

# Apple UK Gender Pay Gap Report

# Apple UK Gender Pay Gap Report 2018–19

Each year, we continue to strengthen our efforts to hire and promote more women and foster a culture that empowers everyone to do their best work. We're glad to share this year's report, demonstrating where we have seen those efforts pay off in areas we believe will be the most impactful in the short term — and detailing those areas where we see more opportunity and will continue to drive change over time.

This report shows that we continue to increase representation of women in the UK each year. Our greatest progress is seen in the under-30s and new hire populations. During this reporting period, 38 per cent of our new hires were women — up 6 percentage points since 2016. Representation among our women under 30 at Apple increased by 5 percentage points up to 37 per cent from 2016. And this trend extends into leadership levels — today, 55 per cent of leaders under 30 are women.

While we know that increasing representation of women through hiring across all levels has the potential to decrease our gender pay gap over time, it can also cause an increase in the short term. This is due to the tenure of newly hired employees and disproportionate representation of women at lower levels. To that end, while we saw an increase in our gender pay gap over the past year, the growth rate of the gender pay gap has slowed since our first report in 2017. This year, Apple's mean and median gender pay gap is 12 per cent in favour of men, which remains 5 percentage points below the overall UK country gender pay gap.

The numbers in this report illustrate the pay gap for new Apple employees across the UK based on hourly pay rates as of 5 April 2019 and bonuses paid, including stock, in the 12 months ending 5 April 2019.

Beyond bringing more women into the company, there is continued opportunity to support our colleagues as they develop their careers at Apple — and we expect our efforts to compound in a meaningful way over time. In fact, each year we see a decrease in the gender pay gap when comparing employees who have remained at Apple since our previous report with the current reporting population. This year, there's an 8.5 per cent pay gap in favour of men for that population — nearly 4 per cent less than our current reporting population.

We are committed to doing more. And we know meaningful change takes time. We will continue our work to build a more inclusive and representative workforce through focused efforts and commitment from our leaders.

#### 325,000 jobs and counting...

We are proud that Apple is an engine of economic growth in the UK through the fast-growing iOS app economy and our own expanding workforce, which currently numbers over 6,300. In the last 5 years we've spent over £8 billion with local companies and, all told, our investment and innovation now supports more than 325,000 jobs up and down the country.

# **Our Progress**

# At Apple, women earn the same as men when performing similar work.

Every year, we examine the compensation employees receive and make adjustments, if needed, to ensure we maintain pay equity. As part of our commitment, we've also stopped asking candidates about their salary history.

#### Pay gap vs. pay equity

Each year, we report on the average total pay that women receive relative to men in the UK. If there is a difference, it is referred to as the "pay gap". The gender pay gap is driven by the representation of women in our workforce across levels and tenure. As we continue to hire more women every year — and as we sustain our efforts to ensure that more women are hired, promoted and retained — we expect our progress to change in a meaningful way.

£1 = £1
Women Men

To align with UK government reporting requirements, numbers in this report keep reporting to the traditional gender categories of male and female. Apple respects that gender is not binary and reporting in this manner should not be interpreted as our position on the issue.

# 100% of Apple employees are eligible to receive bonus pay

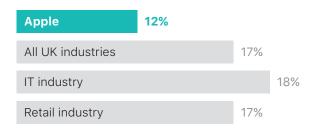
We're fortunate that Apple employees build long careers at the company, and we're proud to boast a compensation model that makes all employees eligible for stock grants that grow and become more valuable over time.

New hires begin to receive the value of their stock once it vests. The longer an employee remains at Apple, the more stock grants they are eligible to receive.

The bonus measurement for this report only factors in stock once it vests. Since some UK employees who were hired in this reporting period have not yet vested their stock grant, their bonus pay is not accounted for.

#### **Putting Apple's pay gap in context**

Across all industries in the UK, the median hourly pay rate gap is 17 per cent in favour of men. Similarly, it is 17 per cent for the retail industry and 18 per cent for the IT industry. By comparison, Apple's median hourly pay rate gap is 12 per cent.



Source: Office for National Statistics 2019 provisional dataset released 29 October 2019.

#### We're closing the gap for our employees

To better understand the progress we've made in the UK to close the gap each year, we study the impact of our efforts on UK employees who have remained at Apple since our previous report. In this analysis, we see that the pay gap for employees who have remained at Apple since our previous report is 8.5 per cent in favour of men — nearly 4 per cent less than the pay gap for our current reporting population.

This progress shows that as our growing new employee population deepen their tenure and rise into leadership roles, we expect our progress to move in the right direction.

# **↓ 4 points**

The difference in the gap between more tenured employees who have remained at Apple since 2018 and employees in this year's reporting population, which includes brand-new hires.

## **Our Representation**

In each of the past five years we have increased the representation of women among our new hires globally, up by 7 percentage points since 2016. We see the new-hire percentage as key evidence of our progress over time and our momentum moving forward. As we continue to bring in new team members and support their growth at Apple, we're highly encouraged that our workforce will become more representative at all levels of the company.

