



2019

Gender Pay Gap Report

Our continued commitment to Gender Equality #WeSeeEqual

P&G aspires to build a world free from bias, with equal voice and equal representation for everyone. Put simply We See Equal. We are committed to addressing the barriers that continue to stand in the way of gender equality in the workplace, and the world. We're focused on three areas where we know we can have a meaningful impact: leveraging our voice in advertising and media to tackle bias and promote gender and intersectional equality; removing barriers to education for girls and creating economic opportunities for women through social impact programmes and advocacy efforts; and creating an inclusive, gender equal environment inside P&G—and advocating for gender-equal workplaces beyond P&G—where everyone can contribute to their full potential.

"I am passionate that **everyone** in our organisation has the opportunity to reach their full potential to enjoy a rewarding and fulfilling career at P&G, whilst balancing the needs of their own personal commitments. By driving programmes and policies that create truly inclusive workplaces, we are putting equality at the heart of everything we do. We work together with our industry partners to put equality on the agenda at all levels of business. I am proud of the progress we have made, but acknowledge there is still more to do. P&G remains committed to the journey."



Tom Moody

Vice President, Procter & Gamble Northern Europe



To view our Gender Pay data for 2019, [click here](#)

Our journey so far

Creating a gender equal society requires effort and commitment from everyone—recognising that many of the challenges and stereotypes that exist within our society today cannot be fixed by women alone. Through our partnership with Catalyst, we are now inspiring people within our own organisation to participate more fully on the journey for gender equality. The MARC (Men Advocating Real Change) dialogue sessions have engaged both men and women inside and outside P&G to understand the impact privilege, unconscious bias and dominant culture has on inclusion in the workplace—and more importantly the actions people in the numerical majority group can take to become active allies in the journey towards equality and inclusion both in the workplace and in society.



After participating in the MARC session, I felt compelled to make a change that would have a positive impact on my family life and colleagues alike. I feel I have an obligation to help promote a fairer and more inclusive environment where we can all grow.



***Ioannis Kasotakis,**
London DC Masterplan
Leader, P&G*



In collaboration with Catalyst, we offer MARC training to help both men and women understand unconscious bias.



Using our voice as a Force for Change

Challenging Bias

As one of the world's biggest advertisers, we have an opportunity to use our brands as a force for good, using our voice in advertising and media to raise awareness and spark conversation around gender bias. We take our responsibility to ensure equal representation in our brand advertising very seriously. We are committed to avoiding typecasting male and female roles within society, more accurately portraying both sexes in today's modern world, and expressing points of view that promote dialogue that positively promotes gender equality.

