

# UK Gender Pay Gap Report 2023

## Enabling our people to thrive

21 March 2024

For employers with over 250 employees in the UK, it is a requirement to report on the company's gender pay gap on an annual basis. At Convatec, we see this as an opportunity to reflect on our broader approach to diversity, equity, inclusion and wellbeing and the impact it has on our people, culture and business practices.

### Our approach

We are committed to creating a positive and diverse working environment where everyone is treated fairly. In relation to pay and recruitment, performance review and reward processes, we continue our efforts to ensure that regardless of gender, our employees are paid consistently for similar roles.

The gender pay gap metric represents one proof point to which we can hold ourselves accountable on our broader journey in Diversity, Equity & Inclusion (DE&I) and Wellbeing. In recent years we have refreshed our approach to DE&I and Wellbeing across Convatec, launching a new strategy as a component of Convatec's broader Environmental, Social and Governance (ESG) framework. It sits within our ESG strategic pillar of 'Enabling our people to thrive', supported by associated targets that hold us accountable for the targets we set.

For further information on our approach to ESG, [click here](#).

Consistent with regulatory requirements, we have analysed our pay data in detail, and the tables below summarise the key information at 5 April 2023.

### Scope

Convatec has employees in 3 legal entities across the UK: Convatec Ltd, Amcare Ltd<sup>1</sup> and Convatec Group Plc. Convatec Ltd is the only entity meeting the threshold for reporting as required by law. Since 2022, to further enhance our disclosure, our reporting covers the total population across all three UK-based entities.

**Figure 1: Convatec UK based entities, employee population totals and business description**

| Entity                         | Number of employees at 5 April 2023* | Description  |
|--------------------------------|--------------------------------------|--|
| Convatec Ltd                   | 986<br>[2023: 969]                   | Primary business entity for Convatec employees in the UK   |
| <b>Total</b> (all UK entities) | 1135<br>[2023: 1,114]                | In addition to Convatec Ltd, includes Amcare Ltd (a wholly owned subsidiary of Convatec Group acquired in 2020) and Convatec Group Plc (employing entity for Executive Directors: Chief Executive, Chief Financial Officer). |

\* Number of full-pay relevant employees at 5 April 2023 and at the same point in 2022 shown in [brackets]

### What is the gender pay gap?

The gender pay gap is the difference in the average hourly rate of pay between all relevant fully paid men and women in a company. This is a measure largely influenced by the gender composition of a company's workforce. It is different from equal pay, which is the difference in pay between a man and a woman who carry out the same or similar role or work of equal value in a company.

<sup>1</sup>Founded in 2000, AmcareS, is a dispensing appliance contractor (DAC) for the NHS. Services include advice and support, product customisation, a prescription home delivery service, the [me+S programme](#) - a support service for people living with a stoma, and a stoma counselling service. The business has 8 UK-based care centres and a distribution centre based in Sunderland, plus a field based clinical team of specialist stoma nurses

## Our gender pay gap calculation

The table below shows our overall mean and median gender pay gap, as well as our bonus gender pay gap, for the performance of 2022, based on hourly rates of pay as at the 'snapshot date', 5 April 2023. The data provided relates to our UK employees across all 3 legal entities. As noted above, we have chosen to disclose further than the requirements to demonstrate our commitment to closing the gender pay gap across all UK legal entities.

**Figure 2: Overall mean and median gender pay gap**

|                      | Percentage difference mean | Percentage difference median |
|----------------------|----------------------------|------------------------------|
| Hourly rate of pay   | 12.11%                     | 3.82%                        |
| Bonus Gender Pay Gap | 28.39%-                    | -13.21%                      |

**Figure 3: Overall mean and median gender pay gap for Convatec Ltd**

Gender pay gap calculation as it relates to Convatec Ltd as a direct comparison to our 2022 disclosure methodology (which are the numbers we are required to disclose):

|                      | Percentage difference mean | Percentage difference median |
|----------------------|----------------------------|------------------------------|
| Hourly rate of pay   | 4.94%                      | 2.02%                        |
| Bonus Gender Pay Gap | 1.93%                      | -20.70%                      |

Set out below is the distribution of each legal entity in the quartiles per gender:

| Upper quartile                 | Female     | Male       | Total      |
|--------------------------------|------------|------------|------------|
| Convatec Ltd                   | 120        | 152        | 272        |
| <b>Total (all UK entities)</b> | <b>124</b> | <b>159</b> | <b>283</b> |

| Upper middle quartile          | Female     | Male       | Total      |
|--------------------------------|------------|------------|------------|
| Convatec Ltd                   | 131        | 136        | 267        |
| <b>Total (all UK entities)</b> | <b>142</b> | <b>142</b> | <b>284</b> |

| Lower middle quartile          | Female     | Male       | Total      |
|--------------------------------|------------|------------|------------|
| Convatec Ltd                   | 111        | 144        | 255        |
| <b>Total (all UK entities)</b> | <b>130</b> | <b>154</b> | <b>284</b> |

| Lower quartile                 | Female     | Male       | Total      |
|--------------------------------|------------|------------|------------|
| Convatec Ltd                   | 95         | 97         | 192        |
| <b>Total (all UK entities)</b> | <b>151</b> | <b>133</b> | <b>284</b> |

The results show a substantial reduction of both the median and average gender pay gap. In 2023, the median hourly pay difference between our male and female employees decreased to 3.82% (2022: 12.2%), and reached only 2.02% for the primary UK business entity, Convatec Ltd. Both figures are significantly below the UK median pay gap of 14.3% (Source: Office for National Statistics at 1 November 2023).

