



HENKEL IRELAND GENDER PAY **GAP** REPORT *2023*



INTRODUCTION

Welcome to the second annual Henkel Ireland Gender Pay Gap Report.

Henkel Ireland employs 317 people, based at our Tallaght and Ballyfermot sites. Both our Adhesive Technologies and Consumer Brands businesses are represented in Henkel Ireland.

Within our Adhesive Technologies division, there is a manufacturing facility, a research and development facility, as well as sales and marketing. Within the Consumer Brands business, both sales and marketing are represented. In addition, we have central functions such as finance, IT, infrastructure services, Corporate Communications and HR, covering both Adhesive Technologies and Consumer Brands.





GENDER PAY GAP

The gender pay gap is the difference between the average earnings of men and women across an entire organisation, typically caused by having 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.

At Henkel Ireland, we have a mean gender pay gap of 24.82%, which means that remuneration for women was on average 24.82% lower than for men, reflecting a higher proportion of men in senior roles across the company. We recognise that this is too high, and we are fully committed to addressing it.

To close the gap at Henkel Ireland, we are working to improve the representation of women at all levels. Globally, Henkel has set an ambition to reach gender parity across all management positions by 2025. This means the proportion of women is to be significantly increased at the top management levels as well as in junior and middle management. With this ambition, Henkel backs its clear commitment to a more diverse, equitable and inclusive organisation with concrete ambitions and actions.

REASONS FOR OUR GAP

Our industry has been traditionally dominated by men and, over time, this has resulted in an imbalance across our business, including more men than women in senior roles.

Aligned to this, it is worth noting that within a manufacturing environment, we sometimes see fluctuations in salary linked to business requirements. For example, increased overtime will lead to increased payments and with a greater proportion of men in the business, this can ultimately lead to changes in the gap year on year that is outside of our control and not impacted by our initiatives.

Furthermore, given the number of people we employ, even small changes across the business can impact the overall numbers.

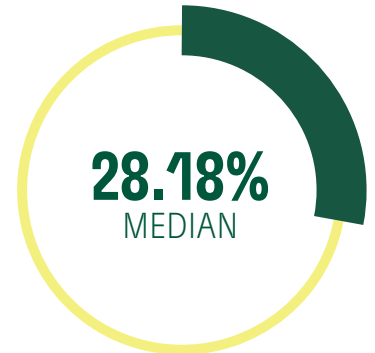
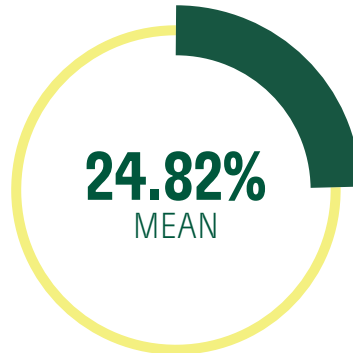
Notwithstanding these factors, we are taking steps to attract more women at all levels across the business. Although progress is affected by our relatively stable workforce, meaning we have a low number of open positions each year, we are fully committed to improving the representation of women at all levels across our business.

WHERE WE STAND

The data presented in this report is based on pay that pertained to the period from 1st July 2022 to 30th June 2023.

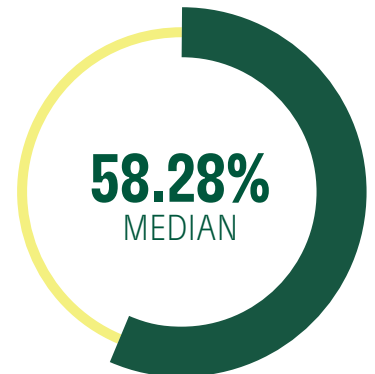
HOURLY PAY

These figures reflect a higher proportion of men in senior roles at Henkel Ireland, which we are actively working to address.



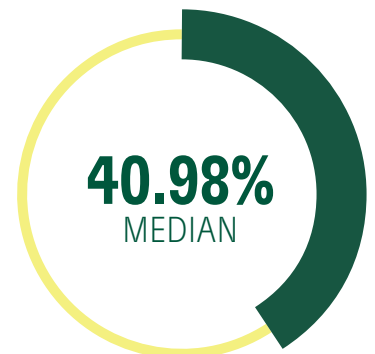
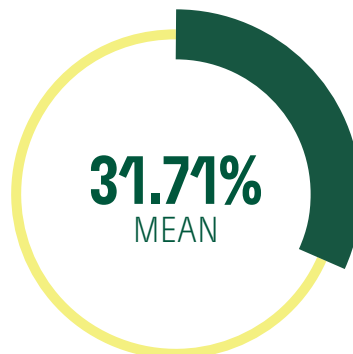
PART-TIME EMPLOYEES

The majority of Henkel Ireland'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, we remain committed to balancing our part-time employee base.