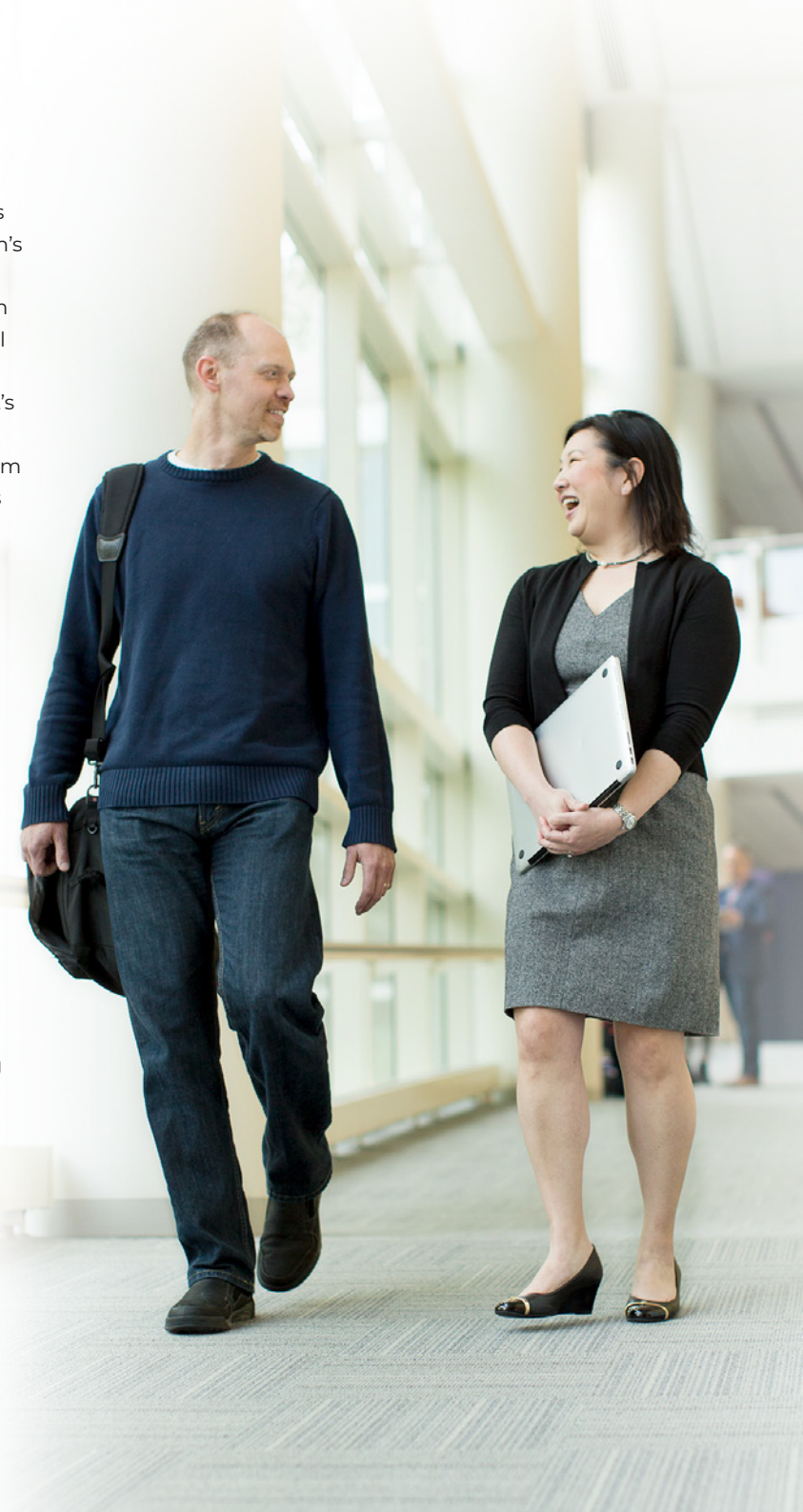
Some great local examples include our Head & Shoulders partnership with the FA sponsoring the England Women's and Men's teams, now in its second year of promoting equality through sport. We know that many men take an active role in the household, sharing chores and parental care equally, and we are working hard to ensure we represent both genders equally in our advertising—that's why our latest Flash Mop ad features a man doing the cleaning. Our latest Bold campaign celebrates a new mum returning to work, and our Pampers advertising features both parents caring for their baby.



By demonstrating gender equal roles through our advertising, we are striving to change attitudes and perceptions of the role of women in society, recognising and celebrating the many men who are already champions for their families, having embraced a more modern approach to gender equality in the home.



As one of the world's biggest advertisers, we have an opportunity to use our brands as a force for good.



Equal opportunities to learn and thrive

We continue to help improve access to education and economic opportunities for women through our public advocacy efforts as well as our brand and corporate programmes. We know that when women are given the opportunity and tools to fully participate in the economy, they build businesses and we see families and communities thrive.

The 'Diversity and Inclusion in Grocery' programme is part of a wider industry mission to help promote a more inclusive environment where everyone can thrive. Together with other companies in our industry we are championing inclusion through mentorship and workshops, together with the flagship event at London's Wembley Stadium, which welcomed over 800 participants in 2019 from across the consumer goods and grocery industry.

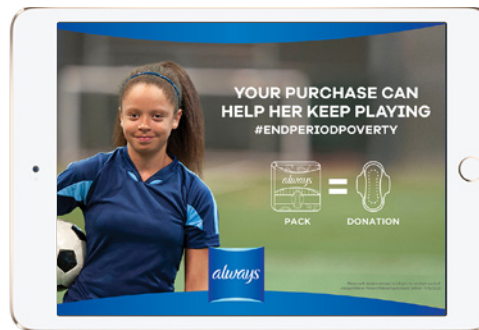


What started with Tesco and a small group of founding members joining forces to create the 'Diversity in Grocery' group, has blossomed into a far reaching programme to promote equality and representation at all levels. Our collective vision to be advocates for change across many diversity topics has ultimately enabled us to share learnings and best practice wider across the industry to help everyone feel like 'someone like me' can succeed in our industry.



Daisy Gray
Commercial Director,
Grooming P&G Northern Europe

Through Always' #EndPeriodPoverty campaign, we have now donated over 20 million pads to UK schools to ensure no girl need ever miss a lesson due to lack of access to period protection products. By helping to keep young women in education we hope to help give them the best possible start for their futures.



