



MARS

Gender pay gap

2022

Foreword

Improving diversity and narrowing the gender pay gap is a top priority for Mars UK. Building on successful programmes such as our flexible working and wellbeing offers, we continue to empower our Associates to enact real change through our cross-segment Associate Resource Groups – like the Women In Sales Leadership and Women in Supply, Generations group on the menopause and parents group aimed at driving a pipeline of successful women as our next senior leaders and key talents.

Tracking and measuring gender pay gap data is hugely important to us, and will help inform our policies and practices across the entire UK business. This year, we report our gender pay gap and bonus pay gap as one UK business, recognising that, while there are sector-specific differences between our business segments, reporting together helps us understand and measure our progress as one business so we continue to push ourselves to offer the Mars experience to all our Associates.

We are proud of making Mars UK a great place to work for women, however, we know there is work to do in tackling the gender pay gap. To start, we are taking action with policies and practices to enhance representation with a balanced gender split across our leadership population and upskill Associates through supporting leadership development and ally-ship.

We are determined that the pay gap outlined in this report will be reduced over the years to come.



Tamsin Jones

**People & Organisation Director,
on behalf of Mars UK**

The gender pay gap explained

The gender pay gap is the difference between average hourly earnings for men and women. It is influenced by a range of factors, including the demographics of a company's workforce, the types of jobs and roles men and women choose to work in, and whether or not an individual chooses to work part-time.

UK legislation requires employers in England, Scotland and Wales with 250 or more employees to report the following calculations:

- Hourly pay gap – mean and median
- Bonus pay gap – mean and median
- Proportion of men and women receiving a bonus
- Proportion of men and women in different salary quarters, ranked from highest to lowest

The mean gender pay gap is the difference in the average hourly pay for women compared to men within a company. It is calculated when you add up the earnings of all employees and divide the figure by the number of employees.

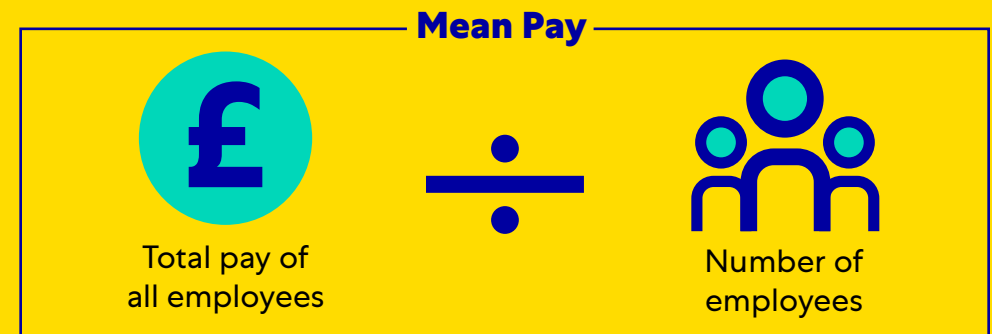
The median represents the middle of the distribution. It is the difference between the employee in the middle of the range of earnings made by men and the middle employee in the range of earnings made by women.

The gender pay gap is different from equal pay

Equal pay is about men and women in the same jobs, performing equal work, receiving equal rewards.

At Mars, we design our governance and structures to promote equality in our pay for all Associates. Nevertheless, we always continue to assess the structural factors that can drive pay inequality so that we can make sure these continue to be addressed within our workforce.

How the gender pay gap is calculated:



The full analysis of our gender pay breakdown is provided in the table on page 10 of this report. In the following section, we provide information across the different divisions that make up Mars UK.

Mars UK 2022 Results

The number of employees within each Mars UK business included in the gender pay data:

Mars Wrigley	Petcare UK	Food UK	Crown Petfoods	Linnaeus
1,684	1,265	257	138	4,753

Our 2022 results appear very different to previous years. This is because, for the first time, we have declared our top-level results for both our Consumer Packaged Goods (CPG) and veterinary businesses combined. We believe this provides a more transparent and representative picture of our UK employment landscape, however, the combined approach has had a significant impact on our results.

2022	Mean	Median
Gender pay gap	37.1%	35.2%
Bonus pay gap	52.2%	51.3%

The mean pay for men is **37.1% higher** than that of women.

The median pay for men is **35.2% higher** than that of women.

Making up over 50% of our Associate base of the UK business, Linnaeus, in Mars' veterinary health group, is relatively new to the Mars portfolio and operates in a different industry with a distinct history and set of challenges compared to our CPG business.

Historically, the veterinary industry tends to have a majority of women in lower paid roles. Although in Linnaeus women make up 94% of the lower paid roles, Linnaeus is working hard to address this within the UK veterinary industry.

