

Carnival UK Gender Pay Report

Fleet



CARNIVAL UK



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.

"We're working 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 2017. Britannia is the only United Kingdom registered ship within the fleet, and is accordingly the only ship for which this reporting obligation applies.





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 2017.

The same calculation is also applied for bonuses paid to women and bonuses paid to men over a 12 month period to April 2017 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 2017 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 2017 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.



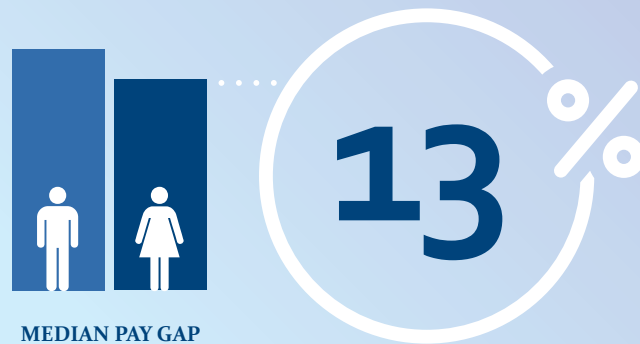
The FMSI picture (*employees onboard Britannia*)

Our mean Gender Pay Gap is 8%.

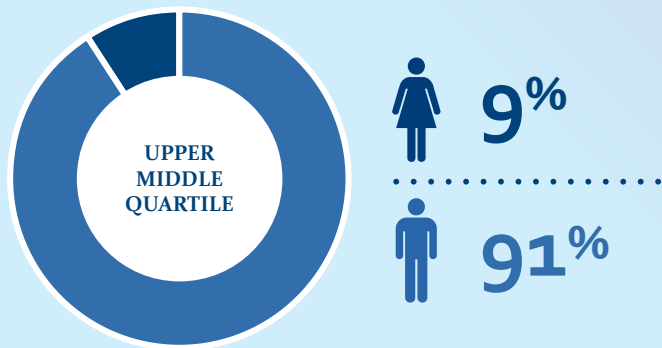
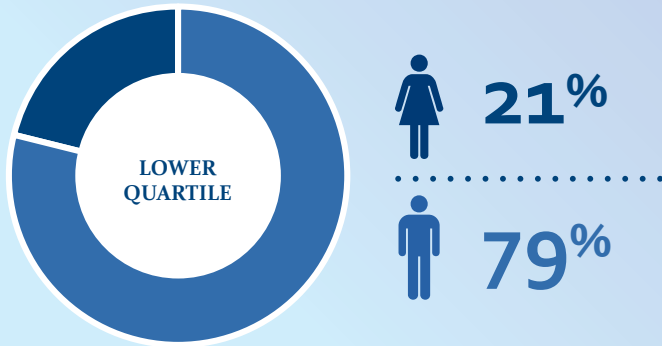


We are pleased that this gap is relatively small and well below the UK average but there is still room for improvement.

Our median Gender Pay Gap is 13%.

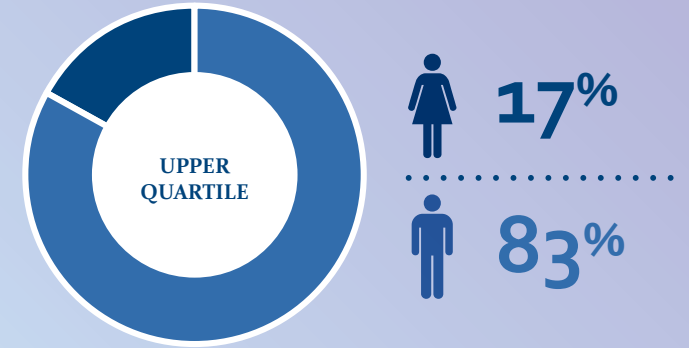
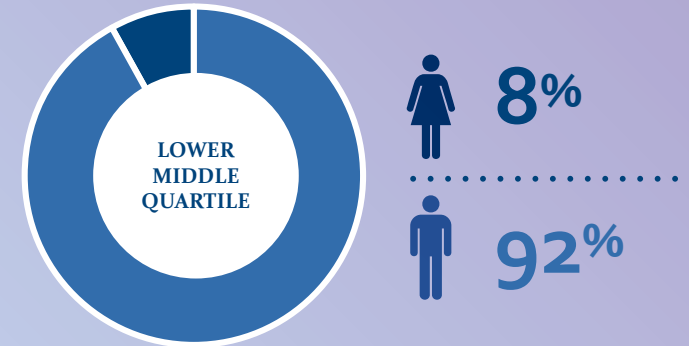


FMSI employee group quartiles

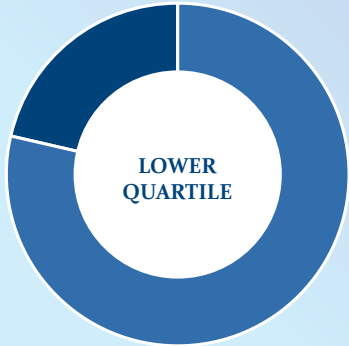


These graphs show FMSI employee group onboard Britannia broken down into four equal-sized quartiles based on salary. The male:female ratio at each level is shown alongside the gender pay gap for each quartile.