A fair deal for all

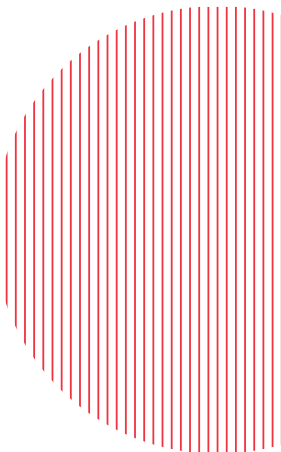
Challenging the traditional roles within society will help shift the balance—equality is about making life more fair and inclusive for everyone. Caring for a home and family has no gender. Equality in the home enables equality in the workplace. We have partnered with 'Fair Play' author, Eve Rodsky, to bring her own solution for creating fairness in the home to life for our employees. By adopting the *Fair Play* system to more evenly distribute the everyday responsibilities of running a home between members of the household, individuals can create more space for self-care, personal and professional development. We've already seen some interesting results.



As a Mum, the onus was often on me to carry the 'mental load' that keeps our household running, even though my husband and I both have busy jobs. By making our responsibilities in the home more equal and really owning a task from beginning to end, it's made a huge impact on our daily lives. We both have more energy for our family, our careers and perhaps as importantly, ourselves.



Carla Berry,
Company Communications,
P&G Northern Europe



Business without bias

Balance for the present and the future

We recognise that impacting the gender pay gap for the long term requires focus on both the present and the future. By offering equal opportunities for progression to the women we have in the business now, whilst inspiring the talent of the future, we can continue our journey to build a gender balanced business and contribute more widely to societal change.

P&G's commercial business is led in the UK by a Steering team which has a 9:8 male:female split.



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Here are some of the focus areas that help bring our gender equality mission to life.

1. Gender diversity in recruitment— attracting the next generation of talent

Our brands and products are used every day by people all over the world. In order to understand and meet their needs it is critical that we reflect our consumer base in our own workforce. We're committed to creating a culture where everyone is treated equally and can contribute to their full potential. It's why we aspire to achieve a 50/50 gender representation across all parts of our company and why we are investing to build all streams of diversity in our organisation.

We ensure our recruitment materials use gender neutral language and train our certified interviewers to recognise unconscious bias. We are active in our local communities to attract a diverse range of applicants, seeing particular success in our last fiscal year, attracting more women into STEM (Science Technical, Engineering and Maths) roles such as IT (Information Technology) and R&D (Research and Development). We also work in partnership with student community, The Bright Network, to support BAME (Black, Asian, Minority, Ethnic) students or those who are the first generation of their family to go to university.

2. Flexible working

We recognise that more than ever, our work and personal lives are intrinsically linked. Traditional schedules may no longer fit the rhythm of our career and individual needs. Designing options that work for the individual and the business makes good sense—employees can

perform at their peak, with energy and passion for their work, whilst balancing what matters most to them outside the workplace.

We passionately believe in the importance of recognising all aspects of our employees' lives and when the circumstances arise, the need for their work to be flexible around these. Our Flex@work ethos puts this thinking at the heart of our working culture, making it more than a policy, it's a business strategy. By aligning the needs of the business with the individual, through offering personalised flexibility on location, reduced work schedules or flexible working hours to both men and women, we can help everyone perform at their best.



After 20 years of working at P&G, I have only recently decided to take advantage of the flex@work opportunity to change my work schedule and reduce my working arrangement to 90%, allowing me to have every other Friday off. I decided to do this now in my career in order to spend more quality time with my wider family and take a little extra time to enjoy my interests outside of work. This flexible arrangement was fully supported by the business and has really provided the balance I had been looking for at this stage of my career.



Sue Bray,
Assistant Brand Manager,
P&G Northern Europe



3. Promotion and career development

We believe in gender balance at all levels and divisions within our business. In the UK, we achieve an equal gender balance at entry level providing mentoring, training and learning programmes to ensure equal career opportunities that allow everyone to develop to their full potential and to achieve their own career goals.

We recognise that each person has different career aspirations and we value the contribution of every individual, at all levels. It's a person's impact alongside their own personal choices that determine where they go and what they do—not their gender.



My 30 years at P&G demonstrates the supportive nature of the Company regardless of gender, age or working flexible hours. I took a 4-year career break for family reasons and then worked part time for 8 years. I've never felt my gender has influenced the 5 roles I have previously held across my career, or my current role where I am the European Leader for our Global Product Stewardship organisation. My gender has never been a barrier in P&G or to P&G choosing me to represent them externally. Business opportunities were suited to my strengths and not my gender. This is the environment encouraged at P&G which I continue to champion today.



