



WRAFTON LABORATORIES GENDER PAY GAP REPORT



APRIL
2017

Wrafton Laboratories Ltd.

Introduction

Wrafton Laboratories Limited is part of Perrigo, a global pharmaceutical company that provides *Quality Affordable Healthcare Products™* to consumers and patients around the world. At our Wrafton site, employing just over 500 people, we manufacture a range of over the counter medicines such as cough and cold, analgesics and allergy relief products, making about a billion tablets a year and another billion capsules and sachets. Wrafton Laboratories is pleased to report our Gender Pay Gap information, as of 5th April 2017, in line with our legal duty under the Equalities Act (2010).

The Office of National Statistics tells us that across the U.K, the average hourly earnings for women are on average 18.1% lower than that of men*. However, in the manufacturing sector this gap is estimated to be slightly higher at 22%. Wrafton Laboratories has a pay gap of 18% which is in line with the national average, but lower than the manufacturing sector. In order to understand why the gap exists, we conducted a thorough analysis.

WHAT WE ALREADY DO

- We have a Code of Conduct entitled “**We Are Responsible**” - creating and sustaining a positive working environment for men and women is at the heart of what we do.
- We provide equal opportunities in all of our employment practices and seek to ensure that every employee is treated fairly with **Integrity** being one of our core values, alongside **Respect** and **Responsibility**.
- Our talent acquisition team uses rigorous selection processes to ensure we have a fair approach and place the people who best fit the job and business need into the required roles, regardless of gender.
- We have flexible working and enhanced family friendly leave policies in place.
- When we assign pay, we use a globally recognised objective method to evaluate job worth and refer to internal and external benchmark information to ensure fairness.

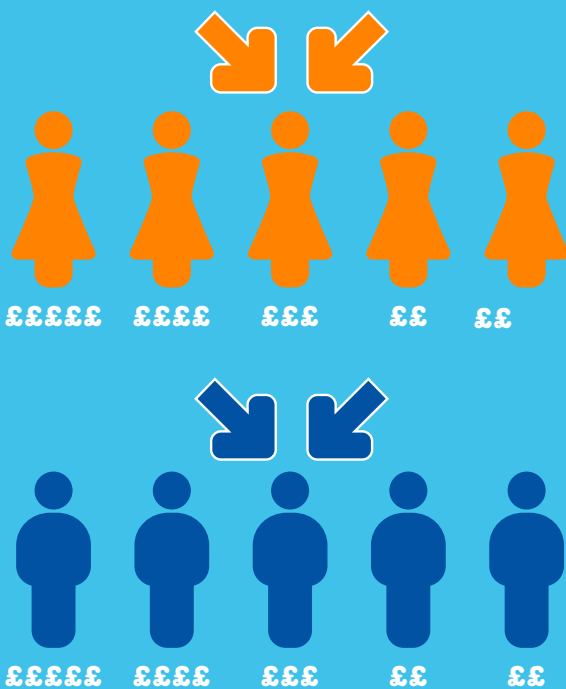
*Office of National Statistics 2016

Key Definitions

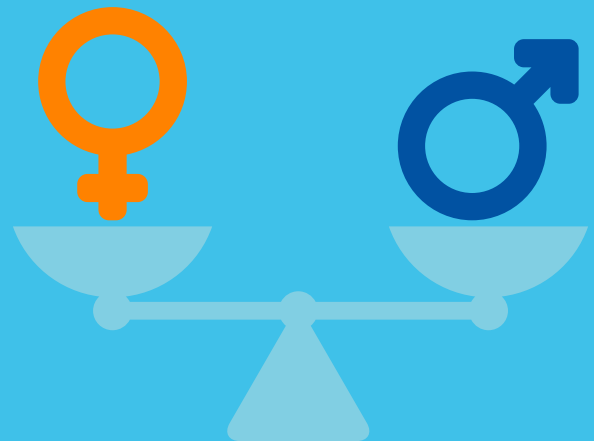
THE GENDER PAY GAP IS NOT THE SAME AS EQUAL PAY

Equal Pay Laws have been in place since 1970 in the UK, stating men and women should be paid the same for doing the same or a similar job. The Gender Pay Gap is the difference in earnings between men and women across the entire organisation.

The MEDIAN represents the middle point of the population



The MEAN represents the average amount for that population



Why does the gap exist?

Perrigo has four legal entities in the UK and some senior managers who do not solely operate in Wrafton Laboratories as they have broader responsibilities across the other entities. If we exclude these individuals, the mean pay gap reduces to 8% - well below the national average.

