



GENDER PAY GAP 2022

UK



INTRODUCTION

Under the UK's Gender Pay Gap Regulations, all UK companies with more than 250 employees need to share details of their gender balance and pay, the percentage of men and women receiving bonuses and the proportion of men and women in each pay quartile of the workforce. This pay gap report covers the period Wella UK Ltd became standalone from 1st December 2020 to 5th April 2021.

As a newly independent organisation, this is **WELLA UK LTD's** first time undertaking this report. We welcome the opportunity to use this data to measure our progress and hold ourselves accountable as we move forward as an independent organisation.

For our reporting we worked with a third-party consultancy (Willis Towers Watson) to calculate the statistics in line with their understanding of gender pay gap reporting requirements.

WELLA COMPANY GLOBAL STATISTICS AT A GLANCE

At **WELLA COMPANY**, we believe that becoming a truly inclusive and equitable leader in beauty, requires that we commit to building diverse teams and brands that reflect the backgrounds of the professionals and consumers we intend to serve.

We understand the importance of working towards gender equality and diversity of many kinds in the workplace.

In the UK & Ireland:

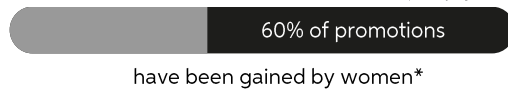


Women make up 88% of the professional hair industry



Women lead 82% of salons

It's vital to champion all women globally – from our head office, to salons, and beyond. Since December 2020 across Wella Company globally:



45% are at Director Level & above*



Globally 68% of new hires have been women*



57% of employees are female*

In 2021, Wella launched Affinity Teams and Employee Resource groups – diverse alliances of employees who have specific social, racial or sexual identities, offering members support and resources to make them feel recognised, respected and empowered within our workplace.

Our females in Leadership and our Women in STEM are committed to advancing the role of females in our company. Our females in Leadership network is actively involved in programmes to help females in making their voices heard, and is committed to increasing the representation of females at all levels of leadership.



*Global Figures. Since 1st December 2020

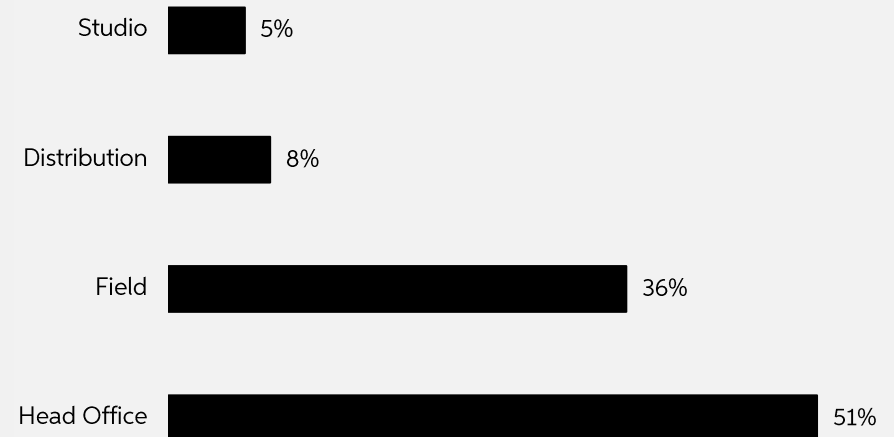
WELLA UK LTD – REPRESENTATION BY GENDER

WELLA UK LTD WORKFORCE

During the period December 2020 to April 2021, Wella UK Ltd employed 345 employees across the UK.

Our workforce is made up of the following groups:

- **19 Studio Staff** (5% total population: 79% female / 21% male)
Employees are based in our London Studio and Manchester Studio and provide a training academy for customers and partner salons including F2F and virtual training.
- **26 Distribution Centre Staff** (8% total population: 46% female / 54% male)
Employees based in Basingstoke and Watford sites working in supply chain.
- **123 Field Based Staff** (36% total population: 59% female / 41% male)
Employees based across the UK working in sales and education.
- **177 Head Office Staff** (51% total population: 75% female / 25% male)
Employees based at our Wimbledon office in London and Bournemouth site working in functions such as Finance, HR, Supply Chain, I.T., Legal, Marketing, Sales and Education.





GENDER PAY GAP DEFINITIONS

Gender pay gap shows the difference in actual earnings (hourly pay) between all men when compared with all women, at Wella UK Ltd. This does not assess equal pay for equal work, which considers the pay and benefits awarded to men and women in the same or similar jobs.

Hourly pay calculations are calculated as at 5th April 2021 and include basic pay, car allowance, meal allowance, shift premium, first aid allowance, salary sacrifice pension, childcare vouchers, promotional allowance, holiday purchase AND any Bonus pay (per below) that may have been paid in that payroll period.

