



Carnival UK Gender Pay Report Shoreside

March 2023

Introduction

Carnival UK as part of the Carnival Corporation, is committed to a positive and just corporate culture, based on inclusion and the power of diversity. Our people are the heart of the business and we're dedicated to developing a workforce reflective of our wider teams, the communities we visit, our guests and our values. Our goal is to create an environment where everyone can be themselves and for Carnival UK to be known and chosen for its inclusive culture. We think that not only is it imperative in developing a sustainable organisation, but it's also simply the right thing to do. Carnival UK continues to focus on creating an inclusive environment to attract the best talent and to enable our people to innovate and grow, whatever their background, belief, or preferences.

We welcome pay gap reporting as we're committed to closing our gender pay gap with long-term solutions focussed on a gender-balanced talent pipeline and supporting women to progress their careers with us. Equally, this takes time and so we're alive to tactical opportunities to bring more diversity into our business at a senior level in the near term. At Carnival UK, we are focused to inclusion across all protected characteristics, and the importance of intersectionality in our diversity, equity, and inclusion (DEI) strategy. We believe that all inclusion work we conduct has a halo effect on all underrepresented groups and this will be reflected in our ongoing DEI commitments.



Sture Myrmell
President, Carnival UK

“...a positive and just, corporate culture, based on inclusion and the power of diversity.”

What is this report about?



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This report provides details of Carnival UK's gender pay gap as of 5 April 2022 and the actions we're taking to address it. The gender pay gap measures the difference in mean and median earnings (for pay and for bonuses) between all women and all men across an organisation, across all positions.

Gender pay is different to equal pay. Equal pay is when there is no difference in pay between men and women who carry out the same or similar jobs. Our compensation is informed by an external job evaluation methodology, salary benchmarking and associated guidelines, to guide objective gender-neutral decision-making around pay.

We recognise that the current gender pay gap legislation does not consider individuals who identify as non-binary. However, as an inclusive employer we strive for inclusion and fairness regardless of how individuals identify.

Mean gap explained

The 'mean' is the 'average'. The mean gender pay gap for salaries is found by comparing the mean female salary with the mean male salary, for which we look at the average hourly rate of pay of women and men at Carnival UK in April 2022. The same calculation is applied to determine the mean gender pay gap for bonuses, but for this we look at bonuses paid over a 12-month period to April 2022.

Median gap explained

The 'median' is the 'middle point' and best understood by thinking in terms of a list. If we listed the salaries of all female employees in order of highest to lowest and did the same for all male employees, the median gender pay gap is calculated by taking the salary that falls in the middle of each list and comparing them. The same calculation is also applied to determine the median gender pay gap for bonuses paid, but for this we look at bonuses paid over a 12-month period to April 2022.

Gender pay gap summary



Gender pay gap summary

Key Dates

- The 2022 snapshot is 5 April 2022 therefore April payroll data has been used to calculate our gender pay gap.
- Bonuses earned from period 6 April 2021 – 5 April 2022 have been used to calculate our bonus gap.

Headlines

- Carnival UK results overall show a slight progression on April 2021 data.
- Our median pay gap has reduced to 37%, down by 1%, and the mean has reduced to 35%, also down by 1%.
- Representation of women has improved by 1% in all quartiles besides the lower middle quartile which reduced by 3% to 69% from 72% in 2021.
- Median bonus gap increased significantly to 81% from 47% (for more information see page 12) and mean bonus gap reduced by 2% to 68% which is still high but is trending in a positive direction compared to previous years due to a significant increase in the proportion of the population who were paid bonuses.

Achieving gender balance



Achieving gender balance

The pandemic, and post-pandemic environment has had a significant impact on all industries, especially travel and hospitality. We're incredibly proud and grateful to our colleagues for the resilience and adaptability shown in these really challenging times. The business had to make many difficult decisions and the shape of our workforce changed considerably. Although in 2021, life in Britain resumed a level of normality, our first ship to return to guest operations (Britannia) didn't return until June 2021. The return to service allowed us to welcome back former colleagues as well as welcome new talent to our business.

