



HENKEL IRELAND
GENDER PAY
GAP
REPORT
2022

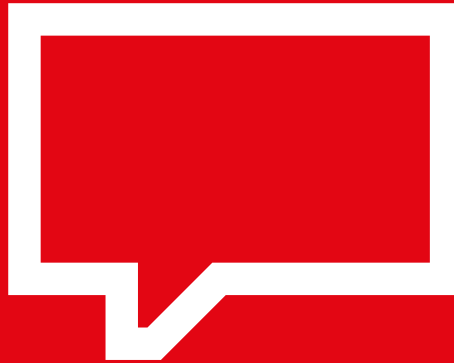




Deborah Moore

DR DEBORAH MOORE

Head of Western Europe
Product Development
and Application Engineering,
General Manufacturing
and Maintenance



FOREWORD

It's great to see Ireland has now followed other countries in gender pay gap reporting. Bringing transparency and driving open dialogue on this topic is another step to ensuring an inclusive workplace. Although it is impacted by many factors, gender pay gap reporting indicates where a company is on its path to gender parity across all levels of an organisation.

In the sixteen years since I have joined Henkel, I have seen lots of positive developments in gender diversity in Henkel Ireland R&D. Our R&D senior management team has evolved in recent years to be gender balanced, and I have seen the same pattern in other leadership teams across the wider organisation, a clear indicator of an environment where female leaders can succeed. We are also seeing good gender balance in our recruitment processes which

can sometimes be a challenge in STEM (Science, Technology, Engineering and Mathematics) areas. Even with these positive developments, we still see a gender pay gap, so we know we have more to do if we want to continue to attract and retain the talented workforce needed to be a successful innovative organisation. This reporting will help us understand if our efforts in creating an inclusive workplace are leading to long term change over the coming years.



INTRODUCTION

From 2022, legislation in Ireland requires employers (initially with 250 or more employees) to publish details of their Gender Pay Gap, along with a statement setting out, in the employer's opinion, the reasons for such differences and the measures (if any) being taken, or proposed to be taken, by the employer to eliminate or reduce such differences.

DEFINING THE GAP

The gender pay gap is the difference between the average earnings of men and women across an entire organisation, typically caused by more men than women in senior roles and more men than

women in higher-paying job types. By contrast, equal pay is the legal right of women and men in the same employment to be paid equally for performing the same role or work of equal value.

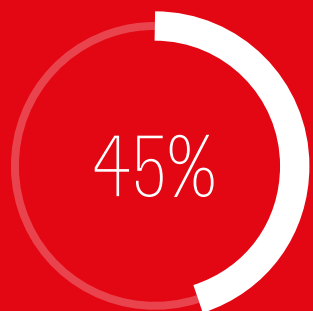
HENKEL IRELAND OVERVIEW

In total, we have 345 colleagues in our business, based in our Tallaght and Ballyfermot sites. Both the adhesives and consumer brands businesses are represented in Henkel Ireland.

Within the adhesives division, there is a manufacturing facility, a research and development facility and sales and marketing. Within the consumer brands business, both sales and marketing are represented. In addition, we have central functions such as finance and HR, covering both adhesives and consumer brands.



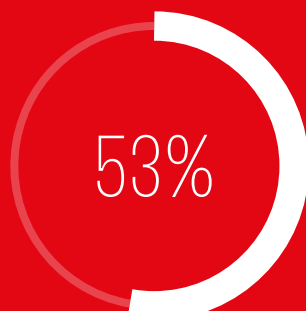
The R&D facility is a Henkel global centre of excellence for acrylics and attracts some of the brightest research talent in Ireland. With just under 100 colleagues...



hold a PhD



hold a master's or
bachelor's degree



of colleagues in the
team are women



Our manufacturing operation in Ireland has two bulk operating plants and a bottling and packaging facility supplying global markets. The products produced in Ireland are used around the world in virtually every industry.

WHERE WE STAND

As of 30th June 2022,
the snapshot date for reporting,
Henkel Ireland had a total of

345 employees

209 of whom were men

60.6%

136 of whom were women

39.4%



The mean gender pay gap
is the difference between women’s mean hourly wage and men’s mean hourly wage. It is the average hourly wage across the entire organisation.

The median gender pay gap
is the difference between women’s median hourly wage and men’s median hourly wage. It is calculated by ranking all employees from the highest paid to the lowest paid and taking the hourly wage of the person in the middle.

