

# TOGETHER TOGETHER

# WE'RE A FORCE FOR CHANGE

## At Nestlé, our values are rooted in respect – for our employees, our customers and our consumers.

That's why championing diversity and inclusion is so important to us; when we embrace different perspectives and give everyone the chance to be the best they can be, we can think in new, creative ways that grow and enhance our business. Improving gender balance is a crucial part of our ongoing commitment to diversity and inclusion, and we're glad to be a part of this positive movement.



# EVERYONE'S VALUED EVERYONE'S INCLUDED EVERYONE'S RESPECTED

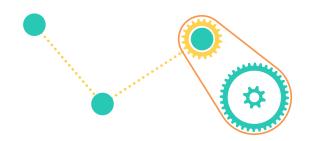
While there's still important work to be done, we've already taken steps in the right direction throughout 2017 and 2018.

### TOGETHER, WE MADE STRONG PROGRESS

- Ensured gender balance on key development programmes.
- Increased the number of female leaders the number of female managers is increasing, currently 42%, and we have seen an increase in the number of women in our most senior roles.
- Increased transparency taking the opportunity presented by reporting on the gender pay gap.
- Improved gender balance on our succession plans and introduced new tools to combat potential unconscious bias.
- Provided educational sessions on building confidence, communicating with impact and networking for success.
- Included in the Bloomberg Gender Equality Index, recognising our commitment to advancing gender equality.

### TOGETHER, WE SET UP OUR OWN SUPPORT NETWORKS

- The NUK&I Women in Engineering network was founded by Nestlé engineers Elizabeth Nicholson and Sarah Quinn and set up by a passionate team of volunteers.
- We also launched Parent Pals: a peer-to-peer mentoring network for both male and female new parents.



### TOGETHER, WE JOINED FORCES WITH THESE ORGANISATIONS

- The Equality & Human Rights Commission, who have set up the Working Forward pledge to support pregnant women and new parents in the workplace.
- The LEAD Network (Leading Executives Advancing Diversity), whose aim is to attract, retain and advance women in the retail and consumer goods industry in Europe.
- The 30% Club, who are working to develop a diverse pool of talent for all businesses and broaden the channel of women at all levels 'from school to boardroom'.
- We signed the first Pan-European pledge, highlighting the support of the European Round Table of Industrialists (ERT) for 'inclusive growth'.

# THE STORY SO FAR

## Our ambitions go beyond gender balance; we're committed to being an inclusive business across the board by giving every employee what they need to thrive.

Our goal is to ensure that everyone feels able to bring their whole self to work — **we want you for who you are** — and to be the best that you can be. As well as being essential for a modern, sustainable and successful business, we know that this diverse and inclusive approach is simply the **right thing to do**.

Sally Wright, Head of Delivery in Logistics, agrees:

"Gender balance is critical to the success of a business. Having worked in a logistics environment for all of my working life, I have seen first-hand the change from being the only female in what was deemed to be a male sector, to a far more inclusive working environment. This has opened up a significant talent pipeline, introduced a more holistic conversation and resulted in broader considerations when decision-making.

Equally, **flexible working has continued to move forward** and proven to be a benefit for everyone regardless of gender, helping us attract and retain talented individuals in our business. Personally, I no longer feel like I have to 'shout to have a voice' in my sector. **The Logistics Leadership Team is now far more diverse** than it was a few years ago and my own team has an improving gender balance. There is still much to do and it's important that we continue to drive this topic and keep the conversation going.

Research has proven that a diverse team brings greater creativity, innovation and productivity. Who wouldn't want that for their business?"

We have worked hard to create strong foundations for our inclusive culture, ready to build on this year – and our approach balances global and local action plans.

In order to bring diversity and inclusion to life at Nestlé, everyone needs to get involved.

# LEADING THE WAY

NESCAFÉ is one example of a local team making a difference. The team is on a mission to be a lighthouse for diversity and inclusion.

In 2018 we made progress with measures to make it easier for us to get to know each other as individuals – and value the uniqueness each and every one brings. We:

- Created a Diversity & Inclusion Champions Network.
- Celebrated differences at events like 'bring yourself to work day' and 'super huddles'.
- Reviewed our talent plans to make them more diverse and balanced.
- Placed a real focus on 'biases' to drive them out of decision-making.
- Embraced flexible ways of working, built on trust, including within our leadership team.

In 2019 we will do even more. We know the value of an inclusive team. We have already seen the benefits gender balance can bring in our own Leadership team.

95%

of our people said that they believe we provide a worklife environment that is open to gender differences 92%

believe that we are open to differences in cultural background or lifestyle

Early feedback shows that these actions have already had an impact on how people feel at work.

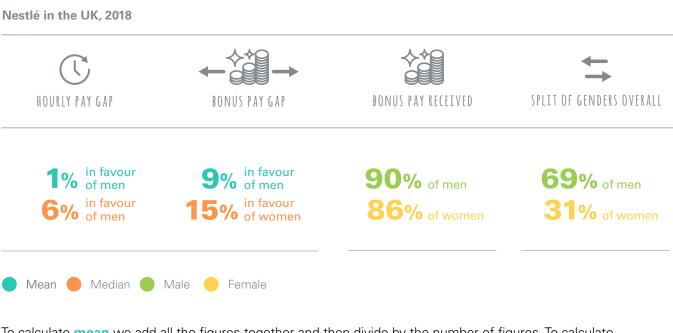


# OUR GENDER PAY GAP REPORT



Here, when we refer to Nestlé in the UK, this includes the six main legal entities in the UK.

We employ approximately 8,000 people and offer a range of roles in offices, factories, coffee boutiques, customer service centres and our product technology centre.