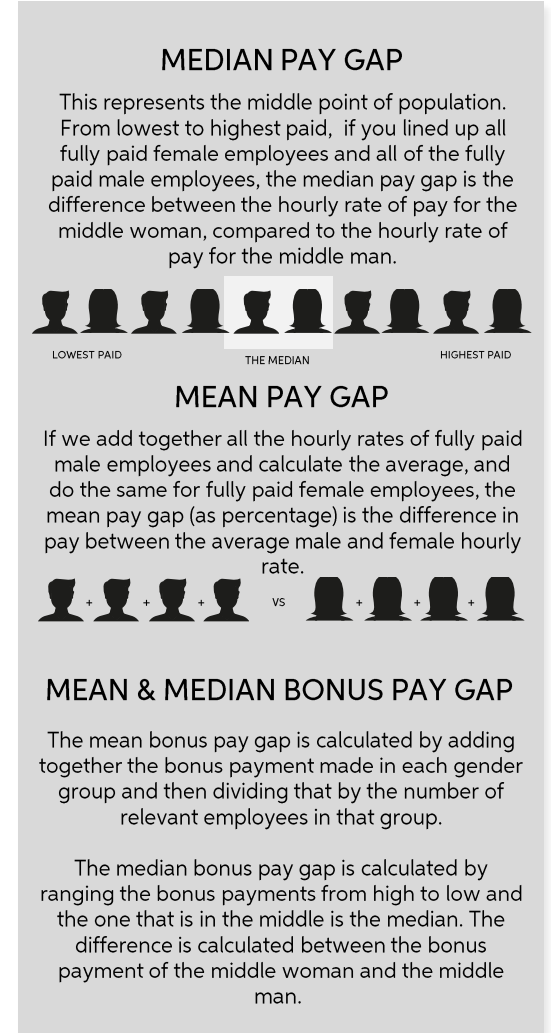
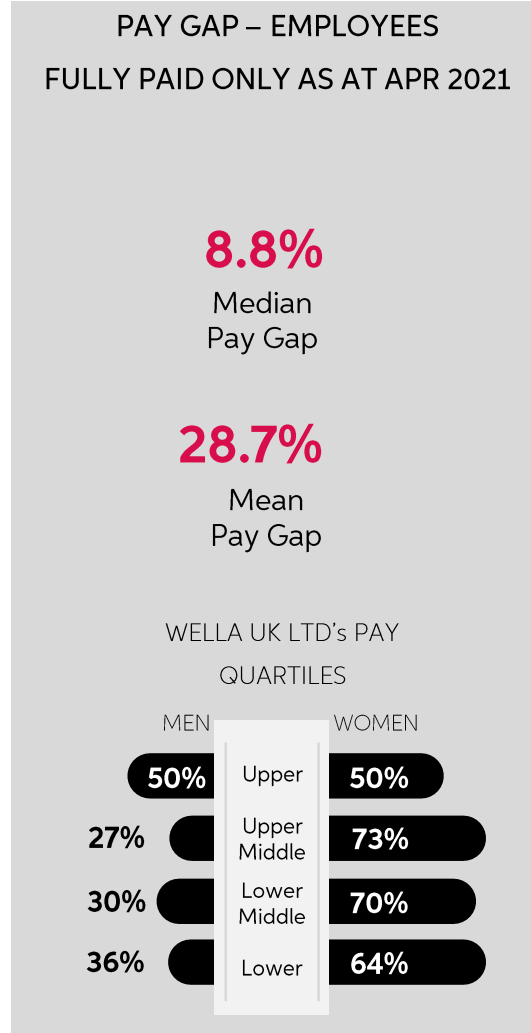
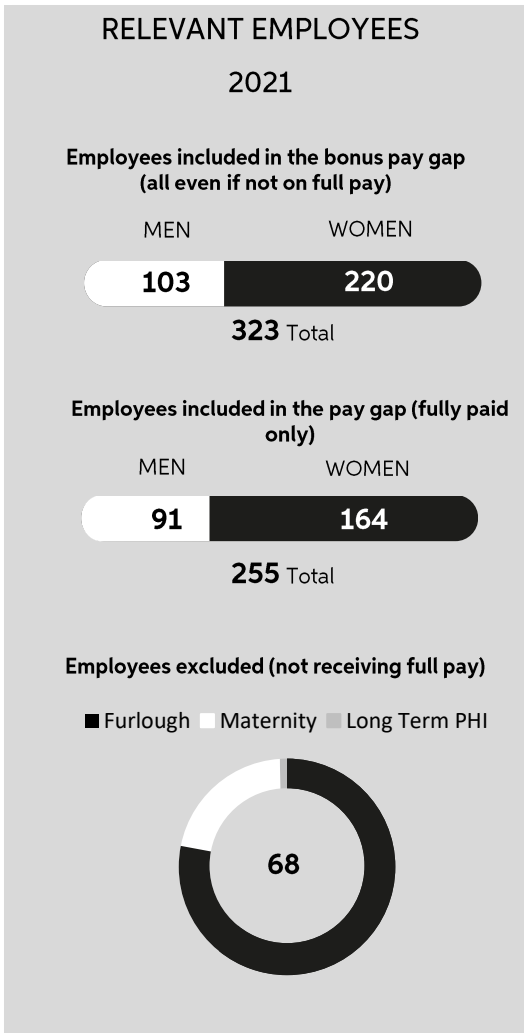
Bonus pay calculations are calculated for the period from 1st Dec 2020 to 5th April 2021 and elements include annual performance bonus, completion bonus, sales and education incentives, stocks, sign on bonus and long service awards.