The mean bonus pay for men is **52.2% higher** than that of women.

The median bonus pay for men is **51.3% higher** than that of women.

Similarly, the bonus pay gap data has been impacted by the number of males in the upper quarter receiving a bonus. This is significantly impacted by the high number of women making up the lower and medium lower quarters.

Quarters split

Quarters represent the hourly pay rates from the lowest to the highest for our colleagues split into four equal sized groups, with the percentage of men and women in each quarter. Each quarter has 2,024 employees.

Despite the increase in female representation in the top quarter in 2022, the large number of women in lower quarter, and consequently amount they are paid, impacts our pay gap.

Mars UK	Men (%)	Women (%)
Lower	8.2	91.8
Lower Middle	23.5	76.5
Upper Middle	48.4	51.6
Top	51.1	48.9

A closer look at our 2022 results – CPG

2022	Mean	Median
Gender pay gap	6.9%	-5.8%
Bonus pay gap	12.2%	-89.2%

The mean pay for men is **6.9% higher** than that of women.

The median pay for men is **5.8% lower** than that of women.

In our CPG business, our mean and median pay gaps are 6.9% and -5.8% respectively, with the median pay gap being in favour of women. These are small increases from the previous year, largely due to variable changes of employees that is standard with businesses in our sector.

The mean bonus pay for men is **12.2% higher** than that of women.

The median bonus pay for men is **89.2% lower** than that of women.

Likewise for our bonus pay, the mean and median pay gaps are 12.2% and -89.2% respectively, with the median bonus pay gap being in favour of women. As the leadership population in our CPG business is relatively small, changes in team in the upper quarter can significantly impact the results, as can the performance of different bonus schemes year on year. This year the bonus gap has significantly increased due to female promotions within our CPG business.



	Mars Wrigley		Mars Food		Mars Petcare		Mars Crown	
	M(%)	W(%)	M(%)	W(%)	M(%)	W(%)	M(%)	W(%)
Lower	66.7	33.3	62.5	37.5	39.2	60.8	11.8	88.2
Lower Mid	63.7	36.3	89.1	10.9	70.9	29.1	38.2	61.8
Upper Mid	53.0	47.0	64.1	35.9	57.6	42.4	22.9	77.1
Top	58.4	41.6	50.8	49.2	58.0	42.0	57.1	42.9

Our approach

We recognise that we, as one UK business, have the same ambitions to narrow the gap and work towards gender pay parity across all our businesses.

Ultimately, we want to shape a better, fairer future for women—in turn creating a better world for everyone. One of the ways we do this is through striving for gender balance across our global leadership teams. In our last report, we disclosed that our Mars CPG business achieved an equal 50:50 gender split across our leadership population, meaning 50% of roles in our leadership population were filled by women in the UK. This has remained a balanced gender split in 2022 with 51% of roles in our leadership population being filled by women in the UK.

Across the whole of the Mars organisation, we focus on three priority areas for Inclusion and Diversity:

Flexible Working

Career progression

Total Wellbeing

Flexible Working For All

At Mars, we pride ourselves on having flexible working policies to suit the different lifestyles of our Associates.

We have a duty to our people, and we know that flexibility might mean something different to each and every one of our Associates, which is why we're passionate about offering a comprehensive suite of benefits, which allow our Associates to thrive. Whether that be dogs in the office, equal parental leave or just giving Associates the flexibility and trust to manage their own work and lives, we're confident there's something there for everyone, which allows them to bring their best selves to work every day.

In 2022, Mars UK received the "Most flexible Retail & Ecommerce companies" award in Flexa's 'flexible working industry awards 2022'. Flexa Careers, the global directory of verified flexible companies, holds annual awards to celebrate companies who offer truly flexible working environments, helping to give them the recognition they deserve. The Flexa100 report analysed the employee benefits, working hours and working locations on offer at 180 employers in 70 countries.



Career progression

Employee-led action

Our Women In Sales Leadership Associate Resource Group (ARG) was set up to create a pipeline of talented women in sales with a structured mentoring programme, primarily focused on building confidence and developing networks. Ultimately the group aims to improve the balance of women at senior levels and support a diverse leadership team. Open to colleagues in all segments, the programme offers external and internal speaker sessions, 'lean in' lunches, access to key external events and more. Each year 10-15 women in mid-senior roles are selected through a set criteria and manager nominations to take part in a 12-month acceleration group gaining access to tailored mentoring and training.

70% of women in the Women In Sales Leadership ARG had a successful promotion or development movement.