To calculate **mean** we add all the figures together and then divide by the number of figures. To calculate the **median**, we arrange all figures in ascending order and take the middle figure. For the quartiles, we arrange all figures in ascending order and split them into four equal-sized groups.

66%

SPLIT OF GENDERS PER OUARTILE

1st (top)

34%













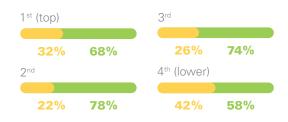


5% in favour of men

6% in favour of women

93% of men

**87%** of women

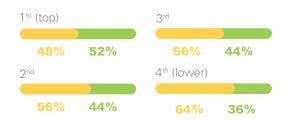


### NESPRESSO UK LTD

14% in favour of men

**88%** of men

86% of women



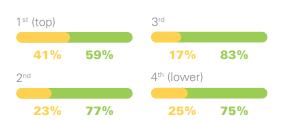


17% in favour of women

17% in favour of women

**83%** of men

**82%** of women







Mean Median Male Female

To calculate mean we add all the figures together and then divide by the number of figures. To calculate the median, we arrange all figures in ascending order and take the middle figure. For the quartiles, we arrange all figures in ascending order and split them into four equal-sized groups.

> \*Nestlé UK Ltd includes our Nescafé, Nestlé Confectionery, Nestlé Food, Nestlé Nutrition, Nestlé Health Science and Nestlé Professional businesses as well as factories and corporate functions such as Finance and Sales.











CEREAL PARTNERS UK

14% in favour of women 27% in favour of women

41% in favour of women 51% in favour of women

93% of men **87%** of women



NESTLÉ WATERS UK LIMITED

24% in favour of men

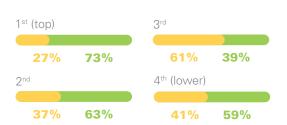
**69%** of men 85% of women



NESTEC YORK LTD

13% in favour of men 28% in favour of men 28% in favour of men

91% of men **87%** of women



Mean Median Male Female

To calculate mean we add all the figures together and then divide by the number of figures. To calculate the median, we arrange all figures in ascending order and take the middle figure. For the quartiles, we arrange all figures in ascending order and split them into four equal-sized groups.

Declaration of accuracy: I confirm that this statement is true to the best of my knowledge and belief.

#### **Mark Maurice-Jones**

General Counsel Nestlé UK&I and Gender Sponsor



# WHERE DO WE NEED TO CHANGE?



We're committed to achieving a more gender-balanced workplace – we know that there will be some very specific challenges to face along the way.



It's true that there are currently more men than women in our factories and while there's a stronger female representation in office roles, we have more men in our most senior roles. This is a familiar picture in the industry and organisations like ours and is not unique to Nestlé – but that doesn't mean we have to accept it.



We are working hard to bring about change in these areas.

# EXPLAINED

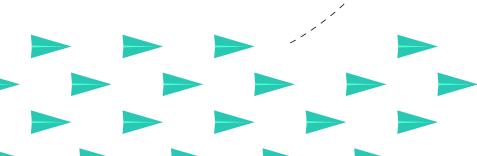
Our data reflects the challenges we face and whilst the data for individual legal entities looks different, the challenges are the same.

In our factories we have more men than women and while there is stronger female representation in office roles, we have more men in our most senior roles.

When we look at how our data compares to last year, the complex nature of our organisation means our data can vary in unpredictable ways. For example, in Purina and Cereal Partners in 2017, the bonus pay gaps were similar, but in 2018 the bonus pay gap figure has narrowed at Cereal Partners while widening at Purina. There has been little change in the number of men and women.

### SO, WHAT IS BEHIND THIS CHANGE?

In Purina the bonus payments overall in factories were slightly lower than in 2017 and this has affected the median data for men more than women. At Cereal Partners the relatively small number of women means that any changes like switching roles, leaving, or joining the business can have an impact on the figures.





# WE ALL PLAY A PART IN OUR FUTURE COMMITMENT

Top talent, innovative products and services, a strong reputation, better business results: when we create a place where everyone can thrive, the sky's the limit. We're clear on what we need to do next.

#### TOGETHER, IN 2019, WE'LL

- Continue to accelerate gender balance, particularly targeting areas that require the most improvement – across our factory, operations teams and at senior levels.
- Review how we can better support employees at different life and career stages. For example, with our flexible working practices, our familyfriendly policies and the working environment we provide. The extension of our Pets At Work scheme is a great example of how we are developing our work spaces to be inclusive and build a sense of belonging.
- Continue our broader work on inclusion, for example working in partnership with Stonewall to go further with LGBT+ inclusion, benefiting from and supporting five generations at work, and bringing more support to reduce the effects of unconscious bias.
- Ensure that everything we learn is built into our attraction and hiring strategy.

#### TOGETHER, FOR LASTING CHANGE

When everyone commits to building a respectful, inclusive culture, we'll make real progress. That's why we're asking our employees to join us and get involved in the following ways:

- Give your first thought a second look.
  Keep an eye out for unconscious bias in yourself and others.
- ✓ Stay curious and open to different perspectives.
- Challenge your understanding of others.
  Do you really know what it's like to be them?
- ✓ **Get involved** we've got lots going on.

  Volunteer to do something in your local Diversity & Inclusion action plan, come along to one of our events to learn more, maybe National Inclusion Week from 23 29 September, or why not join us at Pride this year?

  National

or why not join us at Pride this year? Every one of us can make a real difference.

National Inclusion Week 23 - 29 September 2019



### AT NESTLÉ EVERYONE'S VALUED EVERYONE'S INCLUDED EVERYONE'S RESPECTED

and everyone's supported to be the best they can be. It takes all of us to create an inclusive culture, so we each have important work to do.

Together, we're a force for change.

