

Gender Pay Report

2020

At dunnhumby, we improve the lives of people by helping businesses engage them as individuals. Recognising and celebrating individuality extends to our own people; the diversity of our people's skills, backgrounds and experiences drives our business forward.





Defining the gender pay gap vs equal pay

The gender pay gap

The gender pay gap measures the difference between men and women's average pay within an organisation, regardless of their role or work level. In detail, it is the percentage difference between the gross hourly earnings for all men and the gross hourly earnings for all women. The pay gap is expressed as women's pay as a percentage of men's earnings. The data is calculated by grouping all male and all female pay together (i.e. all grades and job roles) to find the median and mean hourly rate.

Equal pay

Measuring equal pay compares the pay of men and women who perform the same role or roles of equal value. During the dunnhumby annual salary review, we actively check job families and job roles to ensure dunnhumby pays all colleagues performing the same or equivalent roles equally.

We continuously seek to cultivate an environment of inclusion that represents and celebrates our diverse workforce, so that every dunnhumbian can bring their whole self to work every day.

Our gender pay data this year shows that our median gender pay gap has reduced slightly, to 19.7%. Through our analysis, we know that the main driver of our gender pay gap is that we have a higher proportion of men than women in more senior roles.

While our inclusion goals stretch beyond gender alone, we are especially proud of a number of key steps forward this year:

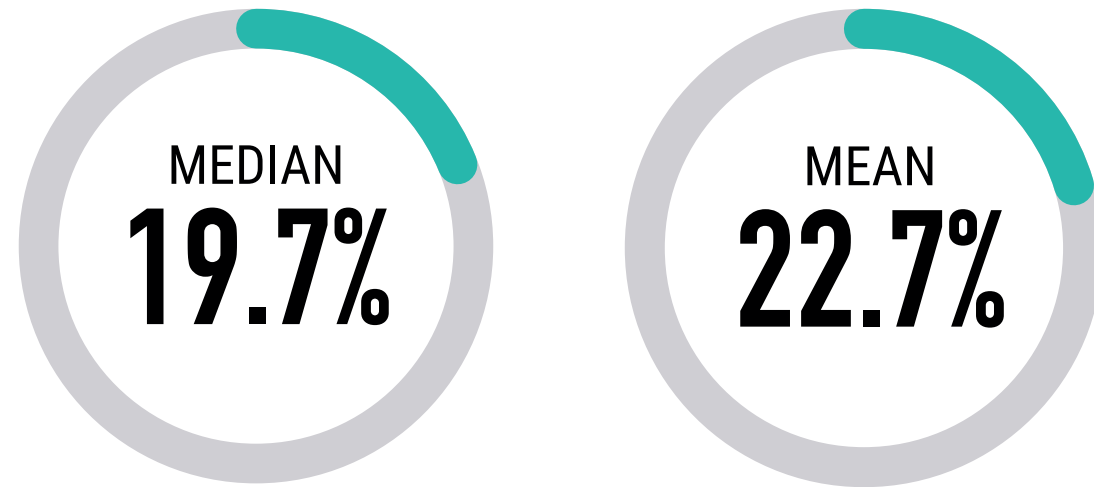
- We welcomed the first participants in our Women's Returners programme
- We marked our commitment to flexible working with a partnership with Working Families and included a flexible working statement on all our global job adverts
- The launch of our Catalyst sponsorship programme which provides structured internal advocacy for our diverse talent.

We're clear on the improvements we need to continue to make to improve our female representation at senior levels, and we remain committed to creating a diverse and truly inclusive workforce built on mutual respect, where everyone can fulfil their personal and professional potential.

