

Coloplast Gender Pay Report



Ostomy Care / Continence Care / Wound & Skin Care / Urology Care

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Coloplast Gender Pay Report 2017

For the first time, private sector organisations with 250 or more employees have to report on their gender pay gap to the Government to comply with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017

The gender pay gap is concerned with the **differences** in the **average earnings** of all men and women in a workforce, regardless of their role in the organisation, or seniority. This is a different way of measuring earnings to equal pay, which addresses the difference in pay for males and females within the same job.

Within Coloplast we have an established international job evaluation process, which assesses roles based on a number of independent factors, which are applied objectively for all positions. Our recruitment processes are rigorous and objective, and we also regularly benchmark our pay against both the local, and national market, to ensure that salaries remain fair and competitive, and contribute to our ambition to be a Great Place to Work.

Statutory Metrics

Gender Pay Gap			
Mean and Median gender pay gap		Mean	Median
<p>The mean gender pay gap illustrates the difference in the average rates of pay that males and females receive, based on the snapshot date of 5 April 2017. To calculate this figure, the hourly rates of pay for each group are divided by the total number of males and females.</p> <p>The median gender pay gap is shown by ranking the hourly rates of both males and females, and comparing the mid-point for each group.</p>		18.46%	24.74%
Gender Bonus Pay Gap			
Mean and Median gender bonus pay gap		Mean	Median
<p>The gender bonus gap calculation is based on the bonuses paid to male and female employees in the 12 month period up to 5 April 2017.</p> <p>The mean gender bonus pay gap % is based on the difference in average bonus pay received by males and females.</p> <p>The median gender bonus pay gap % is based on the difference in the mid-point of bonus pay received by males and females</p>		36.08%	59.32%
Proportion of males and females receiving bonus pay			
	91.18%		85.21%

Male and female employees by pay quartile			
Lower Quartile		Lower Middle Quartile	
Males	22.32%	Males	27.68%
Females	77.68%	Females	72.32%
Upper Middle Quartile		Upper Quartile	
Males	29.46%	Males	38.74%
Females	70.54%	Females	61.26%

What could cause a Gender Pay Gap?

There are many explanations as to why there could be a gender pay gap within an organisation. One of the main reasons for this could be simply down to the numbers of men and women in roles at each level of the organisation; i.e. if there are more males holding senior roles, and a higher number of females in junior roles, this will result in a wider gender pay gap than if the numbers were evenly distributed throughout the levels. This does not indicate that men and women are being paid unfairly, as each person could be paid at the appropriate and fair rate for the role they do.

Our results, and what we will focus on

Like all organisations, we strive to ensure fairness and parity between males and females in our organisation, and we are proud to have a large number of female employees. Our highest concentration of females is in the lower quartile, however 61% of our upper quartile is female, which positively reinforces our drive for equality and fairness. As a business we believe in equal opportunity and parity amongst males and females, and our gender distribution supports this. In terms of gender pay, the figures reported show the difference in average pay between all men and women in the workforce, and does not distinguish between job roles.

At the time of reporting on "full pay relevant employees" we had a female/male split of 70%/30%, so a significantly higher number of female employees. When reviewing the manager population at that time, 49% of all managers were male, and 51% were female. Within this total manager population, a higher percentage of senior management roles were held by males (61.5%) than females (38.5%), although two of the three UK Business Leaders were female.

In order to understand Coloplast's apparent gaps in pay, we have conducted further analysis of the data. If we were to break the relevant full pay employees down into quartiles, based on hourly pay rate, the results look very different. The mean gender pay gap, broken down into quartiles, shows results as below:

Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile
0.96%	0.38%	-1.70%	12.87%

If we were to look at the upper quartile as a standalone group, and break this down, there is a very small proportion of the group (the middle third) where there is a mean gender pay gap of 4.36% - the first and last thirds of this group both show a mean gender pay gap of less than 1%. Our gender pay gap negatively impacting women in the upper quartile relates to 111 employees, of which 43 are male and 68 are female. With the exception of this group, we can see our pay is broadly equivalent at all levels.

As an organisation we have an ambitious target for internal development, and aim to fill two out of three positions with an existing employee. Whilst we are not yet at the stage of fully achieving this ambition, we actively encourage internal applications from both male and female employees, and our recruitment processes are fair and transparent.

Globally, there is an Inclusion and Diversity Initiative, which is being cascaded down from the most senior leaders in the organisation. This focuses on all processes where bias may be a factor, and it is being viewed extremely positively by all who have attended to date. Representatives have been identified in each geographical region of the business – taking into account that there may be local cultural factors at play in different areas of the world – who will be instrumental in rolling the Inclusion and Diversity programme out across the business. All communications are also being reviewed, and the first step has been to re-issue our Performance Review guidelines to assist managers in understanding where bias may be a factor in how they review and assess the performance of their teams.

As part of our mission to be a Great Place to Work, we also offer enhanced Maternity Pay, which encourages females to return to work after having children. We also carefully consider all Flexible Working Requests to ensure that where possible, we can accept changes to standard work hours. Whilst this is an option available to all employees, our experience is that most applications come from females returning to work from maternity leave, and we are keen to support their return wherever possible. This will assist in encouraging females back into the work place, and supporting them as they move on through their careers.

We recognise that we have some work to do, but we do believe as an organisation we are actively moving in a direction which will reduce the existing gender pay gap, and we are hopeful that when we next report, we will see this difference reduce.

Statement

I can confirm that the information contained within this report accurately reflects the requirements of The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, in relation to the pay period including 5 April 2017.



Signed:

Date: 3 April 2018

Annemarie van Neck, General Manager, Coloplast Limited