Gillian Marsh,
Associate Director Global
Product Stewardship Europe, P&G

4. Parental leave and returning to work

Putting the spotlight on meeting the needs of the modern family

Men taking paternity and parental leave is still not the 'norm'. Although, there is evidence that attitudes are changing, the onus is on employers to help enable working parents of both genders to balance the needs of their work and family life seamlessly. We believe that no-one should ever feel forced to choose between a career and being a parent. Our policies and benefits are designed to help modern families to make the right choices that best work for them.

Research has shown that being at home with children for an extended period of time after birth can both strengthen the parent/child bond and have positive, long-lasting outcomes for child development, such as improved cognitive, emotional outcomes and physical health.



The onus is on employers to help enable working parents of both genders to balance the needs of their work and family life seamlessly.

#ShareTheCare—viewing childcare as gender unbiased

Welcoming a new addition to the family is a joyous occasion for both parents and we are cognisant of the importance of creating a bond during the early years. Our #Sharethecare policy embraces the new expectation that parenting and caring for the home is for all genders, enabling fathers to take up to eight weeks of fully paid leave within the first 18 months of their child being born or adopted. More than a policy change, it is a step toward shifting cultural norms by making child caregiving gender unbiased, shifting the stereotype that women should be the sole full-time caregiver in the early stages of a child's life. Rather than fathers 'daring to ask' to take leave, they are highly encouraged to prioritise time with their child so that the whole family can enjoy the associated benefits—and the benefits of building equality into parental leave policy are far-reaching. Sharing the care has also proven to have a positive impact on mothers, considering that where new fathers also take parental leave, mothers return to work more easily, female employment is higher, and the earning gap is lower.



Our #ShareTheCare policy embraces the new expectation that parenting and caring for the home is for all genders



Enabling my partner Paul to share parental leave gave him time to bond with the children early on and has helped provide a more balanced family life. Our reduced work schedules mean that we both enjoy rewarding careers and get to spend quality time with the children.



Helen Johnson,
*Associate Director, Instore
and Customer Marketing,
P&G Northern Europe*



Shared parental leave and working a reduced working schedule has been invaluable to me. It has enabled me to establish a strong relationship with my son and has enabled my partner to thrive in her career, which means we are all much happier and fulfilled in each part of our lives. It's been great to find out that as a Dad there are viable choices we can make to become equal care givers.



Adam Parker,
*Oral Care Brand Manager,
P&G Northern Europe*



Supporting Mums in their return to work

We recognise the importance for new mums to take the time to bond with their babies and so we offer industry leading maternity benefits alongside carefully planned return to work programmes. Returning to work after a long period of absence can be difficult, even without the added emotional challenges of leaving your child in the care of someone else. We support women in their return to work in several ways. Line Managers are encouraged to keep in touch during maternity leave, helping the employee continue to feel connected to the company whilst she is absent and giving plenty of time to review options ahead of making any commitments to return. We will also ensure that taking maternity leave is not perceived as a barrier to progression, planning assignments to offer meaningful roles to parents upon their return, often supporting with a phased return to ensure a smooth transition back into the workplace.



We ensure that taking maternity leave is not perceived as a barrier to progression.



I'm a relatively new first-time mum, and as any working parent will testify, returning to work after having a child is not easy. I returned to work after 12 months of maternity leave promoted to the next level, into a new role, leading a department that I hadn't worked in before. This could have been quite daunting, but the confidence that P&G demonstrated in my ability even after this period of leave gave me the conviction to fully embrace this opportunity and enabled me to pick up my career exactly where it left off. My business leader maintained regular contact with me whilst I was out and I had a very clear plan for my return well in advance, which helped me to prepare and then adjust back into the organisation. From my first day back, the company has allowed me the flexibility needed to manage the daily challenges of juggling home life and a full-time work schedule in a way that works for me and my family as the priority, which is something that I am hugely appreciative of.



Sarah Morgans,
Supply Network Operations
Group Leader, P&G Northern
Europe



Understanding the Gender Pay gap

The intent of the Gender Pay Gap is to help shine a light in the key area of pay, where in some cases there remains inequality between the sexes. Gender Pay is not the same as Equal Pay. Equal pay considers the differences in pay between men and women doing the same or similar job where the work is of equal value. It is illegal to pay people differently for the same work simply because of their gender. The Gender Pay Gap looks at the difference in pay for male and female employees across the whole organisation, irrespective of role or level.



At P&G we support the intent of the reporting, laying accountability with business owners to ensure they deliver equitable pay across their organisations and collectively help drive the advancement of women within their companies. Our own pay and reward systems are designed to minimise the potential for bias. We are confident from our pay equity analysis, which considers legitimate drivers of pay—such as job level and performance—that we have no intentional or unintentional statistically significant differences in pay due to gender.