I can confirm that our data has been calculated according to the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Guillaume Bacuvier
dunnhumby Chief Executive Officer

Our UK gender pay gap



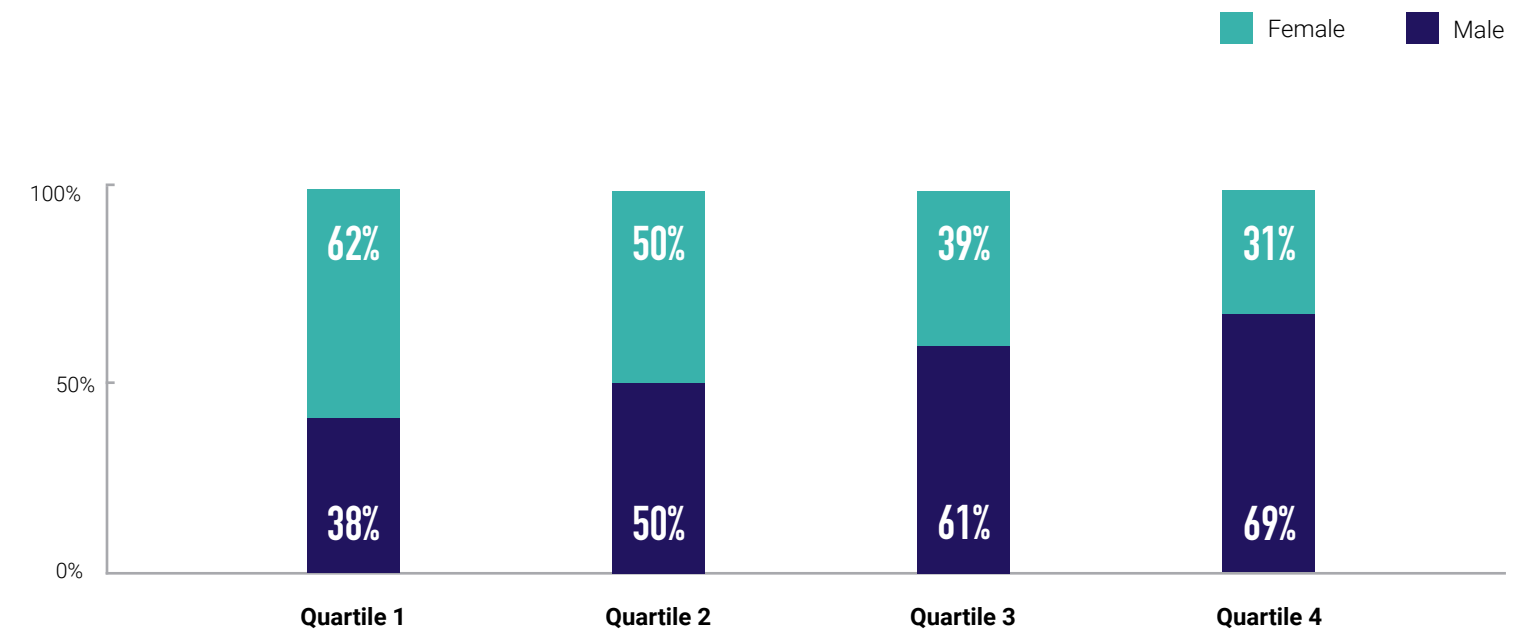
*UK national median gender pay gap is 17.3% (Office of National Statistics).

Our median (middle value) gender pay gap has reduced from 21.9% in 2019 to 19.7% in 2020, and our mean (average) gender pay gap has increased slightly from 22.0% in 2019 to 22.7% in 2020. The main driver of our gap is the higher proportion of men than women in more senior roles.

Pay quartiles

The pay quartiles chart ranks all employees' pay from lowest to highest and then divides it into four equal groups with the first group (Quartile 1) being the lowest paid. The quartiles do generally follow our grading system 1-7, however, we cannot assign grades to each quartile i.e. Quartile 1 is not a direct reflection of G1-2, because our salaries by grade can vary based on skillset and role.

This year we've seen a shift in our pay quartiles with a greater proportion of women in the upper quartiles compared to last year. This accounts for the narrowing of our gender pay gap and is a sign that our diversity and inclusion initiatives are beginning to take effect.