Employees under 30 represent 41 per cent of our total workforce in the UK. They are our most diverse and fastest-growing population. Today, 55 per cent of leaders under 30 in the UK are women. And we're deeply committed to ensuring that each generation of leaders is more representative than the last.

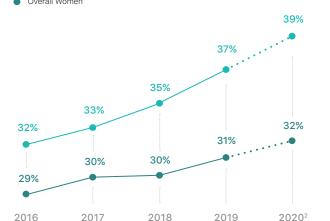
As we look to 2020 and beyond, we see even greater representation of women at Apple in the UK overall, as well as continued progress in our new-hire and under-30 populations.

**55**%

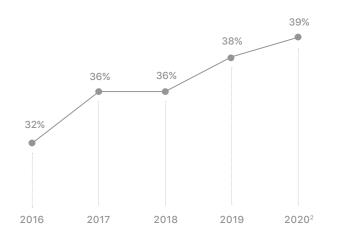
of leaders under 30 in the UK are women<sup>2</sup>

#### Women at Apple in the UK1





#### New-Hire Women at Apple in the UK1



<sup>&</sup>lt;sup>1</sup>Representation data for each year included reflects the employee population within the reporting period of that year.

<sup>&</sup>lt;sup>2</sup>2020 representation data reflective of 30 March 2019 through 28 March 2020.

## **Our Commitment**

Since our last report, UK leaders have reaffirmed their focus on effecting change in three key areas aligned with Apple's company-wide commitment to inclusion and diversity: hiring, development and retention. And we will continue to monitor and measure progress against each of these commitments regularly.

#### Hiring

We're building upon our inclusion and diversity action plans by making interviewee sets and hiring teams more diverse.

#### Development

We're committing to increase career growth, leadership training and promotional opportunities at all levels.

#### Retention

We're continuing efforts that ensure Apple is a place where all employees can have long and fulfilling careers — empowered to do the best work of their lives.

### **Actions and Initiatives**

# We've continued to invest in efforts that drive our progress — for women and for all our UK employees:

- We're leveraging technology to eliminate gender bias from job descriptions
- We do not ask candidates about their pay history ensuring that all employees are compensated equally and fairly
- Our hiring teams meet at the end of the interview process to ensure decisions are made based on competence and skill
- Inclusive leadership training and education are required for every manager and senior leader
- Managers have access to data to support fair and equitable succession planning at all levels
- Development opportunities are available to all employees
- Our Women@Apple group in the UK continues to expand — nearly doubling its membership since last year
- Seminars, networking meetups and volunteering events are available to employees to foster opportunities for career growth and provide support outside work

# And we are building, piloting and launching new initiatives to support our employees each year:

- Leaders are partnering with our Recruiting and People teams to build inclusion and diversity action plans
- We're building a unified competency model across
   Apple to ensure fair promotion and interview processes
- We're focusing on inclusion indicators and insights within our global employee survey analysis
- We're striving to ensure every role includes diversity in the interviewee set and hiring team

## **Benefits Programmes**

# We remain committed to supporting team members at all stages of their careers by providing a comprehensive set of benefits including:

- Bonuses and stock grants to share in Apple's success
- Extensive healthcare programmes with coverage for employees' dependants, including same-sex and opposite-sex domestic partners and their children
- Financial support for education
- Adoption assistance

# And we have extended additional benefits to support families and those returning to work:

- Extended paid leave for new parents and employees taking care of family members in need
- Additional programme offering new parents full pay at a reduced schedule when coming back from parental leave
- Expanded Employee Assistance Programme for those in need of counselling, financial planning, legal assistance or referrals

# **Apple by the Numbers**

Apple has three legal entities operating in the UK with at least 250 employees.

Dendre OBrier

Deirdre O'Brien

Senior Vice President, Retail + People

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**Mark Rogers** 

Vice President, Western Europe

P. R. Denuvor

**Peter Denwood** 

Director

We confirm that the gender pay gap data is accurate for the entities reported herein.

The numbers in this report illustrate the pay gap for Apple employees across the UK based on hourly pay rates as of 5 April 2019 and bonuses paid, including stock, in the 12 months ending 5 April 2019.

Since this report only factors in vested stock, some UK employees hired in this reporting period have no bonus pay because they have not yet vested in their stock grant.

<ul><li>Women</li><li>Men</li></ul>		All UK Entities	Apple Europe Ltd	Apple Retail UK Ltd	Apple UK Ltd
Hourly Pay Gap	Mean	12%	19%	5%	22%
	Median	12%	20%	10%	21%
Bonus Pay Gap	Mean	27%	43%	19%	26%
	Median	27%	20%	28%	48%
Receiving Bonus	Women	87%	87%	88%	76%
	Men	91%	91%	93%	82%
Pay Quartiles	Upper	28%	31%	25%	13%
		72%	69%	75%	87%
	Upper Middle	27%	35%	25%	13%
		73%	65%	75%	87%
	Lower Middle	31%	44%	35%	20%
		69%	56%	65%	80%
	Lower	38%	50%	38%	40%
		62%	50%	62%	60%