Who is included in the analysis

All employees on a Wella contract and paid by Wella UK Ltd on 5th April 2021 who were receiving their full ordinary basic pay. Therefore, employees on furlough or statutory maternity pay were excluded.

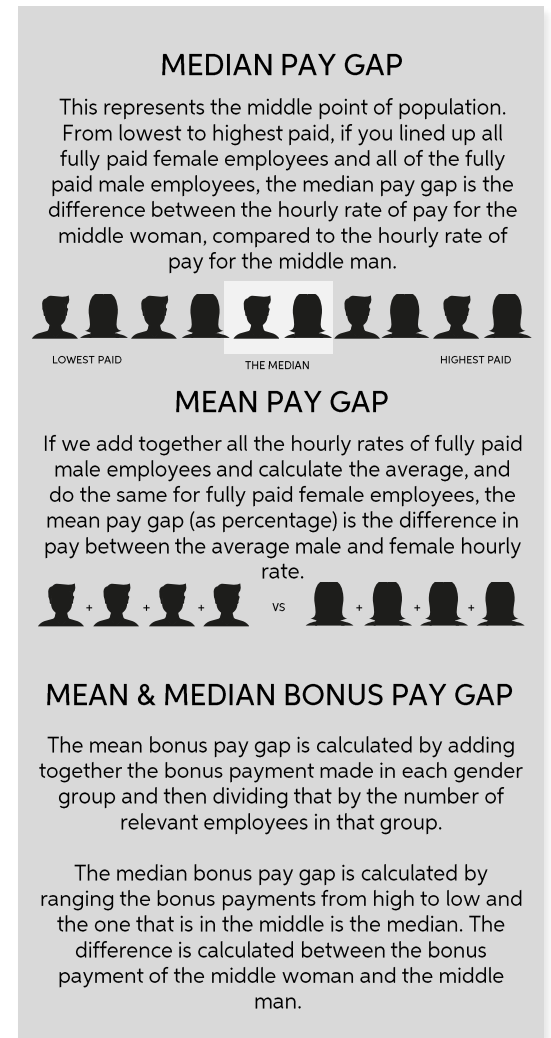
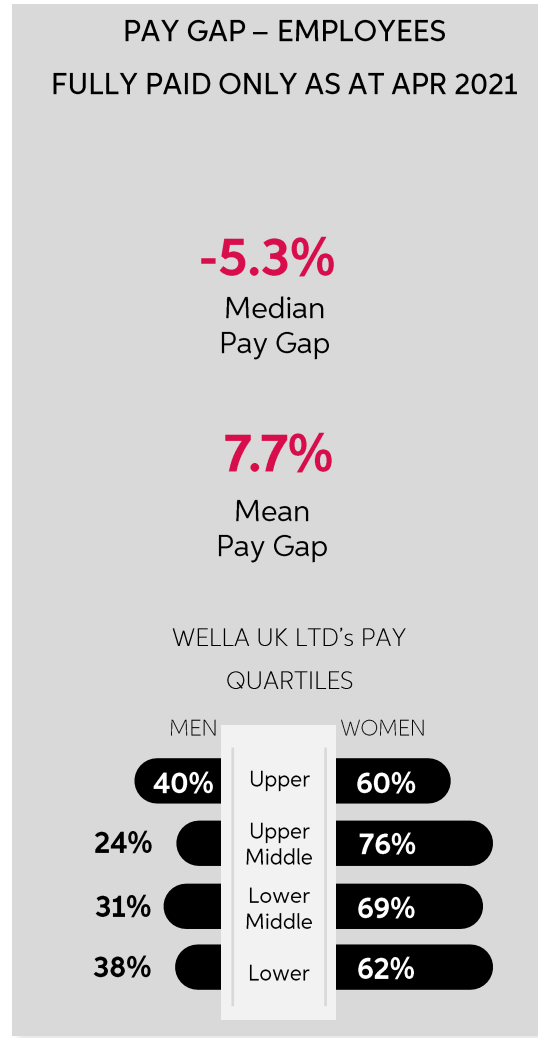
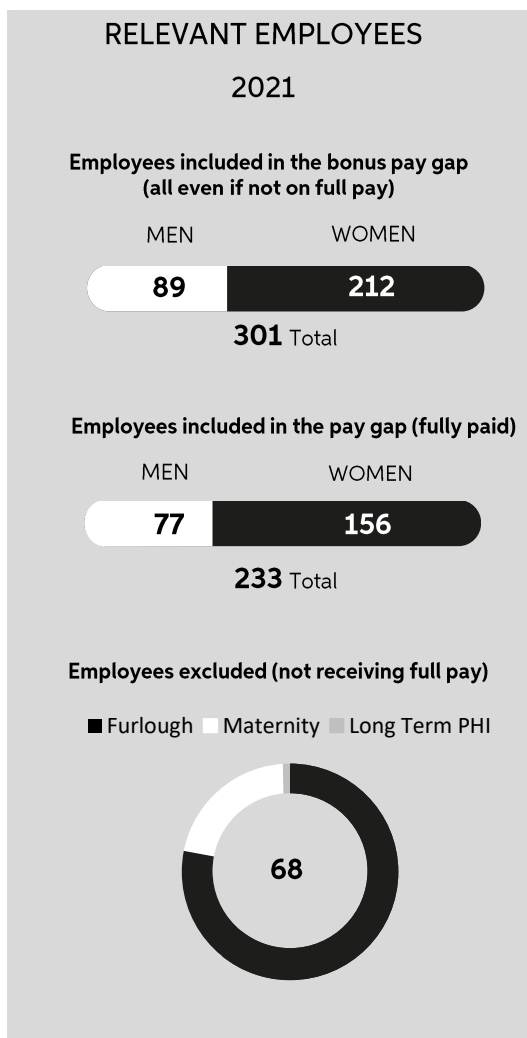
WELLA UK LTD GENDER PAY GAP – STATUTORY SUBMISSION

