

Carnival UK Gender Pay Report

Fleet





Introduction

Carnival UK is part of the Carnival Corporation & plc and is a market leader in the cruise industry. They are most widely recognised by their two famous brand names P&O Cruises and Cunard which they operate from their offices in Southampton. They create unforgettable holiday happiness for their guests and strongly believe that happiness is equally as important for our employees too. One of their organisational goals is to become the UK's travel Employer of Choice.

One of Carnival UK's organisational values is that they are "Better Together" and that's why they're working hard to further develop an inclusive culture where difference is respected and valued and where our people can be themselves.

This disclosure relates specifically to Fleet Maritime Services International (FMSI) which is the entity within the wider Carnival group that supplies some of the onboard staff to the cruise ships operated by a few of the brands within this group, including Carnival UK.

“Carnival UK continues to work hard to further develop an inclusive culture where difference is respected and valued and where our people can be themselves.”



What is this report about?

This report explains our Gender Pay Gap, as measured under the UK statutory reporting obligations, for the onboard staff employed by FMSI on Carnival UK's United Kingdom registered ship Britannia and is based on data from April 2018. Britannia is the only United Kingdom registered ship within the fleet, and is accordingly the only ship for which this reporting obligation applies. Due to the fluidity of staff movement onboard the fleet, this year's population of relevant employees is materially different when compared to 2017. Only 305 of the same individuals were reportable for pay in both 2017 and 2018.





What is the gender pay gap?

The Gender Pay Gap is the difference in the pay and bonuses of all men and all women across an organisation which we compare by looking at the mid-point levels for each gender. Our Gender Pay Gap is therefore expressed using two mid-point measures in the report.



HERE IS HOW EACH IS CALCULATED:

MEAN GAP

The mean is the 'average' salary paid. It's calculated by adding up all the salaries of a certain group and then dividing that figure by the number of people in that group.

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 amongst FMSI staff onboard the Britannia in April 2018.

The same calculation is also applied for bonuses paid to women and bonuses paid to men over a 12 month period to April 2018 to calculate a mean bonus Gender Pay Gap.

MEDIAN GAP

The median is the 'middle' level that is paid for salaries (expressed as hourly rates as above) or for bonuses.

If all FMSI staff onboard the Britannia in April 2018 were grouped into two lines, one female line and one male line, in order of salaries paid from highest to lowest, the median Gender Pay Gap compares the salary level of the female in the middle of their line and the salary level of the middle man. Because different jobs pay differently and the number of men and women performing these jobs varies, a Gender Pay Gap exists.

The same calculation is also applied for bonuses paid to women and bonuses paid to men over a 12 month period to April 2018 to calculate a median bonus Gender Pay Gap.

EQUAL PAY

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 strive to be gender-neutral in all aspects of our business, especially when it comes to recruiting, retention and compensation and we will continue to seek ways to enhance our approach.



The FMSI picture *(employees onboard Britannia)*

Our mean Gender Pay Gap is 11%.

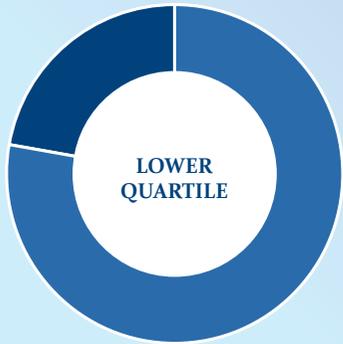


We are pleased that this gap is relatively small and well below the UK average but there is still room for improvement.

Our median Gender Pay Gap is 10%.



FMSI employee group quartiles



22%

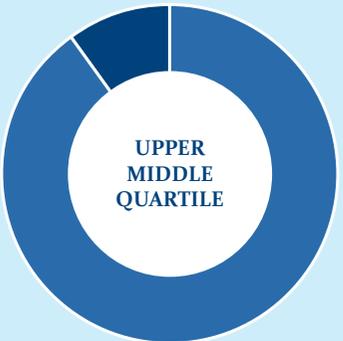
78%

These graphs show FMSI employee group onboard Britannia broken down into four equal-sized quartiles based on salary. The male:female ratio at each level is shown alongside the gender pay gap for each quartile.



8%

92%



10%

90%

- Total FMSI Population for the gender pay gap is 965 (835 male and 130 female).
- Female representation is significantly lower than male in every quartile



14%

86%

Quartile pay gaps



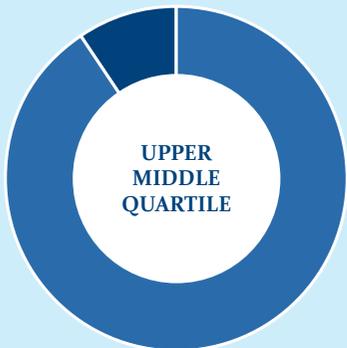
 **53**
.....
 **188**

Mean Gap: 6%
Median Gap: 12%



 **19**
.....
 **222**

Mean Gap: -4%
Median Gap: 2%



 **24**
.....
 **218**

Mean Gap: 1%
Median Gap: 1%



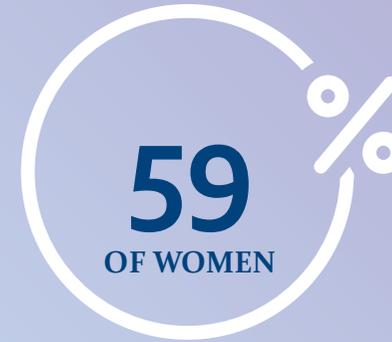
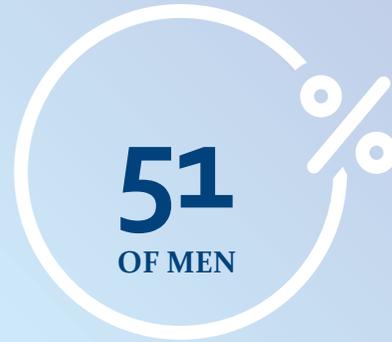
 **34**
.....
 **207**