Understanding the pay data in this report

Pay in this report is defined as: normal pay taken on a snapshot date (salary and allowances) plus any bonus pay paid to male and female relevant employees during the 12 months prior to the snapshot date. The pay data for those on reduced pay due to parental leave, sabbatical leave, colleagues who joined or left the company during the middle of a month (and therefore received pro-rated payment) etc. are not included in the analysis.

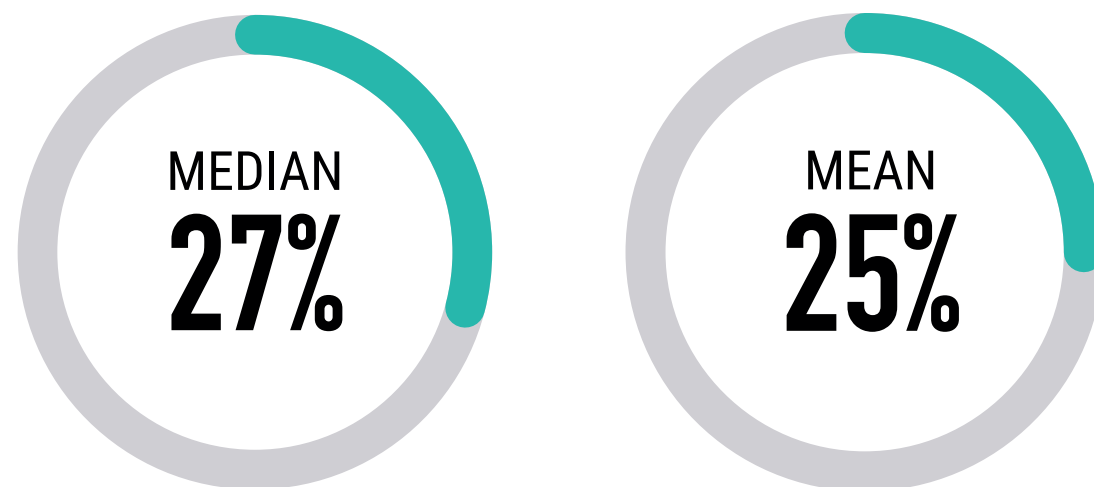
The pay data for this report was taken from the April 2020 payroll. The annual bonus data from the 2018/19 performance year (paid in May 2019) is included in this report, as well as other qualifying bonus payments made between 6 April 2019 and 5 April 2020. To calculate our gender pay gap, the pay data was taken from 722 UK employees, with a male/female split of 394 (55%) / 328 (45%).

Our UK gender bonus gap

The dunnhumby UK bonus pay gap was calculated using the annual bonus data captured from the 2018/19 performance year (paid in May 2019), as well as other qualifying bonus payments made between 6 April 2019 and 5 April 2020 (i.e. sales incentive, non-standard and one-off payments tied to hiring and investment). For the annual bonus period 2018/19 all eligible employees received a bonus.

The figures show the percentage of men and women who received a bonus payment for the year ending 5 April 2019, as well as the percentage difference in bonus amount. Our data shows a higher proportion of women compared to men received a bonus in 2020 (81.7% and 79.8% respectively). Our median bonus gap has increased from 20.0% in 2019 to 27.0% in 2020 but our mean bonus gap decreased significantly, from 35.7% in 2019 to 25.0% in 2020.

Median and mean dunnhumby UK bonus gap



We have seen fluctuations in our mean bonus gap over the last 4 years. These fluctuations are caused by a range of actions such as non-standard and one-off payments tied to hiring and investment, a legacy of a higher proportion of male employees in senior roles who received LTI (Long Term Incentive) payments every other year and eligibility of new joiners.

The median bonus gap (which separates the higher half from the lower half of the analysed population) is more stable but still impacted by these actions.

We know our gender diversity strategies will take time to deliver meaningful change and will result in these short term fluctuations as we strive to create a long term, sustainable balance at all levels of the business but most crucially at the level of our senior leaders.