It's a matter of choice

Many factors can impact the outcome of a company's Gender Pay Gap, including the management structure—or shape—of an organisation (i.e. how many senior roles there are available and whether they are filled by a man or a woman at the time the data is extracted) alongside the personal choices of individual employees relating to how they receive salary, bonus and benefits.

At P&G we believe in putting the individual in the driving seat when it comes to making choices that may ultimately impact their pay e.g. bonuses can be taken either as stock options or cash, depending on the choice of the individual. These personal choices all have an impact on the pay that is reflected for the individual in the Gender Pay Gap data.

Mean pay gap

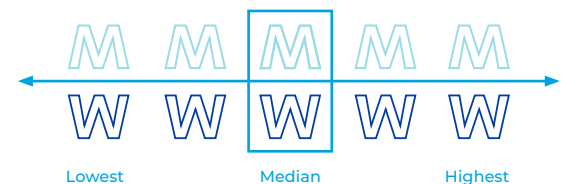
The mean gender pay gap is the difference in the average hourly pay for women compared to men. To calculate, add together all the women's hourly pay rates and divide by the total number of women. Do the same for men.

$$\left(\underset{\substack{\text{Hourly rate} \\ \text{of all women}}}{\pounds + \pounds + \pounds} \right) \div \underset{\substack{\text{Number} \\ \text{of women}}}{W} = \text{Women's mean average pay}$$

$$\left(\underset{\substack{\text{Hourly rate} \\ \text{of all men}}}{\pounds + \pounds + \pounds} \right) \div \underset{\substack{\text{Number} \\ \text{of men}}}{M} = \text{Men's mean average pay}$$

Median pay gap

The median represents the middle point. Imagine lining up all the men and women in a company on 2 separate lines, in ascending value of hourly pay. The median pay gap is the difference in hourly pay between where the middle point sits for men and where it sits for women.



Achieving aspirations at P&G

At P&G, we develop and promote talent from within to ensure we are building a culture that values everyone for their unique contributions. Our varied career paths mean we see outstanding retention across all functions and at all levels—and this is what makes our business stronger year on year. From administrative experts to senior managers, everyone is encouraged to reach their own full potential and achieve their own goals—which means something different for each person.



During my 28 years at P&G I have enjoyed a fulfilling and challenging administrative career, working across several of the functions in the UK business. My current role as Executive Assistant sees me supporting our Northern Europe General Manager and the Sales and Marketing departments. As a mum to an older teenager, I've chosen to work a full-time schedule and thoroughly enjoy the work that I do. Throughout my career I've been given options and choices that are offered to ensure I am in a role that suits my aspirations and utilises my skills. I'm not a Manager in the company, but this has never been a career path I've aspired to—which was my personal choice. I've always felt valued and compensated for the contributions I make, which for me has meant a stretching and satisfying life at P&G.



Jackie Pirini
Executive Assistant, P&G Northern Europe

Advancing equality inside and outside the workplace

The Gender Pay Gap report is one important lens to review pay equality within a company. It is also critical to understand how a company is helping to level the playing field in the workplace—attracting more women into traditionally male orientated roles, advancing more women into senior positions and more broadly in society, driving acceptance and space for both sexes to contribute within the home in ways that have traditionally been perceived as the role of females. Societal change, which in part includes how women are perceived in the work place, is critical to enable true equality for everyone.



At P&G, everyone is encouraged to reach their own full potential and own goals.



P&G in the UK

Gender Pay Data 2019

In the UK, P&G comprises of several business units. The three which we need to calculate and report gender pay data for, according to government regulations, are: Procter & Gamble UK, Procter & Gamble Technical Centres Limited and Procter & Gamble Product Supply (UK) Limited. We review these in more detail in the [next section](#).

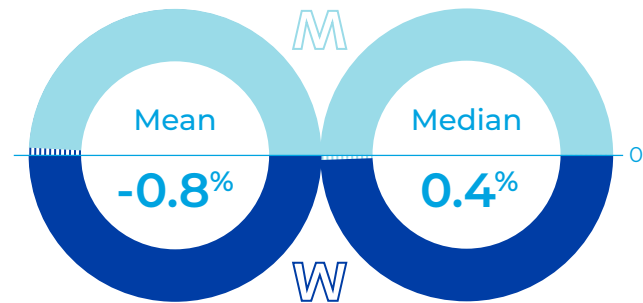
We also choose to report on our total footprint in the UK as this includes all Procter & Gamble business units therefore better representing our entire business. This is made up of more than 2,500 employees working across Research & Development, Manufacturing & Distribution and Commercial businesses and operations.