Total Wellbeing

In 2022 Mars UK continued increasing menopause awareness and worked towards attaining the Henpicked 'Menopause Friendly Accreditation'. This accreditation is a mark of excellence and recognised as the highest standard of achievement, offered to businesses that satisfy Henpicked's highly qualified independent panel of judges that assess if the organisation is offering the right support. As part of this process we worked on training, education, awareness and policies, and are hoping to become certified this year.

A closer look at our 2022 results — Linnaeus

2022	Mean	Median
Gender pay gap	47.9%	47.2%
Bonus pay gap	80.8%	70.9%

The mean pay for men is **47.9% higher** than that of women.

The median pay for men is **47.2% higher** than that of women.

In Linnaeus, our mean and median pay gaps are 47.9% and 47.2% respectively. These are reflective of the veterinary health industry as a whole, with a large percentage of Associates who are women in the lower quartile. While we are pleased to report that these have reduced since 2021, down from 50.8% and 49.8% respectively, we are determined to overcome the challenges in our sector and narrow the gap.

The mean bonus pay for men is **80.8% higher** than that of women.

The median bonus pay for men is **70.9% higher** than that of women.

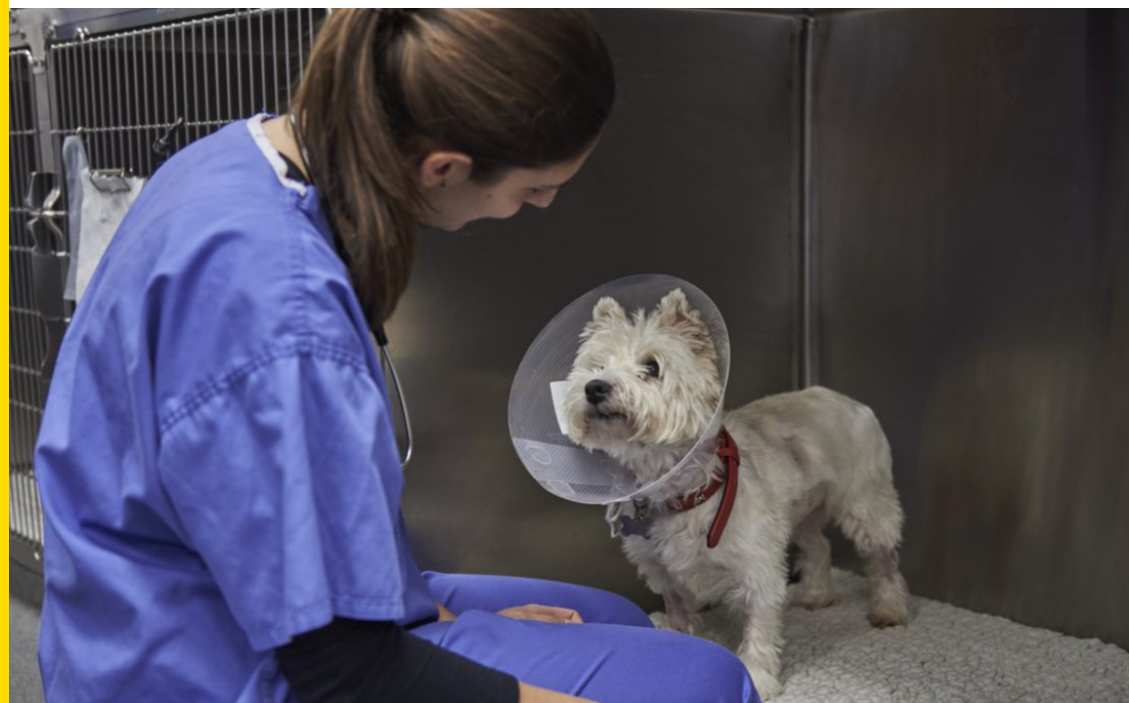
Likewise for our bonus pay, the mean and median pay gaps are 80.8% and 70.9% respectively. As with the pay gap figures, this is reflective of the sector we operate in, with the lower and lower middle quarter roles predominantly being held by women.

Mars UK	Men (%)	Women (%)
Lower	6.0	94.0
Lower Middle	7.0	93.0
Upper Middle	12.0	88.0
Top	35.0	65.0

Our approach

Mars has a unique opportunity to share expertise and learnings across all business units to address the pay gap. For Linnaeus this includes our commitment to family friendly policies, recruitment practices and progressive career pathways. Although there are challenges unique to each business, we are determined to use data collection to better understand our workforce and the barriers for women to enter and have success across the business.

Further to this, we push for gender balance across senior leadership. Linnaeus has made a new senior appointment in the UK, with the new President, Julia Hendrickson, creating a 60:40 split in favour of women across the executive team.



