

Hollister ULC Gender Pay Gap Report 2022



Introduction

Hollister Incorporated is an independent, employee-owned company that develops, manufactures, and markets healthcare products worldwide. The company develops and manufactures products for ostomy care, continence care and critical care, and also develops educational support materials for patients and healthcare professionals. Hollister has been serving healthcare professionals and patients for more than 100 years – making a difference in the journey of life for people throughout the global community.

Hollister opened its Ballina, Ireland manufacturing facility in 1976 on a 40-acre campus in County Mayo, as a private unlimited company, trading as Hollister ULC. The Ballina facility manufactures products for global distribution that support our Ostomy Care and Continence Care product lines. Over the years, we have expanded our operations beyond manufacturing to include Research & Development, Global Engineering, Supply Chain Management and Finance Shared Services. We also have a Sales Team based in Dublin supporting the Irish market. Today, we employ over 1,000 dedicated associates in Ireland with the majority based at our Ballina facility.

Hollister ULC is now delighted to present our Gender Pay Gap Report 2022, which is our first report being published in accordance with the Employment Equality Act 1998 (Section 20A) (Gender Pay Gap Information) Regulations 2022.

At Hollister, we believe it is imperative that policies are adopted to sustain and empower the inclusion of all, regardless of age, sex, gender identity, ability, race, ethnicity, origin, religion, or economic or other status. We have taken a proactive approach to ensure Inclusion & Diversity (I&D) throughout the organization and have set up an I&D Committee to drive I&D initiatives within the business. Since January 2021, Hollister has made significant progress to improve representation with regard to gender, age, and training/employment opportunities across the organization.

In our recent Global Associate Engagement Survey, 71% of Ballina associates agree that Hollister values diversity and 75% agree that the work environment is accepting of diverse backgrounds and ways of thinking. Globally, Hollister is proud to be an Equal Employment Opportunity Commission (EEOC) employer, a distinction that we take very seriously. The most significant changes, however, relate to the gender balance across the company's director level and above. In 2020, the percentage of female directors within the business stood at 35% and in 2021, this figure had increased to 38% globally. Locally in Ballina, we continue to strive towards a similar balance.

Overview of Gender Pay Gap Analysis

The Gender Pay Gap shows the difference in the average hourly rate of pay between women and men in an organisation, expressed as a percentage of the average of the male earnings. The Gender Pay Gap can be driven by a number of factors, including a lack of women in senior leadership roles and an over-representation of women in lower paid and part-time positions.

It is important to note that a Gender Pay Gap is different to the issue of equal pay, which is the legal requirement under the Employment Equality Acts to pay men and women the same for equal work.

As at the snapshot date of June 30, 2022, Hollister employed 1,012 associates in Ireland with 417 females and 595 males. We have analysed the workforce using three categories as follows:

- Staff
- Maintenance
- Operations

Staff comprises of professional and senior professional associates, including senior people leaders, who work in functions including Operations, Engineering, Research and Development (R&D), Quality, Sales, Finance, Information Technology (IT) and Human Resources (HR).

Maintenance comprises of technically qualified associates (primarily fitters and electricians) who install and maintain all of the facilities, plant and equipment.

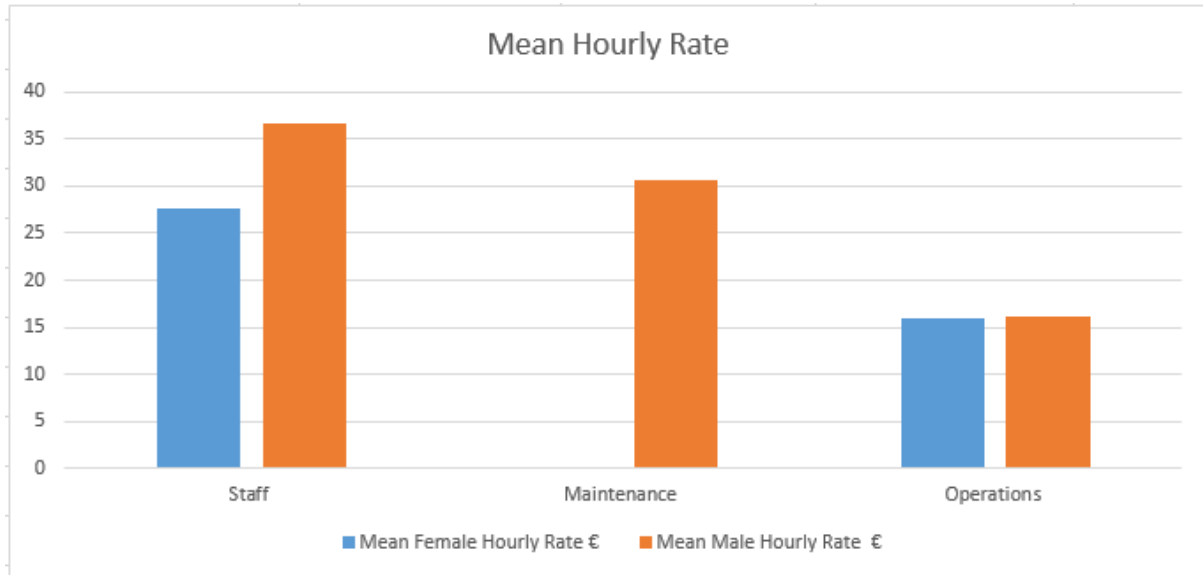
Operations comprises of associates who manufacture our ostomy care and continence care products for global distribution.