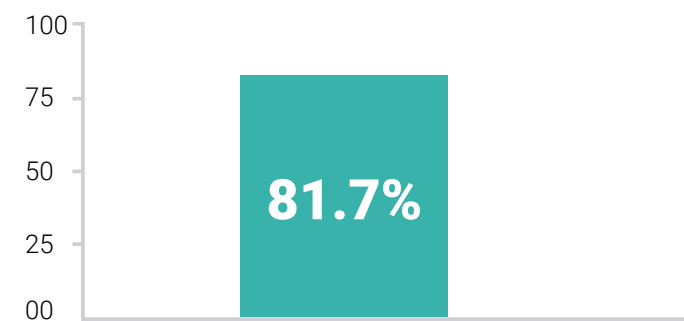
How is UK bonus pay gap defined?

UK bonus pay gap refers to any bonus pay paid to male and female relevant employees during the 12 months prior to the snapshot date, expressed as a percentage of the bonus pay paid to male relevant employees. It is calculated before deductions are made at the source but after salary sacrifice, and includes remuneration relating to performance, profit sharing, incentives such as referral fees and commission.

Percentage of UK employees receiving a bonus

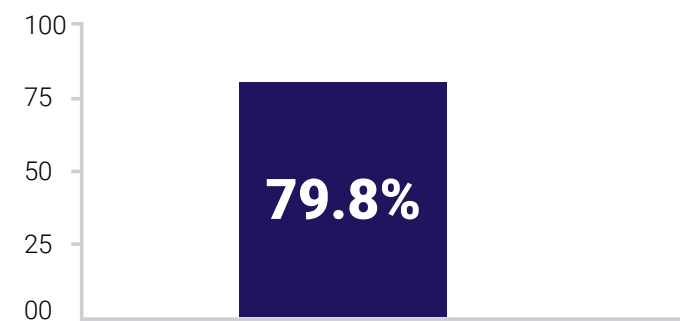
We do not differentiate on issuing a bonus based on gender and regularly review our proposed performance data for potential gender, grade and age skews. Therefore the difference in percentages of those who received a bonus is due to eligibility (i.e. new joiners for the period, fixed term contract or underperformance).