We have recruited an additional 395 colleagues between April 2021 and April 2022, which means that our business grew significantly between the 2021 snapshot and the 2022 snapshot. The snapshots taken indicate that our mean and median pay gaps have reduced to 35% and 37% respectively. We believe these improvements have been achieved through the actions highlighted on page 8.

Achieving gender balance

Our leaders

What we have done?

- Promoted and role modelled a flexible working culture for both employees and job applicants;
- introduced and striving for greater use of gender-balanced shortlisting and gender-balanced interview panels;
- enhanced our recruitment practices/tools, building inclusion into all activity to raise the standards of recruitment;
- specific inclusive approaches for key roles;
- welcomed external thinking through continued relationships with Women in Hospitality, Travel and Leisure (WiHTL), Inclusive Employers, and Stonewall;
- developed inclusive recruitment training and made mandatory for all line managers;
- ELT members each act as executive sponsor and ally for a protected characteristic;
- adapted job adverts to include more overt message about diversity ambition and flexible working opportunities.

We've committed to:

- Continued development of our management & leadership population with a focus on creating psychological safety and inclusive leadership.

We are committed to improving and developing the business as we strive to achieve gender balance. We take an intersectional approach to inclusion which is reflected in the examples below.

Our people

What we have done?

- Gender neutral toilets available in Carnival House;
- continued our engagement survey which gives us the opportunity to review employee experience by gender to diagnose areas of focus. Our engagement scores have now increased to above our pre-pandemic scores;
- "Let's Talk About Fertility" guide available to provide support and resources to colleagues going through fertility journeys in addition to Carnival UK offering up to 5 days' paid leave for Fertility Treatment in any year and up to 2 days' paid leave for partners who are supporting someone going through fertility treatment;
- internal and external review of job descriptions and adverts to remove biased language, remove barriers to entry and make copy more accessible;
- embedded hybrid working with the support of our Employee Experience Groups to understand themes across the business;
- continued our funding of all employee networks (REACH, Spectrum, m'power and Athena);
- continued to address inclusion matters through our core learning curriculum
- partnered with Ambitious about Autism, the national charity for autistic children and young people, to look at how we at Carnival UK can create opportunities for individuals with autism to come and work with us;
- executive Leadership Team (ELT) executive sponsors hosted listening groups for protected characteristics to hear lived experiences from colleagues.

We've committed to:

- Introducing a DEI Impact Assessment to enable colleagues to evaluate decisions that impact our people;
- educating the business around menopause as part of our wellbeing strategy.

Achieving gender balance (cont)

Our engagement

What we have done?

- Regular drum beat of communications on the topic of inclusion including case studies, events, success stories and thought leadership;
- celebrated National Inclusion Week by inviting comedian Rosie Jones, to talk about the importance of inclusion and her experience as a lesbian comedian in a male-dominated industry;
- supported our Employee Experience Groups to provide employee voice and engagement;
- increased focus on and sharing of key DEI metrics;
- through our collaboration with WiHTL we have enrolled multiple colleagues for programmes including Ethnic Future Leaders, Global Female Leaders, and Ethnic Senior Leaders;
- empowered our employee networks and supported the foundation of new employee network REACH (Race, Ethnicity and Cultural Heritage);
- analysed our applicant and offer data to create understanding of whether we lose certain applicants at different stages of recruitment process. We then shared this data with each business area so HR Business Partners can work alongside them to form localised plans for how to increase diversity in their specific area.

We've committed to:

- Diverse representation in our employer brand;
- engaging external support as needed to pursue diverse shortlists in our senior roles;
- raising awareness around relevant health conditions impacting areas of our workforce;
- strategic workforce planning for targeted areas of our business, which will highlight additional opportunities and solutions;
- partnering with TellJane to create guidance on how to prevent and manage instances of sexual harassment.

Our community

What we have done?

- Carnival UK Pride and headline sponsor of Southampton Pride – increasing visibility of non-binary gender and sexuality challenges in the workplace;
- hosted a Prince's Trust #BrilliantBreakfast event to raise money for the Women Supporting Women initiative;
- undertook a talent landscape study to evaluate the demographic of Southampton, Hampshire and surrounding areas to understand if there were significant differences with our employee base vs talent pools, and how we can attract more diverse talent while benchmarking against similar organisations.