Includes Wella UK Local Employees, UK Based Global Employees & GHD Executives on Wella Payroll



WELLA UK LTD GENDER PAY GAP – SUPPLEMENTARY ANALYSIS

UK Local Market Employees Only



COMMITTED TO GENDER EQUALITY & REDUCING THE GAP

UNDERSTANDING THE GAP

This is the first time that Wella UK Ltd has undertaken Gender Pay Gap reporting, as 2021 was Wella UK Ltd.'s first full year as an independent organisation after separating from Coty on 1st December 2020. This report has given us the opportunity to review our gender pay gap, identify potential areas of improvement, as well as renewing our strong commitment to gender equality within our organisation.

It is also important to understand the context of the data shown. This report covers the period Wella UK Ltd became standalone from 1st December 2020 to 5th April 2021, which was impacted by the Coronavirus pandemic. The report does not include all the employees who were on furlough during this time, who were mostly women. In addition, a significant number of Senior Global Executives were counted as a part of the UK payroll but are based within the Global team, which has influenced the results. As is evidence from the Supplementary Analysis, which reflects the UK Local Market only, with the median pay gap favouring women and the mean being at 7.7% which is considerably lower than total Wella UK Ltd at 28.7%.

OUR COMMITMENT TO REDUCE THE GAP

Wella UK Ltd commits to taking action to support gender equality and reducing the gap. A number of projects are already in process to support this commitment and to identify where there may be areas for improvement. For example, full transparency around job grades has been implemented at all levels in the organisation in FY22. By the end of FY22, the HR team will undertake a review exercise to determine our equal pay position, and following this exercise, steps will be taken where required. Finally, Workplace Dignity Policy Training is delivered to all new starters and twice a year to the rest of the organisation to educate and raise awareness around workplace discrimination.

We also have a number of benefits to support our employees. Wella UK Ltd recognises the importance of providing support to parents with their childcare needs, and so the workplace nursery benefit is available to assist all eligible parents in the UK with childcare costs.

To extend and promote flexibility within the workplace every employee has the right to request flexible working from day 1 of employment.

Wella UK Ltd's shared parental leave policy means that eligible mothers, fathers, partners, intended parents in surrogacy and adopters can choose how to share their time off work to care for a child due to be born or placed with them. Male employees have started making use of this benefit, and we are encouraging more to take the opportunity. In addition, Wella UK Ltd also offer enhanced maternity and paternity benefits to eligible employees.



STATUTORY DECLARATION

I can confirm that the information contained in this Gender Pay Report is accurate.

Anna Khokhlova

Anna Khokhlova
Wella UK Ltd, Market CFO