Looking at our total workforce here in the UK, our gender pay analysis shows us the following¹:

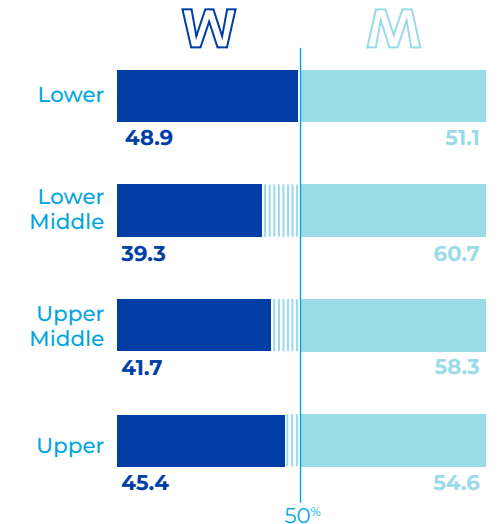
Gender Pay Gap

The mean pay for men is 0.8% lower than that of women.
The median pay for men is 0.4% higher than that of women.

As a reference, the 2018 revised data from the Office of National Statistics put the UK median pay gap at 17.8% higher for men and the mean pay gap at 17.2% higher for men.²

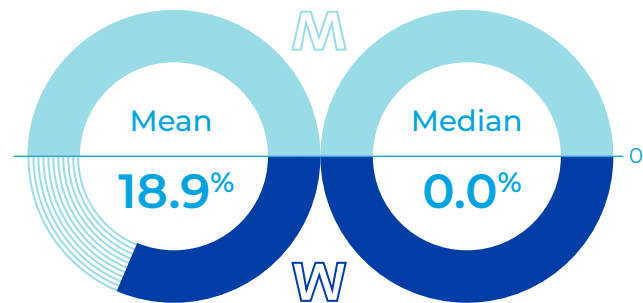


Employees by Pay Quartiles (%)



Gender Bonus Gap

The mean bonus for men is 18.9% higher than that for women.
There is no difference in median bonus between men and women.



Who received bonus pay



¹Our gender pay gap data has been calculated using the pay data of our UK employees, working in the UK on 5th April 2019

²Annual Survey of Hours and Earnings (ASHE) Gender Pay Gap Tables - Sic07 Industry (4) SIC2007 Table 16.2 Gender Pay Gap 2018

Diving into our data

We have three companies in the UK, which we are required to report gender pay data separately on the government website: for completeness, the results of their analysis are shown below.

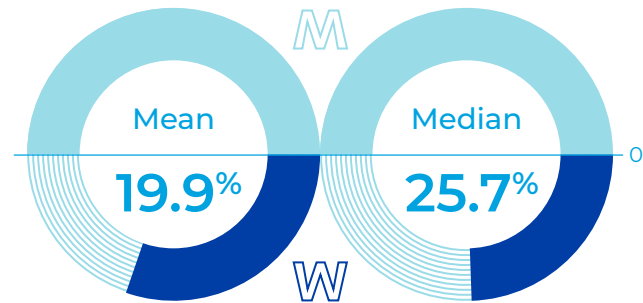
Procter & Gamble UK

We have around 600 employees within this entity, working across a range of functions including sales and marketing, finance, HR and supply network operations. Roles from beauty consultants, administrative and technical, management and senior management up to vice president, are represented.

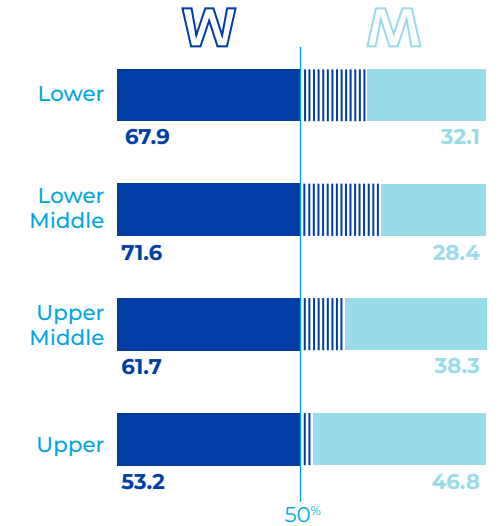
Procter & Gamble UK falls within the Professional, Scientific and Technical sector. As a reference, the 2018 revised data from the Office of National Statistics put the UK Professional, Scientific and Technical Activities sector median pay gap at 23.5% higher for men and the mean pay gap at 23.1% higher for men.

Gender Pay Gap

The mean pay for men is 19.9% higher than that of women.
The median pay for men is 25.7% higher than that of women.