Aside from this first point, our Gender Pay Gap analysis and challenges are broadly consistent with the wider manufacturing

sector and within the UK. The remainder of the gap can be attributed to more men than women serving in senior leadership roles and more women than men serving in our non-management roles. We also have three times as many part-time female staff as we do part-time male staff. Finally, it is noteworthy that within our engineering department, we have no female engineering technicians.

8%

MEAN PAY GAP

On average, men earn **18%** more than women

Excluding senior managers not solely operating in Wrafton Laboratories who have broader responsibilities for other entities, men earn **8%** more than women

MEDIAN PAY GAP

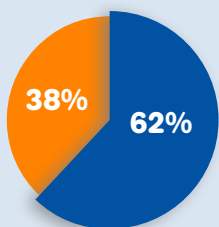
On average, men earn **12.9%** more than women

Excluding senior managers not solely operating in Wrafton Laboratories who have broader responsibilities for other entities, men earn **11%** more than women

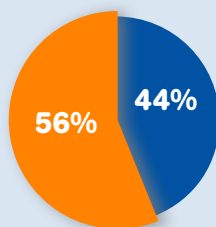
PROPORTIONS OF MALES & FEMALES IN EACH PAY QUARTILE

When we compare women as a proportion of the overall workforce, we can see that women are over-represented in the lower pay quartile and under represented in the upper middle and upper quartile.

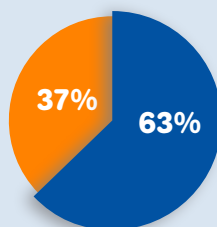
OVERALL WORKFORCE



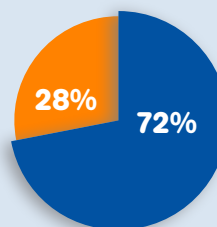
LOWER QUARTILE



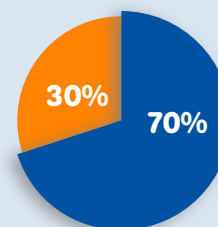
LOWER MIDDLE QUARTILE



UPPER MIDDLE QUARTILE

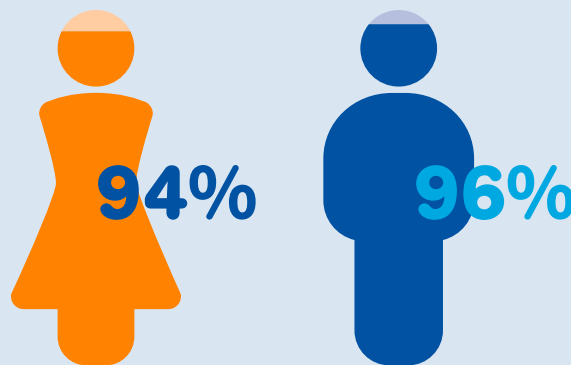


UPPER QUARTILE



The Bonus gap

All our male and female employees are eligible for bonus payments on an annual basis, subject to scheme rules. Our proportions of males and females receiving bonus payments can be attributed to the number of new hires and attrition, as well as the different bonus plan timings in the scheme year.



MEAN BONUS GAP*

On average, men earn **12.4%** more than women

Excluding senior managers not solely operating in Wrafton Laboratories who have broader responsibilities for other entities, men earn **9%** less than women

MEDIAN BONUS GAP

On average, men earn **14.4%** more than women

Excluding senior managers not solely operating in Wrafton Laboratories who have broader responsibilities for other entities, men earn **14%** less than women

*In 2017, the managers bonus was paid in June rather than March, resulting in a lower mean bonus for men than in other years.

What are our plans?

We are committed to continuing our focus on ethical business practices and maintaining a positive working environment.

We have identified three main areas that we will focus on and against which we will measure progress in future reports.

1. We will take proactive steps to attract more women to join our Engineering team, working with WISE (Women in Science and Engineering) and collaborating with local educational institutions to identify female candidates for engineering apprenticeships. This is a strong commitment and meaningful investment considering the context of the UK Engineering industry in which we operate, both in terms of time and resources.
2. We will continue leveraging our Global Talent Management and development processes to improve our gender balance amongst senior leaders.
3. We will further promote our flexible working policies and ensure there is greater awareness of the opportunity to take advantage of our family friendly policies and shared parental leave.

We can confirm the Gender Pay Gap figures provided in this report are in accordance with the regulations and are accurate.



A handwritten signature in black ink, appearing to read 'M Comer'.

Martin Comer
Operations Director



A handwritten signature in black ink, appearing to read 'Efrat Feder Bukshpan'.

Efrat Feder Bukshpan
HR Director