The overall Henkel

mean hourly pay gap is
20.40%*

while the median pay gap is
22.93%**

* Research & Development Mean Pay Gap – 18.17%
Manufacturing Mean Pay Gap – 23.41%.

** Research & Development Median Gender Pay Gap – 14.59%
Manufacturing Median Gender Pay Gap – 29.92%

These overall pay gap figures incorporate employees fulfilling different types of functions and roles across the business.

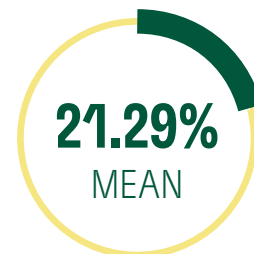
The majority of Henkel's part time employees are female, so the sample size does not give an accurate reflection of a gender pay gap for part time workers. However, Henkel is still committed to balancing our part time employee base.

Our temporary employees represent just under 8% of employees overall. We hired more male temporary employees in technical positions, which has influenced the gap in this area.

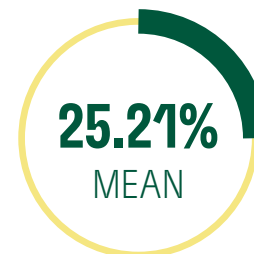
Henkel's bonus pay gap reflects a greater representation of men in more senior positions with greater bonus potential. However, Henkel is committed to the promotion of females into the positions that will attract greater bonus potential.

MEAN AND MEDIAN

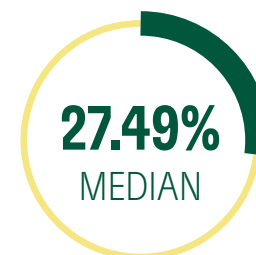
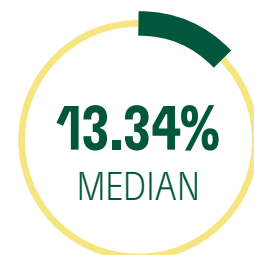
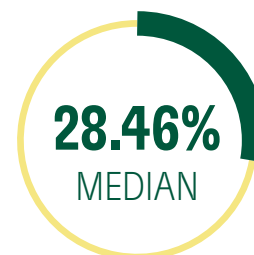
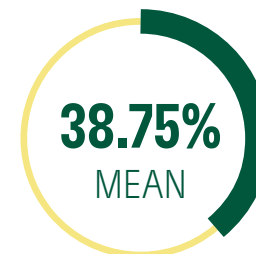
PART-TIME HOURLY
PAY GAP



TEMPORARY HOURLY
PAY GAP



BONUS
PAY GAP



BONUS PAY PAID



Male
93.30%



Female
94.12%



BENEFIT IN KIND RECEIVED

All Henkel employees (with the exception of temporary internships) are eligible for benefits in their remuneration packages, including private health insurance. However, not all employees choose to receive benefits that are taxable as benefit in kind, therefore we see a percentage difference.



Male

90.91%



Female

94.12%



QUARTILES DATA

Pay quartiles are calculated by splitting all employees in an organisation into four even groups according to their level of pay. Looking at the proportion of men and women in each quartile indicates the gender representation at different levels of the organisation.

Upper



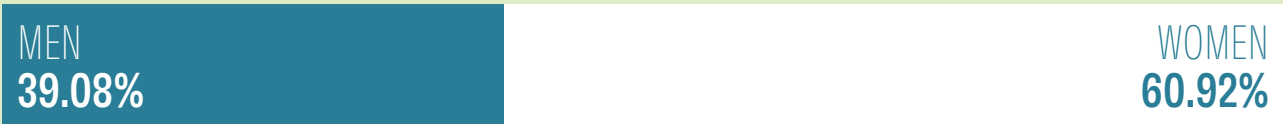
Upper Middle



Lower Middle



Lower



N.B. The data is based on all employees within the legal entity. The Manufacturing and Research & Development teams make up 79% of the business at time of reporting and the figures below relate specifically to this section of the business.

CLOSING THE GAP

In Ireland, the Henkel business primarily consists of employees that work in adhesive technologies manufacturing and research and development. Our industry as a whole has been traditionally dominated by men and over time, this has resulted in an imbalance across the business that largely explains our gender pay gap.

Henkel has a progressive balance of men and women at all levels of our research and development teams. We are taking steps to attract more women at all levels across the business – although progress is affected by our relatively stable workforce. This means we have a low number of open positions each year.