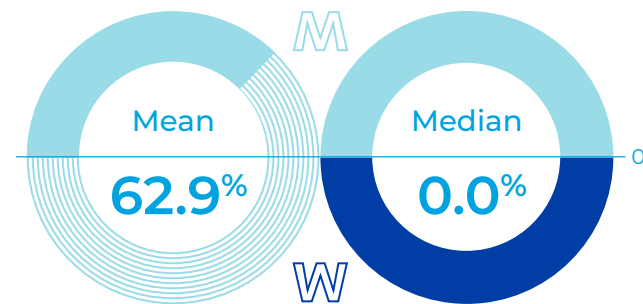


Employees by Pay Quartiles (%)



Gender Bonus Gap

The mean bonus for men is 62.9% higher than that for women.
There is no difference in median bonus between men and women.



Who received bonus pay

M 83.5%
W 74.9%

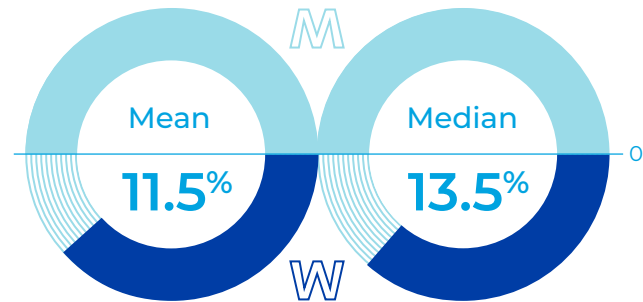
Procter & Gamble Technical Centres Limited

There are around 1,000 employees within our P&G Technical Centres entity, covering a range of functions such as research & development, finance and accounting, supply network operations and IT systems. A range of roles are represented from both administrative and technical management and senior management roles, through to Director level.

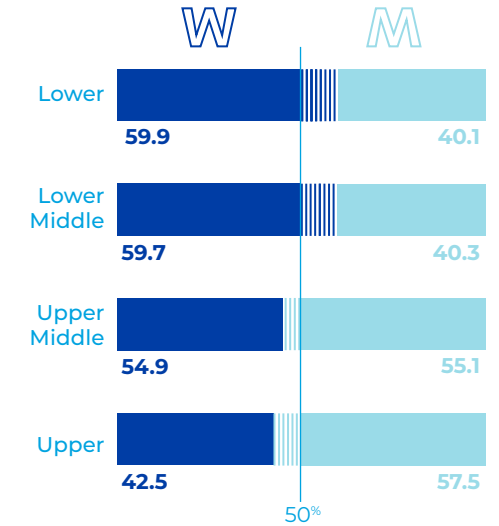
Procter & Gamble Technical Centres Ltd. falls within the Professional, Scientific and Technical sector. As a reference, the 2018 revised data from the Office of National Statistics put the UK Professional, Scientific and Technical Activities sector median pay gap at 23.5% higher for men and the mean pay gap at 23.1% higher for men.

Gender Pay Gap

The mean pay for men is 11.5% higher than that of women.
The median pay for men is 13.5% higher than that of women.

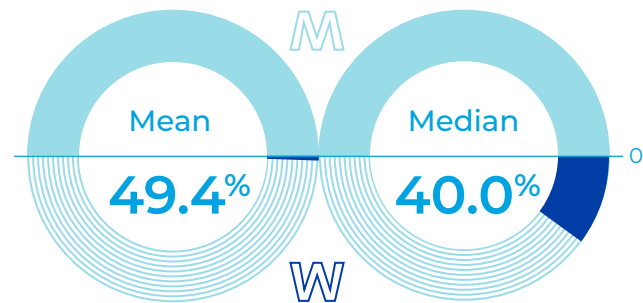


Employees by Pay Quartiles (%)

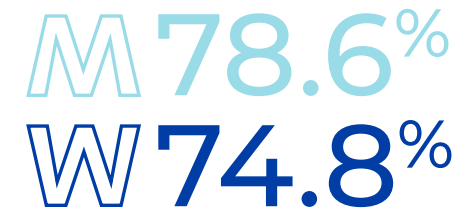


Gender Bonus Gap

The mean bonus for men is 49.4% higher than that for women.
The median bonus for men is 40.0% higher than that for women.