Female

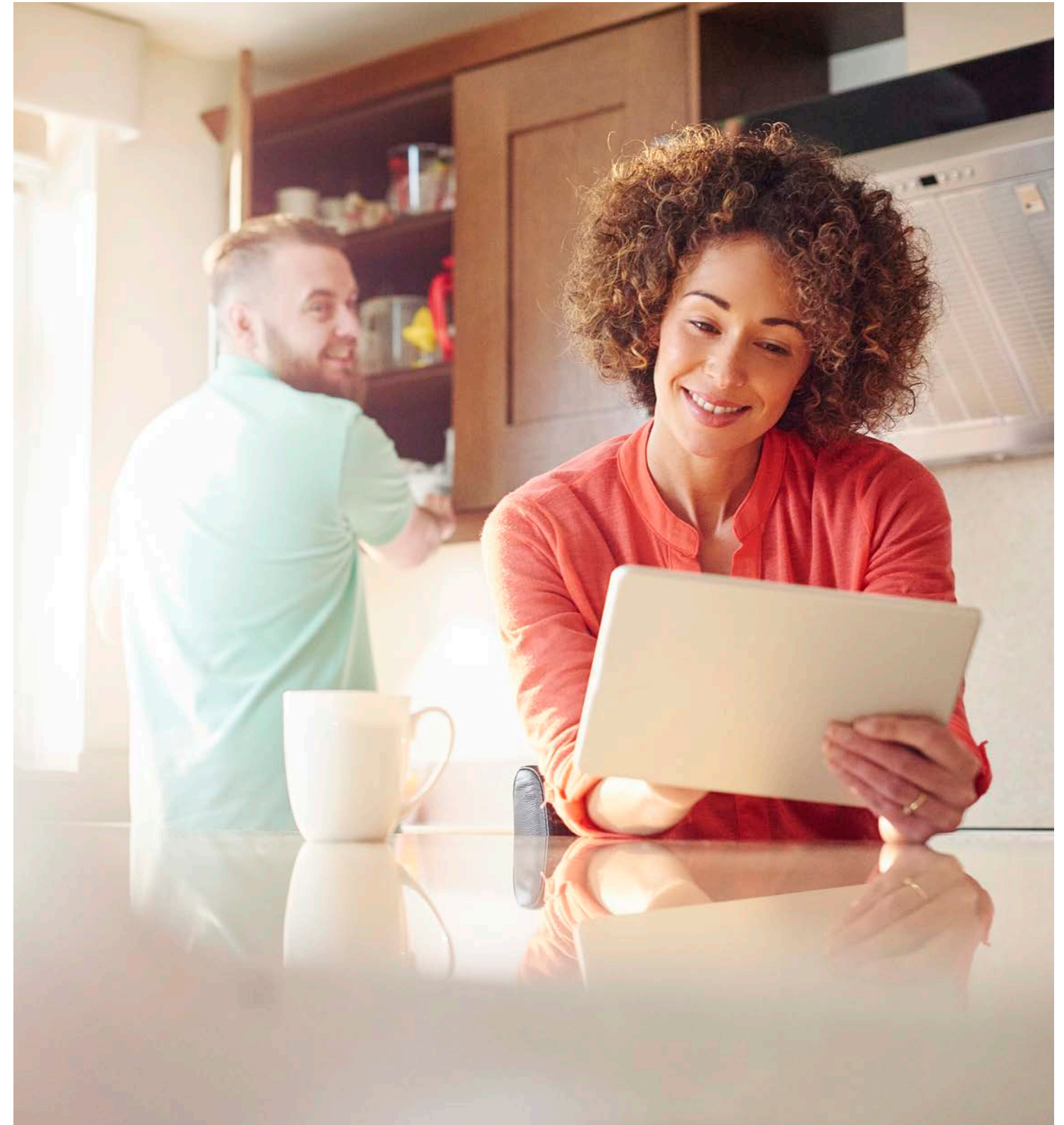


81.7% were eligible and received a bonus for 2018/19 performance year. The remaining **18.3%** were primarily new joiners for the period, or a very small proportion were ineligible because they were on a fixed term contract, or due to underperformance.

Male



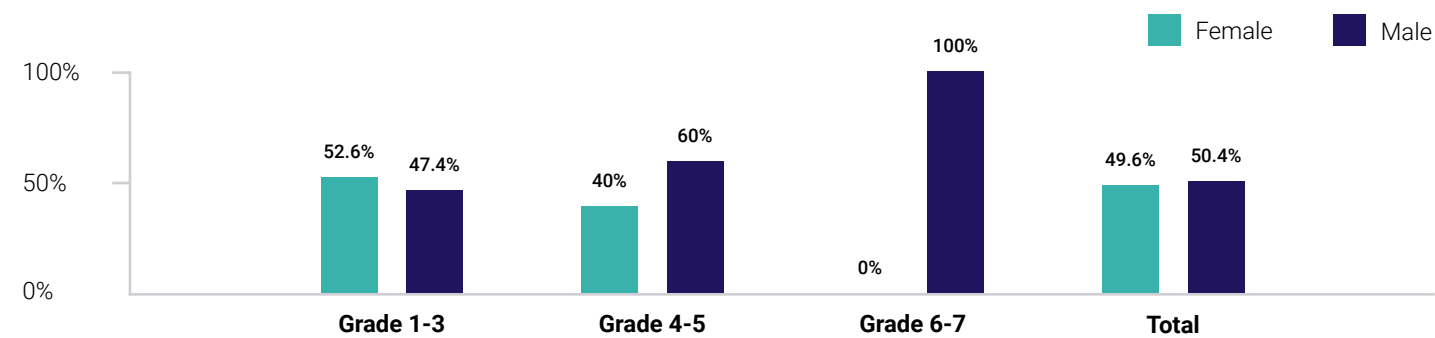
79.8% were eligible and received a bonus for the 2018/19 performance year. The remaining **20.2%** were primarily new joiners for the period, or a very small proportion were ineligible because they were on a fixed term contract, or due to underperformance.