Linnaeus has been pleased to celebrate the bright women that make up our business. Indeed, we were delighted to see five of our female Associates recognised by *Veterinary Woman* as veterinary role models as well as another of our Associates, Zoë Halfacree, being recognised at the Webinar Vet's Virtual Congress as 'Green Individual of the Year.'

We were proud to introduce new policies, like equal family leave to all our Associates across the group regardless of gender or family make up, as well as enhanced sick leave to provide financial security and wellbeing.

I'm also extremely proud of the exceptional training and development offerings we provide for our veterinary teams, such as our graduate development programme. Collectively they inclusively empower all new and existing Associates across the entire group.

Our workforce is very much reflective of the veterinary sector, with a high proportion of lower paid roles being held by female Associates. We know that the number of women studying veterinary science at university has increased progressively over time, and is now far greater than the number of men. This means that, over time, we should see the balance tip in favour of women at the senior levels of our industry. This ultimately has influenced our gender pay and bonus pay gap figures, but we are determined to improve. We're proud to work with our Associates across the Mars UK business to strive to narrow the gap and advance gender equality in our workplaces.



Professor Séverine Tasker

Chief Medical Officer,
Linnaeus Group

Equal Family Leave

Since extending our equal family leave policy to our veterinary health business in 2022, which was backdated to September 2021, the policy has gone from strength to strength, with 126 parents at Linnaeus taking leave as part of the policy in 2022. In comparison to other veterinary businesses, this policy is market-leading in this area.

After welcoming baby Rory in November 2021, Rachel and Charlie, who both work at the same Linnaeus veterinary hospital, learned they would both qualify for the new equal family leave policy. “The team was really accommodating when we decided to both take equal family leave,” said Charlie. “We were concerned about taking the time together when we work at the same hospital due to the impact it would have on our colleagues, but everyone has been very positive. Linnaeus is encouraging people to take up this leave and spend time with their families.”

Taking the policy helped Rachel to balance motherhood with her career development while Charlie looked after Rory, enabling her to take part in a leadership training course. She explained:

“Rory is now at nursery, but during his first few months we didn’t have a formal structure in place for childcare. Having Charlie available to look after Rory meant I didn’t need to juggle childcare with training and development opportunities at work.”



Expanding and evolving internship opportunities

In 2022, Linnaeus expanded its centralised internship education programme to more referral centres after a successful pilot. This means there is a further focus on clinical research, with interns able to attend a year-long research skills course, and a total of 11 Linnaeus-owned hospitals with rotating intern programmes took part, taking the number of participating interns from 48 in 2021 to 79 in 2022. The pilot also introduced one-to-one mentoring sessions, with more than 90% of Linnaeus interns assigned a dedicated mentor in their first month.

Of the interns surveyed, 93% believed that mentoring would benefit their progression, and 82% felt valued by having a dedicated mentor. As is now the sector norm, the majority of interns are women.

Total Wellbeing

Our commitment to nourishing wellbeing begins with our own Associates and we recognise that the wellbeing needs of our Associates differ across our businesses. To deliver this we provide support and guidance to our line managers to ensure that our Associates can speak to them openly and confidently about their mental health and wellbeing. This ensures we can provide the right level of support to our Associates when it’s needed. We want to create a culture of openness and honesty when it comes to mental health.

In 2022, Linnaeus trained an additional 144 Associates to become qualified Mental Health First Aiders (MHFAs). Our approach to training people in this area is to have at least two MHFAs in each of our business units, with increased numbers for larger businesses. We train people of different levels and genders to give a good mix of MHFAs that people can approach if needed.



An overview of our 2022 results

By segment

Employing entity	Total pay gap (Hourly)		Bonus pay gap		Receiving bonus pay	
	Mean (%)	Median (%)	Mean (%)	Median (%)	Men (%)	Women (%)
Mars Wrigley Confectionery UK	4.2%	-14.8%	17.2%	-92.5%	97.4%	96.7%
Mars Food UK	-16.6%	-34.1%	-159.9%	-367.9%	98.4%	94.6%
Mars Petcare UK	6.7%	2.6%	8.6%	-121.7%	91.7%	93.6%
Crown Pet Foods UK	44.3%	31.4%	47.6%	29.1%	93.5%	93.9%
Linnaeus Veterinary Ltd	47.9%	47.2%	80.8%	70.9%	41.0%	44.0%

Declaration

This statement has been published in accordance with the UK government's Equality Act 2010 (Gender Pay Gap Information) Regulations. This legislation requires UK employers with 250 or more employees to publish annual statutory calculations showing the pay gap between men and women.



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