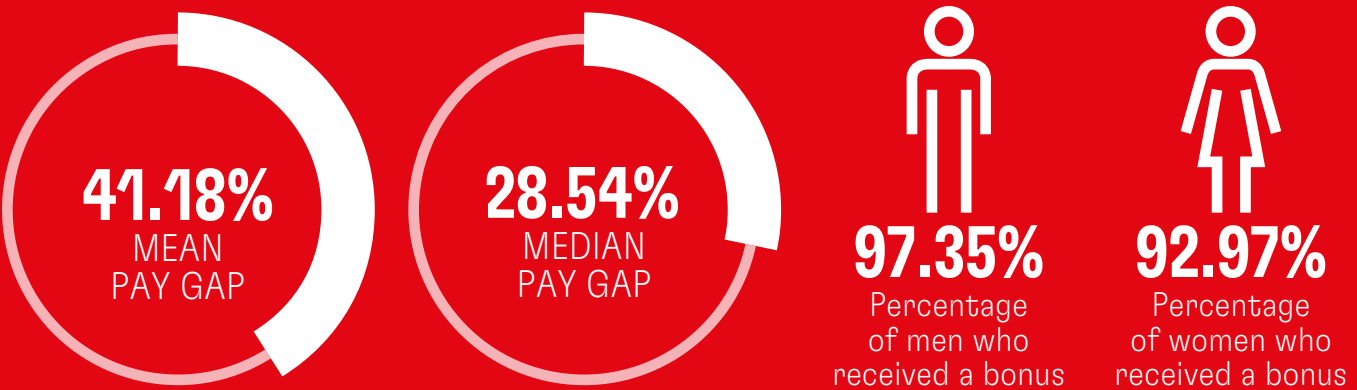


TEMPORARY CONTRACTS

Our temporary employees represent less than 10% of employees overall. We hired more male temporary employees in technical positions, which has influenced the gap in this area.

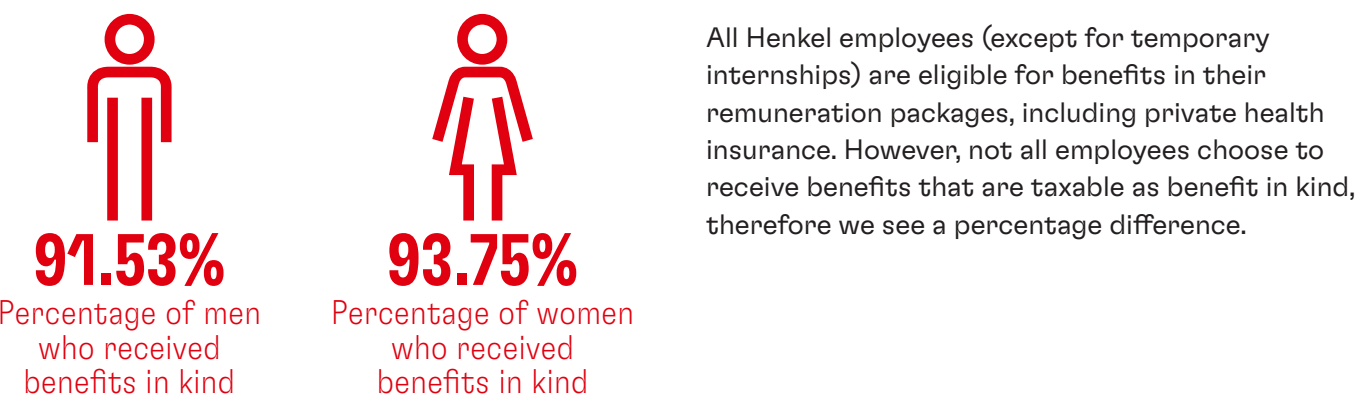


BONUS REMUNERATION



Henkel Ireland’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.

BENEFITS IN KIND



PAY QUARTILES

| | | |
|------------------------------------|-------------------|---------------------|
| Upper remuneration quartile | 78.48% MEN | 21.52% WOMEN |
| Upper middle remuneration quartile | 74.68% MEN | 25.32% WOMEN |
| Lower middle remuneration quartile | 53.16% MEN | 46.84% WOMEN |
| Lower remuneration quartile | 32.50% MEN | 67.50% WOMEN |

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.



