



Gender Pay Gap Reporting APRIL 2018

Diversey Ltd is an employer required by law to carry out Gender Pay Reporting under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. In this second year of reporting we will publish our pay gap for 2018, the reasons for it, compare the figures to wider Diversey Group, provide the comparison to the previous year's gap and the action taken to reduce the gap since the 2017 results.

The results are published on our website and the UK government website. This data will indicate:

- the levels of gender equality in our workplace
- the balance of male and female employees at different levels
- how effectively talent is being maximised and rewarded
- steps and initiatives taken to address the gender pay gap

Our intent is to continue to make progress and address any identified organisational gender pay gap.



Background to Diversey Gender Pay Gap Reporting Figures

Diversey Ltd (UK Sales Co) is part of the wider Diversey group incorporating Diversey Services Ltd and Diversey Production Ltd with approximately 500 employees across all entities. We are reporting, as required on our legal entity with more than 250 employees i.e. Diversey Ltd. However, contextually comment will be made of the broader group.

Hourly Rate Gaps

The pay and bonuses figures for Diversey Ltd are represented in the chart below. From the chart it shows that there is currently a 21.22% mean average hourly rate pay gap in 2018 compared to a 35.11% difference between male and female earnings in 2017. This represents a decrease in the gender pay gap of 13.89% in the 12 month period of reporting.

This decrease has been brought about by a rise in the hourly rate of females working in Diversey Ltd and partly by the positive action taken to increase the number of females within the upper quartile of hourly rate earners where an increase of 2.51% in female high earners has taken place. There is also more accurate data than was available previously due to change in reporting.

The Median average hourly pay rate shows a gap of 37.30% between male and females for 2018 compared to a gap of 36.32% for 2017. The figures show that the median average hourly rate gap between what male and female has risen by 0.98% in the 12 month period of reporting. This gap is brought about by having a higher proportion of male workers in the business than female workers. It is an area Diversey would like to focus on and recruit more female workers into the Diversey Ltd business.

The chart below shows that the gender pay gap across the other legal entities within the group has decreased. The overall rates for the Diversey group show a mean hourly rate gap between male and female employees of 9.54% in 2018 and a median average hourly rate gap between male and females of 15.34% in 2018. Both these figures are significantly less than the 2017 rates of 26.55% for the mean average and a median average of 18.76%. A reduction across the group of 17.01% for the mean average and a reduction of 3.42% for the median average.

The reductions in the group wide hourly pay gap can partly be attributed to two reasons, a swing of 10 employees in the difference between males and females in the business compared to 2017 and an increase of 2.51% in the number of female high earners within the business.

Male/ Female demographics split

As at 5th April 2018 the employee split in Diversey Ltd is 71.59% male and 28.41% female. In comparison to 2017 figures where the split was 71.15% male and 28.85% female. There is a slight decrease in the number of female employees within Diversey Ltd in 2018 by 0.44%.

In the wider Diversey group the male/female demographic split shows a slightly greater percentage of female employees at 31.5% of the work force than can be found in Diversey Ltd.

What these figures show is that there are significantly more male employees within the Diversey Group than female employees. Progress to attract female employees to Diversey Ltd has been limited this year and is an action to work upon this coming year.

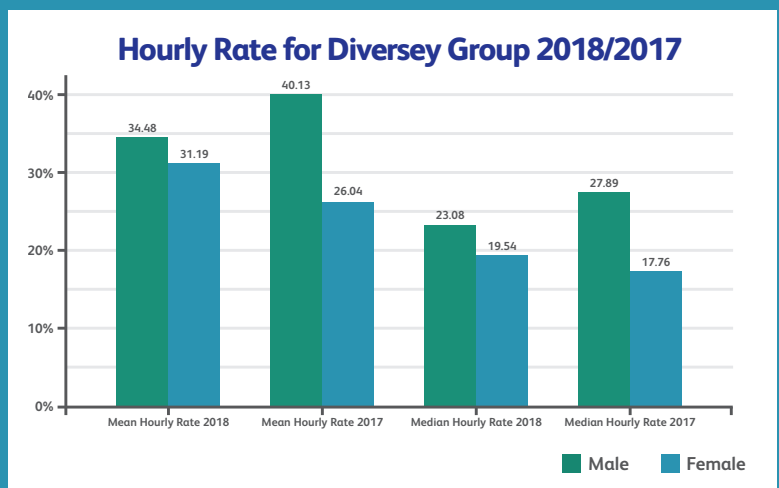
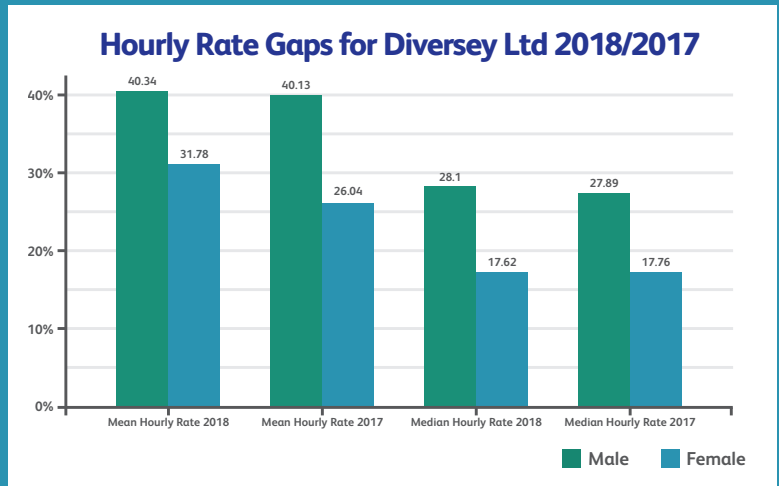
Proportion of male and female employees in lower and upper pay quartiles