In accordance with the Gender Pay Gap Regulations, we have analysed our data using three different methods:

1. **Mean** - Used to determine the average hourly pay rate.
2. **Median** - Used to determine the value that is exactly in the middle of a dataset when it is ordered from low to high.
3. **Quartiles** - Sorting the data by increasing hourly pay rates and dividing the data into 4 groups of equal size (quartiles) and distinguishing them by names (Lower Quartile, Lower Middle Quartile, Upper Middle Quartile and Upper Quartile).

Gender Pay Gap Analysis 2022

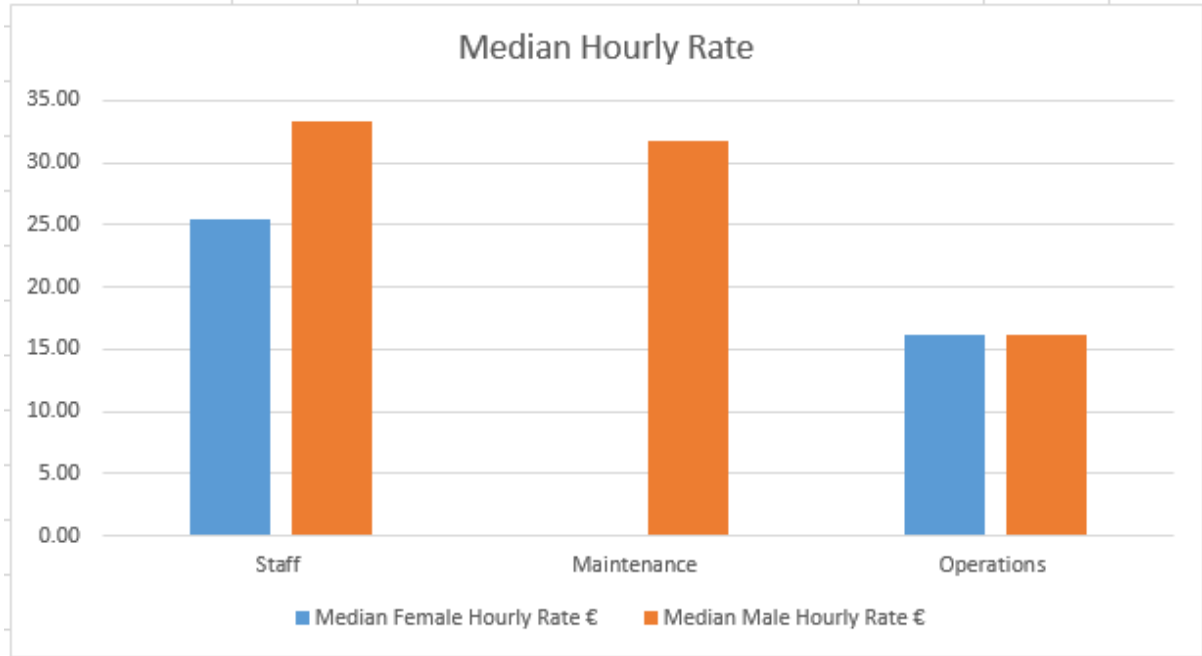
1. Mean Hourly Rate – all associates



Categories:	Mean Female Hourly Rate €	Mean Male Hourly Rate €	Mean Pay Gap %	Population Female No.	Population Male No.
Staff	27.64	36.75	24.8%	120	194
Maintenance	0	30.70	100.0%	0	84
Operations	15.93	16.22	1.8%	297	317
Total	19.30	24.96	22.7%	417	595

This table shows that the overall mean pay gap is 22.7%.

2. Median Hourly Rate – all associates



Categories:	Median Female Hourly Rate €	Median Male Hourly Rate €	Median Pay Gap %	Population Female No.	Population Male No.
Staff	25.53	33.30	23.4%	120	194
Maintenance	0.00	31.82	100.0%	0	84
Operations	16.09	16.09	0.0%	297	317
Total	16.09	16.09	0.0%	417	595

This table shows that the overall median pay gap is 0.0%.