We've committed to:

- Extending our working relationship with Southampton Solent University to recruit talent from our local community;
- creating work experience opportunities with the Prince's Trust;
- developing targeted and diverse talent pools to recruit from.

Getting into the detail

Mean and median gender pay gap



	Mean	Median
2022	35%	37%
2021	36%	38%
2020	36%	36%
2019	37%	37%
2018	44%	41%

Narrowing the gap

Since 2018, our mean gender pay gap has reduced by 9%. Our median gap regressed in 2021 and we see slight improvement in 2022 (1%). Our gender pay gap is an indicator that more male employees are in positions that command higher pay and, to eradicate the gap, we need greater gender balance across the organisation and are committed to addressing that. Overall at Carnival UK, we slightly over-index on female employees (at the time of the snapshot, 61% female, 39% male). So, we need to continue our focus on increasing the number of women in senior roles in general and we need to analyse and address gender representation across the various teams and business areas. For example, males are underrepresented in our call centre and females are underrepresented in maritime, engineering, and technical disciplines. We believe these patterns are seen across the industry and require a longer-term strategy to address them. We'll therefore work beyond our own organisation, to drive change.

Male:Female ratio quartiles

This table shows our employee group broken down into four equal sized parts (called quartiles), based on salary, from lowest (lower quartile) through to highest (upper quartile). For each quartile, the male:female ratio.

Quartile	 Ratio (%) April 2021	 Ratio (%) April 2022
Lower Quartile	20:80	19:81
Lower Middle Quartile	28:72	31:69
Upper Middle Quartile	48:52	47:53
Upper Quartile	61:39	60:40

Our goal remains to increase the representation of women at manager level and above. We have seen a minor increase (+1%) in the lower quartile, upper middle quartile, and the upper quartile but we're yet to achieve significant progress. We saw a decrease in the lower middle quartile by 3%. We want to see greater balance here, through continuing our inclusive approach to recruitment and progression.

Gender bonus gap

	Mean	Median
2022	68%	81%
2021	70%	47%
2020	70%	46%
2019	81% <small>75% when excluding £50 voucher</small>	97% <small>60% when excluding £50 voucher</small>
2018	83%	75%

The median bonus gap in 2022 has significantly increased, driven by:

- This reporting period includes both annual management bonuses paid in February 2022, additional vested shares for management as well as a one-off bonus paid to everyone in the business as a thank you for hard work during the operational pause.
- There are proportionally more men currently in management roles and in comparison, we have more women in more junior positions (particularly in our Contact Centre which typically attracts more women). The bonus in this reporting period was paid to a wider population than in a normal year: company wide and across career levels as a form of appreciation for the hard work our colleagues put in. So, the median bonus for men was higher than for females due to the imbalance in gender representation at all levels, which caused the bonus gap to be 81%.

We are committed to increasing female representation in more senior roles at Carnival UK in the future and expect the snapshot of April 2023 to reflect the trend of previous years.

Bonus pay

Employees who were paid bonus



In 2021, 72% of males received a bonus (2022 saw a increase of 14%), and 61% of females received a bonus (2022 saw an increase of 27%). The reportable figures for bonus do not consider hours worked, therefore bonus figures can be adversely affected if one group are more likely to work part-time.

86% of men received a bonus award, but only 2.3% is attributable to part-time colleagues. In contrast, 88% of women received a bonus, with 23.1% attributable to part-time colleagues.

Offering the option to work flexibly encourages inclusion so we'll continue to do so.

When calculating the gender bonus gap, bonuses...

- that have been pro-rated for part time employees remain pro-rated (i.e. they are not increased to their full time equivalent)
- include vouchers, money or securities
- relate to profit sharing, productivity, performance, incentive, or commission
- include 'token' amounts, e.g. low value vouchers
- are considered over a 12-month period to April 2022.

Statutory declaration and further information

If you would like to know more about the Gender Pay Gap Reporting Regulations, further details can be found here:

www.gender-pay-gap.service.gov.uk

In addition, ACAS has provided a full description of the reporting requirements and the distinction between gender pay reporting and equal pay here:

www.acas.org.uk/genderpay

“*I confirm the information in this statement as required by the Gender Pay Gap Reporting Regulations is accurate.*”



Sture Myrmell
President, Carnival UK



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