UK Recruitment

Over the period of May 2019 to April 2020 we hired 57 female employees compared to 58 male employees in the UK.

While it's great to see this overall gender balance coming through our recruitment pipeline, we know that we need continue to focus our attention on senior female hiring, particularly in the technology space. We've introduced our Women Returners programme and added a Flexible Working statement to every single global job advert to signal our intent as an employer of choice for a diverse range of talent.

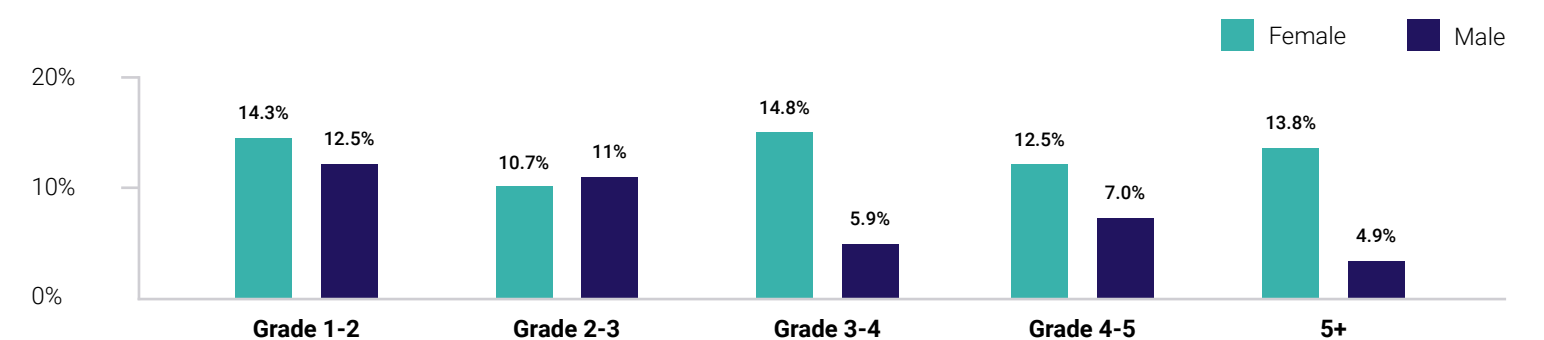


UK Promotions

Promotions in this report are defined as a change in grade and role, and not a change in role within the same grade band.

Below you can find the proportion of promoted employees from May 2019 to April 2020. The percentages are shown as a proportion of the pool per gender, not of the total employee population. For example, 12.5% of all UK females at grades 4 were promoted to grade 5 during this period.

Continuing the positive trend from last year, we are increasingly promoting a higher proportion of women relative to the population size. The impact of this is seen in the shifting balance in our pay quartiles and reflected in a reduction of our gender pay gap.



How do we compare?

We've looked at a selection of more than 10 relevant competitors who made the data available in the Customer Data Solutions, Media and Generalist data and analytics industries to benchmark against, and better understand how we compare. Note: these are not all necessarily direct commercial competitors but could be viewed as competitive from an employment perspective.

Below you can find how dunnhumby compared to the industry average (taken from the relevant competitors identified). Pay data was taken from the 2018/19 period (reports published in 2020) and reflects the UK region of each organisation included. The pay gap data for all UK companies with over 250 employees is available on the UK Government website.

Gender pay gap comparison with industry average (2018/19 data):



Bonus pay gap comparison with industry average (2018/19 data):



Our actions

Changing the make-up of our workforce is a long-term challenge but at dunnhumby we view inclusion as much more than gender. It's about whether you feel a sense of belonging and feel free to be your authentic self at work.