HOW WE ARE CLOSING THE GAP

Henkel's markets and products are diverse, so we recognise that our people should be too.

At Henkel, we pursue a holistic Diversity, Equity, and Inclusion (DEI) approach, with a particular focus on gender, ethnicity, LGBTQ+, disabilities, and generations.

Henkel has set itself the ambition to reach gender parity across all management levels by 2025.

With this ambition, Henkel backs its clear commitment to a more diverse, equitable and inclusive organisation with concrete ambitions and actions.

To strive for more gender diversity, we will further accelerate our programmes and measures along the whole employee lifecycle, including:

- Gender inclusive recruitment and talent attraction
- A thoroughly monitored promotion and succession plan
- Intensive internal upskilling on diversity
- Unconscious bias training and inclusion programmes
- Expanding working formats such as shared or part-time leadership roles
- Mentoring and networking initiatives for diversity worldwide

We recognise that significant focus is required to address the gender imbalances represented by the gender pay gap and we are fully committed to making progress on this matter.

To this end, Henkel Ireland has already taken several 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) – a programme established to create role models and a clear path for women in science and engineering.
- Adhesive Technologies Hiring Excellence – a programme for hiring managers which includes gender diverse recruitment selection panels, the use of gender-neutral language to be more inclusive and unconscious bias training.
- Flexible work concepts and working arrangements – initiatives such as smart work, part-time working, job sharing, along with new working formats where feasible, which will contribute to more flexible opportunities for building careers and achieving work-life balance.



“It’s all about culture”



Alena Nagornyak is Head of HR for UK, Ireland, Sweden, Norway, Finland, and Denmark, having joined Henkel in 2012. In this interview, Alena speaks about her pride in Henkel’s “impressive company history” but, most importantly, the “values we stand for”. One of the key factors in increasing female participation in the workplace is “culture” according to Alena, who believes the future opportunities being created now for young women is “inspiring”.

What makes you proud to work at Henkel?

Our impressive company history, our products and brands, our values we stand for, as well as our people.

In your view, why is Henkel a great place to work?

Because we care. We care about people, diversity, sustainability, local communities. Because Henkel is a great company to learn, to grow, to make an impact. Because we have amazing highly professional colleagues.

How would you describe Henkel’s commitment to diversity and inclusion?

Henkel’s commitment is solid and tangible. In 2007, Henkel was one of the first German DAX companies to establish a dedicated global diversity team. Today, DEI is deeply anchored into the company strategy and culture. It is reflected in the public commitment on gender parity ambition, announced several years ago. In fact, ESG targets are now an integral part of Long-Term Incentives KPIs, which is a clear and obvious commitment to make it a companywide business priority, and not just one that relates to HR. The volume of initiatives to bring diversity to life at Henkel is impressive – starting from global efforts centred around topics such as Diversity and Inclusion, to local programmes or activations like Unconscious Bias Training, Pride Month or Black History Month, or making our recruitment process more inclusive.

What are Henkel’s gender diversity commitments and how do you feel about these?

Henkel announced in early 2022 an ambition to reach gender parity across all management positions by 2025. I believe this was a courageous, ambitious, and bold move. As a woman in leadership and a mother to a young girl, it is exciting to see more opportunities being created for women in business. For me it is not just about numbers.

Seeing companies like Henkel take proactive steps toward equality gives me hope and inspiration, showing that progress is possible, and that inclusivity benefits us all, creating a more vibrant and fair future for everyone.

What in your view is the most important thing an employer can do to increase female participation in the workplace, especially at senior levels?

I am convinced there is no silver bullet. Creating an ecosystem or environment where women feel empowered, respected, and supported in their professional growth is something which is crucial for increasing female participation, especially at senior levels. Actively addressing barriers that hinder women’s progression, such as implementing flexible work arrangements, mentorship programmes, transparent recruitment, and promotion processes, showcasing female leaders as role models and sharing their success stories, can greatly encourage and retain female talent. Ultimately, it’s all about culture.

Why in your view is female participation in the workplace, especially at senior decision-making level, of critical importance?

Firstly, because diverse perspectives foster better decision-making. Women bring different viewpoints, experiences, and insights that can lead to more innovative and well-rounded strategies. Secondly, it promotes a fairer and more representative workforce, reflecting the diversity of society. When leadership mirrors the broader population, it can better understand and cater to diverse customer needs and preferences. Lastly, based on my experience as a mother, encouraging female participation at senior levels sets an example for future generations, inspiring young women to pursue leadership roles and contributing to the ongoing progress toward gender equality in all spheres of life.