The reduction of our gender pay gap was driven largely by intentional efforts across all UK legal entities, such as the implementation of our new job architecture, the career pathways in late 2022, ensuring that employees were classified consistently based on their role scope, remit and authority. Adjustments were made to reflect the new job levels as well as increases for employees whose salaries were deemed below the market range. Our compensation and recruitment policies also played an important role. Salary increases and promotions in the period focused on internal equity and fairness, and we actively supported internal career progression, including for senior management roles.

A detailed breakdown of pay by gender and pay by quartile is shown in the table below. The lower quartile is the single quartile where we have more females than males. In the lower middle quartile, we have more males than females, while in the upper middle quartile, male and female employees are represented equally. The greatest difference in numbers of male versus female employees is in the upper quartile band.

**Figure 4: Proportion of females and males in each quartile band**

| Hourly pay        | £7.46 <sup>2</sup> < £15.80 | £15.81 < £21.14 | £21.15 < £31.06 | £31.07 < £569.28 |
|-------------------|-----------------------------|-----------------|-----------------|------------------|
| Total in band     | 284                         | 284             | 284             | 283              |
| Male total: 588   | 133                         | 154             | 142             | 159              |
| Female total: 547 | 151                         | 130             | 142             | 124              |
| % male            | 47%                         | 54%             | 50%             | 56%              |
| % female          | 53%                         | 46%             | 50%             | 44%              |

Our gender pay gap reflects the demographic make-up of our business. The April 2023 data shows a substantial improvement on the previous year, as a result of our continuing efforts to be a workplace that fosters diversity, equity and inclusivity.

As Convatec continues to focus on our DE&I and Wellbeing strategy, certain initiatives – such as hiring practices that involve DE&I-focused recruitment companies and requiring diverse shortlists for roles – have led to an improvement in not just the gender pay gap, but also in the gender mix of our employees and the awareness of DE&I and Wellbeing objectives among hiring managers. We also track a number of metrics to measure progress and ensure that we recruit and retain a skilled and diverse workforce. In 2023, we achieved 44% females in senior management (CELT and their direct reports, excluding administrative support) on a global basis, and have recently announced a new ambition for 50:50 gender diversity in this population by 2027, alongside a new commitment to improving representation of underrepresented groups.

**Figure 5: Bonus payments** were awarded in March 2023. Those eligible to receive a bonus during the relevant period are shown in the table below:

|  | Females | Males |
|--|---------|-------|
| Proportion of females and males receiving a bonus payment            | 92%     | 89%   |
| Eligible population for a bonus during the relevant bonus pay period | 534     | 532   |

## Other 2023 highlights and targets

The introduction of our equal parental leave in the UK in December 2023 is an important step in addressing gender pay gap. The policy helps address important levers of change for female colleagues and, as male colleagues begin to utilise the benefits of the policy, will likely further reduce the gender pay gap in the coming years.

For further information on our DE&I and Wellbeing journey, [click here](#).

We recognise that the number of women in senior management continues to be an important metric of our progress in this area. We continue to enhance the diverse representation across all levels of leadership to align with our ESG target of 50% women in senior management by 2027.

At 31 December 2023, gender breakdown of Convatec’s leadership was:

- Board members 40% women
- Convatec Executive Leadership Team (CELT) 36% women
- Senior management\* 44% women

\*Includes CELT members and their direct reports, excluding assistants

For further information on our ESG targets and definitions, [click here](#) to see our basis of reporting and ESG definitions.

<sup>2</sup> In 2023, at the point of the data snapshot, we had two 18–19-year-old apprentices who were paid £7.68 per hour during the first year of their apprenticeship. These apprentices were paid significantly more than the National Minimum Wage for apprentices for the reporting period (£5.28).


Convatec is proud of all our people who are applying their scientific skills to clinical and R&D work. We are committed to raising awareness and improving the position of all under-represented groups in science-related industries. We continue to celebrate International Women's Day and International Day of Women and Girls in Science each year.

We have developed a DE&I and Wellbeing Council which brings a range of leaders together to support our progress, with oversight from our ESG Steering Committee. In addition, we regularly share stories of women in engineering, showcase their contributions and highlight the career opportunities available within an exciting industry. Our talent acquisition team strives to reach the greatest number of women candidates for positions at Convatec.

We recognise that it is not enough to simply celebrate and hire women. We are also focused on fostering a culture within Convatec that allows everyone to be themselves and feel supported to grow, supported by our Women's Network Employee Resource Group (ERG). We strengthened the ERG further in 2023 globally and enhanced its network of regional chapters. ERGs play an important role in supporting the wellbeing of colleagues, helping them feel comfortable bringing their whole selves to work.

Overall, we are pleased with the progress we have made and will continue to ensure this is an area of focus. Equal representation is not only the right thing to do; it will also help Convatec realise its vision of pioneering trusted medical solutions to improve the lives we touch. DE&I and Wellbeing are essential for Convatec to pivot to sustainable and profitable growth.

I confirm that the calculations provided are accurate and meet the requirements of legislation.



Moyra Withycombe  
Interim Chief People Officer  
21 March 2024

## 2023 UK Gender Pay Gap Reporting

This disclosure has been published in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. Data and calculations are accurate at 5 April 2023. For further information on Convatec visit [www.convatecgroup.com](http://www.convatecgroup.com)