mean and median is at -7.5% and -5.6% respectively and our bonus gap, mean and median at -40.8% and -940.4%. This reflects better business performance that resulted in a larger population receiving bonus payments in 2018 when compared to 2017. Additionally, when looking at the gender distribution in the quartiles, we see now 48% of women in the upper middle quartile for the commercial entity. That also indicates that the company is preparing a more balanced talent pipeline to feed the Upper quartile.

Improving our gender balance is a key driver in our journey for Diversity and Inclusion. In 2018, we launched a D&I plan to address all issues that keep us from implementing a truly inclusive and diverse culture. Championing our core values of Integrity and Meritocracy, we have established an internal framework to reassess all processes as part of our employment lifecycle with the goal to reduce any susceptibility to bias. And as a commitment to help the industry as a whole, we also initiated partnerships with external networks to leverage best practices in the market and share experiences.

Internal framework





OUR JOURNEY

What we are doing?

INTERNALLY

During the last 12 months we established the foundations for our **Gender Balance Network**. This plays a key role in engaging employees and making diversity everyone's business. Developing our talent is at the centre of our culture, and to ensure our processes are fair we have also implemented training around unconscious bias.

At Kraft Heinz we want to help support employees careers at each stage of life's journey. In 2018 we launched a new **Parental Support Program** covering the entire journey of becoming a parent. We have also put in place an internal **Mentoring Program** targeting talented women to assist their development as future leaders. These are just a few examples of initiatives that have been put in place to help us achieve gender equality.

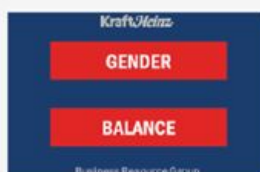
There is still a long way to go but we have started to see positive results. Respecting our value of Meritocracy, in 2019 the % of women in the executive team of the UK&I business has already risen to 33% vs. 0% at the same time last year.

EXTERNALLY

We stand by our commitment to create an environment where everyone can be themselves at work and in which they are able to develop and be successful in their career. That is why we invested in external partnerships to deliver trainings to our employees and senior managers.

We are also establishing relationships with external networks that will bring additional expertise by sharing best practices, exchanging experiences, accessing platforms for inspirational role models and providing inter-company mentoring.

We have become partners of industry leading organisations such as Lean In, Diversity and Inclusion in Grocery and the LEAD Network. To formalise our commitment to gender equality, our EMEA CEO signed a public pledge committing to meaningfully accelerate gender parity and drive inclusion.



LEAN IN