Globally, Henkel is striving for gender parity across all management positions by 2025.

To achieve this ambitious goal, Henkel has further accelerated its programmes and measures along the whole employee lifecycle – from recruitment to development and retention.



Henkel Ireland have already taken some positive steps. The Initiatives that we have already implemented or we plan to implement in our Irish operation include:

- **WISE – Women in Science and Engineering** set up in 2020 to create role models and a clear path for women in science and engineering. An awareness programme will be rolled out across the sites regarding initiatives from the WISE programme.
- **Launch the Adhesives Hiring Excellence Programme** to all hiring managers across the sites. This programme includes initiatives such as:
 - Gender diverse recruitment selection panels. Aim to have at least one female on each panel.
 - Job advert wording and imagery. Use gender neutral language to be more inclusive. Ensure job descriptions are updated to be gender neutral and more inclusive, to encourage women to apply for leadership roles.
 - Ensure every hiring manager and selection panel member goes through unconscious bias training.
- **Flexible work concepts and working arrangements** such as smart work, part time working, job sharing, along with new working formats where feasible, will additionally contribute to more flexible opportunities for building careers and achieving work-life balance.



"We're becoming a more diverse workforce in Henkel Ireland and within the Research and Development team where I work there is a good gender balance. We are seeing more female junior managers coming through so there is progress being made with opportunities to promote women to more senior roles."

"It's not a quick process, long-term change requires a mindset shift, for everyone, not just short-term KPIs. This is not going to happen overnight. However, as a business we are on the right track although it is important to acknowledge that there is more work to be done to support and encourage women to advance in their careers."

CIARA GAINE

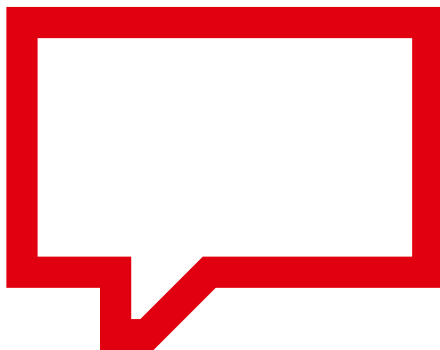
Gas chromatography specialist at Henkel Ireland. Promoted to Scientific Principal in 2021.



SUSAN CRAIG

**Safety, Health and
Environment (SHE) Manager**

Henkel Ireland Operations
and Research Ltd



"I joined Henkel 23 years ago as an intern on the graduate programme. I have worked in all elements of SHE over the years, and I became SHE manager in 2019.

"In this team there is a good gender mix, and I would say that I've had as many female managers as male, although in more traditional areas of the business there will be a higher number of men.

"However, I don't feel that my gender has hindered in my career development, and the company was very supportive when I had a family and provided the option of flexible working hours.

"I believe that the introduction of Gender Pay Gap reporting in Ireland is a positive step which will give greater visibility to women and allow a more comprehensive discussion on gender related subjects. While I believe that there is a willingness to promote women to senior roles, it will be necessary to continue to modify the culture within the workplace to make a real difference and this change needs to start at school where girls should be encouraged to go into different fields, including STEM and Manufacturing Management."

"We have been working towards gender parity in our Irish team for some time, but the Gender Pay Gap legislation has provided us with a good opportunity to take stock and to work harder to encourage more women to apply for jobs with Henkel Ireland and to find ways to make it easier for women in our business to apply for promotion across all levels."

"We can see that we are making some progress in our R&D facility, and this will encourage us to achieve our global goal to reach gender pay parity across all management positions by 2025."

"Henkel Ireland remains committed to closing the gap and will continue to work closely with HR and senior leaders to ensure that women feel empowered to progress their careers."



DR NIGEL FAY

Corporate Vice President
Henkel Adhesive Technologies

**Global Head of Innovation
and Engineering and Director**
Henkel Ireland Operations
and Research Limited

JOHN KICKHAM

Director and Site Manager
Henkel Ireland Operations
and Research Limited



DECLARATION

We confirm that Henkel Ireland Operations and Research Limited gender pay gap calculations are accurate and meet the requirements of The Gender Pay Gap Information Act 2021.

Signed

DR NIGEL FAY

Corporate Vice President
Henkel Adhesive Technologies

**Global Head of Innovation
and Engineering and Director**
Henkel Ireland Operations
and Research Limited



JOHN KICKHAM

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