Proportions in the lower pay quartile for 2018 are 42.42% male and 57.58% Female. These figures show a closing of the gap from 2017 when the split was 38.10% male to 61.90% female

In the wider Diversey group these figure are replicated at similar ratios.

In the upper quartile, the split is 80.30% male and 19.70% female compared to 2017 when the split was 82.81% male and 17.19% female. Whilst there is an increase of 2% more female high earners, there is still a considerable amount of high earning male managers compared to female managers. This is due to a greater proportion of male managers in the business, which is represented through there being a greater proportion of males within the Diversey business than females.

In the wider group the split is less marked but is still due to a larger proportion of male managers.



Bonuses

For bonuses paid to employees in Diversey Ltd in 2018 the gap shows a 33% mean average difference between male and female bonuses with a median average of 29%. When the figures are compared to 2017 results of a 64.59% mean difference and a median average of 46.79%. We can demonstrate significant progress on closing the bonus gap with a reduction of 48.90% in the mean average gap compared to last year and a reduction of 38% in the median average bonus gap. This all means that females within the Diversey Ltd business earned more in bonus payments this year compared to the previous year.

In the wider Diversey group the difference in bonus pay rose significantly. The mean average for 2018 is 10% and the median average is 9.77% compared to a mean average of 4.87% and a median average at 3.47% last year. Therefore whilst the gap across the wider Diversey group has risen, it is still significantly smaller than the gap evident in Diversey Ltd. However, the increase in the bonus pay gap is disappointing and represents an action to address that increase in gap in the coming year.

Bonus Proportions

The number of employees receiving a bonus this year in Diversey Ltd was up overall from last year. 98.47% of males and 100% of female receiving a bonus compared to 99.1% of males and 97.9% of females in 2017. The reason for not receiving a bonus in Diversey Ltd is due to performance and the employee's joining date within the year.

In the wider Diversey group those figures show that 97.84% of males received a bonus across the group compared to 95.9% of females. This difference is due to employee turnover and employee performance.

Bonus gap charts for Diversey Ltd 2018

	Male	Female	Percentage Difference
Mean	£5427	£3660	33%
Median	£3660	£2576	29%

Bonus Proportions

Number of Males receiving bonus:	192/195
Proportion of Males receiving bonus:	98.47%
Number of Females receiving bonus:	78/78
Proportion of Females receiving bonus:	100%

Bonus gap charts for Diversey Group 2018

	Male	Female	Percentage Difference
Mean	£5330.85	£4792	10%
Median	£3109	£2805	9.77%

Bonus Proportions

Number of Males receiving bonus:	316/323
Proportion of Males receiving bonus:	97.84%
Number of Females receiving bonus:	140/146
Proportion of Females receiving bonus:	95.9%

Reasons for the Gender pay gap within Diversey Ltd

There are more male employees in the business than female employees meaning there is statistical bias toward males than females.

There are also job functions where there is a sociological bias towards a specific gender.

However, we apply a global pay and reward framework that is externally sourced and is based upon global data and market information. Our pay and reward system supports equality of reward based upon skills, knowledge and experience.

We also have a significant number of long serving employees which affects the distribution of reward.

Action to address the gender pay gap

Direct action that can be taken Diversey over the coming year include the following:

- Ensure our opportunity and career advertising encourages equality
- Actively look to target female recruits to the Diversey Group through strategic advertising of roles
- Work with existing female Managers in Diversey Ltd to understand the data and identify opportunities to drive greater equality
- Actively focus upon female talent identified in our company wide performance review system.
- Work closely with the UK arm of the recently established global Equality & Inclusion group to drive initiatives to close the pay gap
- We have many senior female employee across the group that we can champion as examples of opportunities for career and reward development and progression.



John Surdo

Diversey UK&I General Manager