- Total FMSI Population for the gender pay gap is 1000 (862 male and 138 female).
- Female representation is significantly lower than male in every quartile



Quartile pay gaps

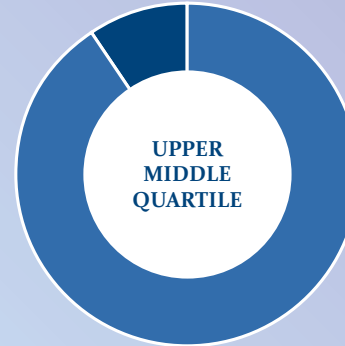


53



197

Mean Gap: 8.63%
Median Gap: 5.02%

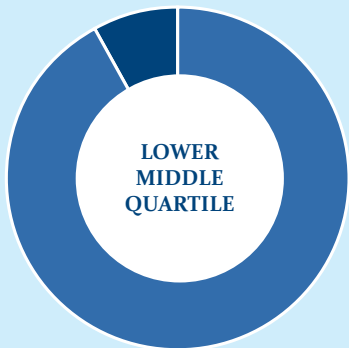


23



227

Mean Gap: 1.53%
Median Gap: 6.32%

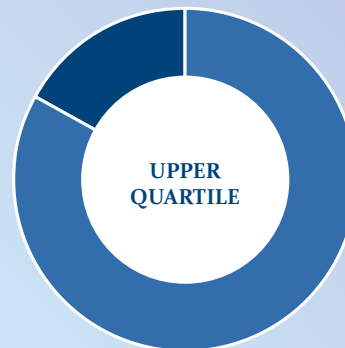


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230

Mean Gap: 6.11%
Median Gap: 7.53%



42

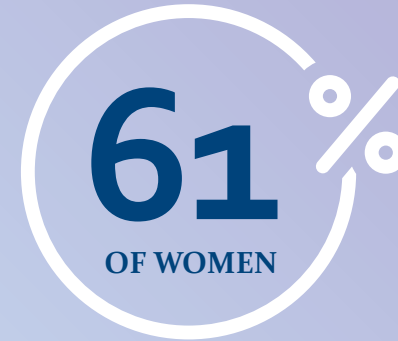
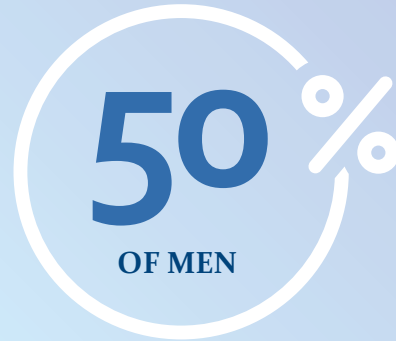


208

Mean Gap: 2.54%
Median Gap: -4.44%

Bonus gap

50%
of Men
receive
a bonus
payment



61%
of Women
receive
a bonus
payment

92 females receive bonus compared to 502 male, however given the female v male population, the proportion of females receiving bonus is higher than male (61% v 51%)

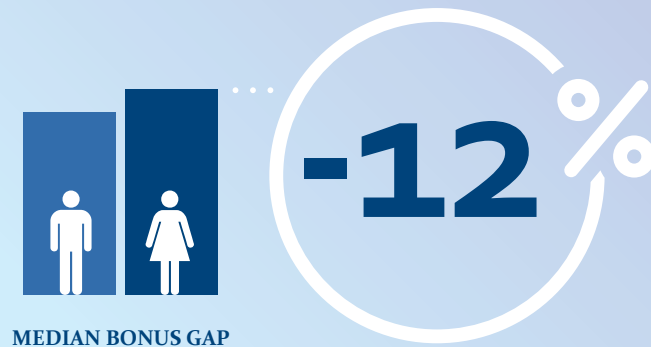
Bonus pay

The gap between the mean bonus pay for males and the mean bonus pay for females is -1%.



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 -12%.





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 that female representation is 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, 88% 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; 62% 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.

“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 is an immediate priority for Carnival UK, and they will be focusing on the same specific areas for their Fleet as they are for 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

- Through their purpose and values, Carnival UK is setting clear expectations around their ambition to be more inclusive and why it's important to them
- They are sharing authentic leadership stories that highlight the value of inclusion
- They are equality impact assessing their policies and practices
- They are measuring their progress and holding themselves to account
- They are holding focus groups onboard to further their understanding of the current situation
- They are selecting and training Inclusion representatives onboard to support the culture in becoming more inclusive



DEVELOPING INCLUSIVE LEADERS

- Carnival UK is including building a diverse team and culture as part of their management development training role out in 2018
- They are also ensuring Diversity & Inclusion is included in coaching sessions with senior leaders
- They are partnering with the Senior Management Teams onboard to help them come up with action plans tailored to tackle diversity barriers in their specific parts of the business
- They are helping male employees understand the value of diversity and become vocal advocates
- Ensuring Inclusive behaviours are referenced in criteria for their Promotion and for selecting 'Buddies/ Mentors onboard
- They are running "Inclusion Matters" workshops onboard which will include unconscious bias training



BEING MORE DIVERSE

- Carnival UK is strengthening their relationships with Nautical Colleges and they aim to become the employer of choice for female cadets
- They are developing relationships with schools and colleges to raise the profile of women in shipping and encourage females into the industry
- They will continue to build upon their Education programme work with STEM (Science, Technology, Engineering and Mathematics) and support our STEM ambassadors within the company
- They are working with their manning agents to review their HR strategies in relation to inclusion within the CUK fleet
- They are putting strategies into action that attract and develop more females for officer roles
- They are redeveloping 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's declaration, the president of Carnival UK has only been in his role for less than a year and acknowledges that they have quite a way to go to get to where they want to be. However, he has already seen the commitment, passion and will from every individual at Carnival UK to make an improvement across the whole company including their fleet.

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

Edward Jones
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 “