Mean Gap: 5%
Median Gap: 6%



Bonus gap

51%
of Men
receive
a bonus
payment

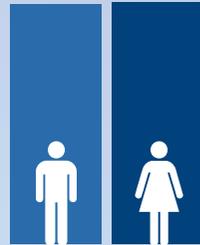


59%
of Women
receive
a bonus
payment

86 females receive bonus compared to 505 male, however given the female v male population, the proportion of females receiving bonus is higher than male (59% v 51%).

Bonus pay

The gap between the mean bonus pay for males and the mean bonus pay for females is -18%.

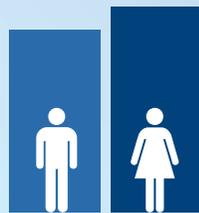


MEAN BONUS PAY



The graphs show that the mean and median bonus gap is more favourable to females

The gap between the median bonus pay for males and the median bonus pay for females is -48%



MEDIAN BONUS GAP





CUK whole fleet

As previously mentioned, under the Gender Pay Gap regulations, we are not required to report the situation across Carnival UK's whole fleet.

However we would like to openly acknowledge that female representation continues to be an issue across the wider fleet.

THIS IS DRIVEN BY SEVERAL FACTORS:

- There is a lack of female representation in more senior roles across the wider fleet operated by Carnival UK, 86% of which are held by males.
- Male employees are dominant in each quartile apart from Q1
- We have a greater number of females in entry level roles; 22% of entry level roles are held by females.
- In our business, we have large groups of people dedicated to maritime, engineering and technical disciplines, which traditionally have been male-dominated industries.
- A career at sea, where individuals are away from their home and families for up to 10 months at a time is naturally a less attractive option for females.

“Growing the minds and opening the hearts of leaders through developing them to value difference, encourage innovation and understand that not everyone thinks the same”

Our plan to improve this picture

Improving the gender balance, particularly at the more senior levels across the wider fleet continues to be a priority for Carnival UK and they will continue to focus on the same specific areas identified last year for both the Fleet and their shore based organisation.

“We are committed to improving”

THESE AREAS OF FOCUS ARE:



**BUILDING
AN INCLUSIVE
CULTURE**



**DEVELOPING
INCLUSIVE
LEADERS**



**BEING
MORE
DIVERSE**



BUILDING AN INCLUSIVE CULTURE

Carnival UK will continue to

- Through their purpose and values, set clear expectations around their ambition to be more inclusive and why it is important to them
- Share authentic leadership stories that highlight the value of inclusion
- Ensure policies and procedures are equality impact assessed when they are reviewed
- Measure their progress and hold themselves to account
- Use employee voice forums to further their understanding of the current situation
- Changed our maternity policy to allow individuals to return up to 2 yrs after taking maternity leave
- We are currently reviewing our provision for antenatal care and will continue to review our overall maternity policy



DEVELOPING INCLUSIVE LEADERS

Carnival UK will continue to

- Include building a diverse team and culture as part of their management development training
- Include Diversity and Inclusion in coaching sessions with senior management
- Partner with Senior Management Teams onboard to deliver against action plans tailored to tackle diversity in their specific parts of the business
- Help male employees understand the value of diversity and become vocal advocates
- Reference inclusive behaviors in their criteria for promotion and selection for Buddies/Mentors onboard
- Deliver inclusion matters workshops onboard that includes unconscious bias training



BEING MORE DIVERSE

Carnival UK will continue to

- Strengthen their relationships with Nautical Colleges and aim to become the employer of choice for female cadets
- Develop relationships with schools and colleges to raise the profile of women in shipping and encourage females into the industry
- Build upon their education programme work with STEM (Science, Technology, Engineering and Mathematics) and support their STEM ambassadors within the company
- Work with their manning agents to review their HR strategies in relation to inclusion within the Carnival UK fleet
- Put strategies into action that attract and develop more females for officer roles
- Redevelop their induction materials and programmes to promote greater diversity



Final analysis

Carnival UK's goal is to meaningfully increase the representation of women at officer level and above across its fleet by April 2023.

As noted in Carnival UK declaration, the president of Carnival UK has acknowledged that clearly they still have quite a way to go to get to where they want to be, however they are moving in the right direction. He continues to see the commitment, passion and will from every individual at Carnival UK to make a significant improvement across the company including their fleet.

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

Simon Walters
Director FMSI

“Growing the minds and opening the hearts of leaders through developing them to value difference, encourage innovation and understand that not everyone thinks the same”