3. Quartiles – all associates

Lower Quartile	253 Associates	101 Female, 152 Male,	39% Female 59% Male
Lower Middle Quartile	253 Associates	181 Female, 72 Male	72% Female 28 % Male
Upper Middle Quartile	253 Associates	86 Female, 167 Male	34% Female 66% Male
Upper Quartile	253 Associates	49 Female, 204 Male	19% Female 81% Male

This table showing the quartiles analysis, shows that the proportion of females is higher in the Lower Middle Quartile, while it is lower in the Lower, Upper Middle and Upper Quartiles.

4. Mean and Median Hourly Rate – Part-time and Temporary associates

Within our total population of 1,012 associates, as at the snapshot date of June 30, 2022, we have 41 (41 female, 0 male) part-time associates and 121 (46 female, 75 male) temporary associates. The calculation of mean and median for part-time and temporary associates is as follows:

Categories:	Mean Female Hourly Rate €	Mean Male Hourly Rate €	Mean Pay Gap %	Population Female No.	Population Male No.
Part-time	16.28	0	0.0%	41	0
Temporary	15.85	16.30	2.8%	46	75

Categories:	Median Female Hourly Rate €	Median Male Hourly Rate €	Median Pay Gap %	Population Female No.	Population Male No.
Part-time	16.09	0.00	0.0%	41	0
Temporary	14.47	14.47	0.0%	46	75

5. Bonus and Benefits in Kind – all associates

	All Associates	Staff	Operations	Maintenance
Mean Bonus Gap	48.2%	47.4%	18.4%	100.0%
Median Bonus Gap	20.6%	33.6%	26.8%	100.0%

Benefits:	Percentage of Female Associates	Percentage of Male Associates
Bonus	100%	100%
Benefits in kind	100%	100%

These tables show that all associates are eligible to receive and have received a bonus and benefits in kind. The mean bonus gap is 48.2%, while the median bonus gap is 20.6%.

6. Other Information

The data analysis above has been calculated based on the entire population of associates employed by Hollister in Ireland as at the snapshot date of June 30, 2022.

All Associates in Hollister receive base pay, bonus, shift premiums (if working on evenings, night or weekends) and other benefits including pension, health insurance, life assurance etc. These additional benefits are provided to associates depending on their category in the organisation, and the same benefits are provided regardless of gender.

Understanding the Gender Pay Gap Analysis

The overall mean pay gap for all associates is 22.7%. This gap is driven by an overall greater number of Male associates, primarily due to the historical nature of the work in the Maintenance areas (where it is currently 100% Male) along with a larger Male population in our Staff positions.

The overall median pay gap is 0.0%. This is because all Operations associates are aligned to agreed negotiated pay rates. This category makes up the largest proportion of our total population, being 61%.

The historical nature of the work in the Maintenance areas (where it is currently 100% Male) along with a larger Male population in our Staff positions, also influences the quartiles analysis, which shows a larger proportion of males in the Upper Middle and Upper Quartiles.

We offer the facility of part-time work where it can be accommodated. All of our part-time workers are female and they have chosen part-time work from a work life balance perspective. We currently have 75 temporary male employees and 46 temporary female employees.

All associates are eligible to receive and have received a bonus and benefits in kind. The mean bonus gap is 48.2%, while the median bonus gap is 20.6%. This again is driven by an overall greater number of Male associates, primarily due to the historical nature of the work in the Maintenance areas (where it is currently 100% Male) along with a larger Male population in our Staff positions.

Actions to progress Gender Equality in Hollister

Hollister continues to progress gender balance across the organisation. Some of the initiatives currently underway include:

- Hollister globally is committed to cultivate a workplace where diverse experiences and perspectives are welcome and encouraged. The I&D Committee was established at Hollister globally in 2021. As part of this Committee, we now have access to an I&D recruitment toolkit. It enables associates to globally adhere to best practice around I&D. This includes, but is not limited to, using inclusive language in job descriptions, sourcing candidates through our outreach programs, and screening individuals using a standardized process, diverse interview panels and recognising any bias.

- As our I&D journey continues, we have just launched an Irish Chapter of the Women's Initiative Network (WIN) – a volunteer led Employee Resource Group (ERG). The mission is to create a community of support, allyship and guidance where women can grow personally and professionally, have fun, and celebrate achievements together. Although WIN has “women” in its name, everyone – male, female, and non-binary - is encouraged to join.
- HolliEd is a tuition assistance programme for our Maintenance and Operations associates to gain further education and give equal opportunities for promotion into Staff and Manager positions.
- Flexible Working - Options include hybrid working, job-sharing, summer breaks and shift transfers.
- Maternity/Paternity - Company payment top-up is up to 75% of Associates basic salary.
- Training – Unconscious Bias Training for all People Leaders.