Spotlight on our diversity networks

Our employee network groups are run by passionate colleagues who dedicate their time to create a platform to share experiences, educate allies and work with the HR team to drive change. Each network has an Executive or Senior Leader sponsor who are committed to learn about their challenges and represent their interests in wider forums.



Our longest-standing network has rebranded as **dh GEN** (Gender Equality Network) to evolve their remit, support our vision to achieve gender balance and challenge gender stereotypes.

dh Family has had a busy year supporting parents and carers through the highs and lows of the pandemic lockdown; hosting support sessions, consulting on working practices and creating a dedicated space to share tips and knowledge.

We were very proud that the work **dh Thrive** have led on mental wellbeing has been recognised with a nomination for Network of the Year at the This Can Happen Awards.

dh Proud have shown us the power of celebration and networking around the topic of sexuality and has been a massive support for our colleagues identifying as LGBTQ+ and source of education, information and inspiration for allies.

dh One, our Multicultural network have led us through a tough year of reflection, creating an Education Station, blogs and Lean In circles to educate on the Black Lives Matter movement as well as highlighting unsung heroes, cultural celebrations and different perspectives.

Attracting and developing diverse talent



The first **dunnhumby Returns Programme** saw us partner with Women Returners to welcome four women to our Technology & Science business for a five-month placement. These talented individuals, who have taken a career break of two years or more, join us at mid-senior level and bring a wealth of industry and personal experience to their new roles at dunnhumby.

We've added a **flexible working statement** to all of our internal and external job adverts to encourage people to talk to us about agile working options. We're committed to creating an environment where you can balance a successful and fulfilling career with your commitments and interests outside of work.

We ran our first **Tech Taster Day** for promising Black, Asian and minority ethnic (BAME) students to demystify data science and unlock exciting new career paths in our industry.



We've just launched **Catalyst, our Inclusive sponsorship programme**, aimed at facilitating career progression through structured internal advocacy for diverse and talented individuals and building greater diversity into our succession plans at senior levels.

Our new **Leadership Ethos** reflects our expectation that all our people contribute to building an inclusive culture by acting with integrity, empathy and courage. Leaders who are true to themselves promote their own wellbeing and create a greater likelihood of encouraging and accepting others' authentic behaviour and experience. All which underpins our ability to bring diverse opinions and styles together to strengthen our collective thinking and performance.

A supportive working culture



We are proud to have achieved a **UK Working Families accreditation** as part of our commitment to ensuring all our people are able to work flexibly and maintain a work-life balance.

Launched in 2019, our **Shared Parental Leave** approach in the UK allows every parent to have the opportunity to spend quality time off with their new family from birth or adoption. We give the same amount of paid time off for employees regardless of gender, gender identity or sexual orientation. Our **Parental Leave Buddies** are also on hand to offer personalised support for those on maternity, paternity and parental leave.

In this time of disruption and change, we are focused on the **wellbeing** of our people and offer support in the form of mental health awareness training for managers and Mental Health First Aiders supplemented by tools such as Headspace, the meditation app, and Mindapples, our e-learning programme.





dunnhumby is the global leader in Customer Data Science, empowering businesses everywhere to compete and thrive in the modern data-driven economy. We always put the Customer First. Our mission: to enable businesses to grow and reimagine themselves by becoming advocates and champions for their Customers.

With deep heritage and expertise in retail — one of the world's most competitive markets, with a deluge of multi-dimensional data — dunnhumby today enables businesses all over the world, across industries, to be Customer First.

The dunnhumby Customer Science Platform is our unique mix of technology, software and consulting enabling businesses to increase revenue and profits by delivering exceptional experiences for their Customers — in-store, offline and online. dunnhumby employs over 2,000 experts in offices throughout Europe, Asia, Africa, and the Americas working for transformative, iconic brands such as Tesco, Coca-Cola, Meijer, Procter & Gamble, Raley's, L'Oreal and Monoprix.



Connect with us to start the conversation

dunnhumby.com