Who received bonus pay



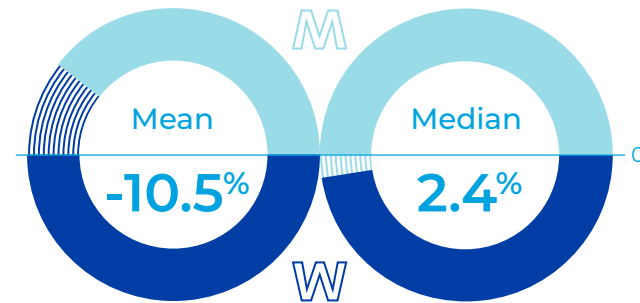
P&G Product Supply (UK) Limited

We have around 700 employees within this entity supporting a variety of functions within our manufacturing and distribution operations. Most roles represented are at administrative and technical levels with management roles represented up to associate director level.

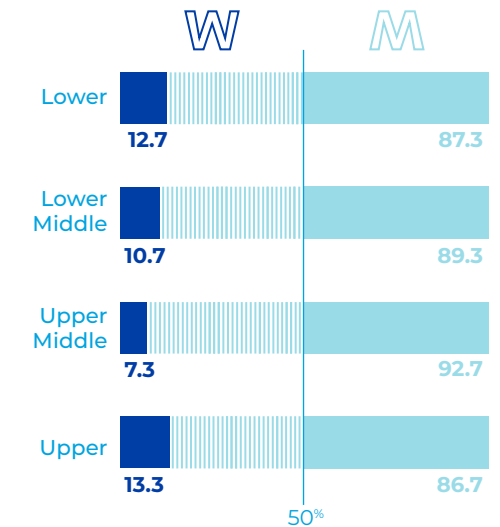
Procter & Gamble Product Supply (UK) falls within the Manufacturing sector. As a reference, the 2018 revised data from the Office of National Statistics put the Manufacturing sector median pay gap at 20.1% higher for men and the mean pay gap at 15.5% higher for men.

Gender Pay Gap

The mean pay for women is 10.5% higher than that of men.
The median pay for women is 2.4% lower than that of men.

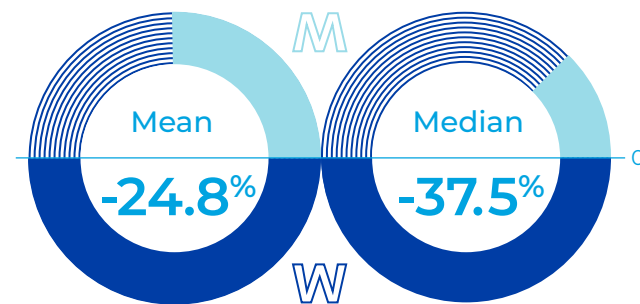


Employees by Pay Quartiles (%)

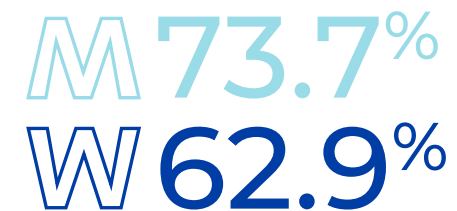


Gender Bonus Gap

The mean bonus for women is 24.8% higher than that for men.
The median bonus for women is 37.5% higher than that for men.



Who received bonus pay



Everyone valued,
Everyone included,
Everyone performing
at their peak™

It's who we are, it's what we believe
and it's how we operate—every day.



Message from Management

"I confirm that the information and data reported here is accurate and fulfills our responsibility under the UK Government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017."



A handwritten signature in blue ink, appearing to read 'Chris Young'.

Chris Young, HR Director, Northern Europe

Appendix

Equal Pay

Equal pay considers the differences in pay between men and women who do the same or similar jobs, or jobs where the work is of equal value. It is illegal to pay people differently for the same work simply because of their gender alone.

Gender Pay

Gender pay looks at the difference in a male and female employee's compensation across the whole of an organisation irrespective of role, level or the choices made by those employees that best meet their individual needs and circumstances.

Gender Pay Gap

The Gender Pay Gap is the difference in average earnings between men and women. It is influenced by a range of factors, found both inside and outside the workplace.

Mean Pay

The mean gender pay gap is the difference in the average hourly pay for women compared to men. This is calculated by adding together all female employees' hourly pay rates which is then divided by the total number of women. The same is then done for all male employees.

Median Pay

The median represents the middle point. Imagine separately lining up all the men and women in a company, in ascending value of hourly pay rate. The median pay gap is the difference in hourly pay between where the middle point sits for men and where it sits for women.

Pay Quartile

Imagine lining up all the men and women in an organisation together from highest to lowest paid and then splitting them into four equally sized groups—termed a quartile. Pay quartile data in Gender Pay reporting then looks at the percentage of men and women in each of those quartiles. These are named as Upper, Upper Middle, Lower Middle and Lower.

