

GENDER PAY GAP REPORT 2020

BBI Solutions OEM Limited

Contents

Introduction

Overview

Understanding the data

BBI Solutions OEM gender pay gap

Understanding BBI Solutions OEM gender pay gap

Closing the gap

Introduction

We are committed to improving the diversity of representation across the BBI Group. We follow the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender reassignment or disability.

Our aim is an inclusive workplace, an environment that enables our employees to thrive and to continue to serve our customers and their patients. 2020 brought new challenges to our workforce with the impact of Covid - we asked our employees to work more flexibly and be more tenacious in serving our customers, despite the new obstacles they faced. We are immensely proud of the achievements we have made together since our last report.

2020 also saw the introduction of our Year of Talent, with the expansion of our existing portfolio of leadership, management and skills training and online offerings to attract, nurture and progress talent within our business. We are developing an inclusive Career Pathways Program in our Quality and Operations Value Streams, providing a framework for development for employees in lower and middle salary positions. We also put additional measures in place to support working parents, as well as those who changed from office to homeworking.

Gender is just one part of the diversity we seek. Our fourth annual gender pay report demonstrates that while we have solid foundations in place, we recognise we have more to do as we develop into a global business.

For this reporting period, we continued to reduce the gender pay gap in our middle pay quartiles and notably in our higher-paid positions, and a higher proportion of women received a bonus. However, we have not matched this progress in our lower-paid positions.

Overview

Legislation requires all employers with 250 or more employees to publish their gender pay gap annually. This report covers the employees of BBI Solutions OEM Limited as at 5 April 2020. In preparing the statistics, we have followed the methodology required by the Government Equalities Office, which includes additional reporting on the distribution across pay quartiles and the proportion of men and women receiving a bonus.

The gender pay gap statistic measures the difference in the pay of men and women – regardless of the nature of their work. It can be affected by the proportion of men and women across all roles and seniority levels.

It is different from an equal-pay comparison, which directly compares people or groups who are carrying out the same, similar, or equivalent work.

The calculations at 5 April 2020 include:

- basic salary
- car and travel allowances
- additional responsibility allowances
- bonus pay for the year to 5 April 2020
- performance and productivity bonuses, other bonuses and incentive pay, and long-service recognition.

Understanding the data

In complying with gender pay reporting, BBI publishes:

- the difference in the median hourly pay of men and women, expressed as a percentage
- the difference in the mean hourly pay of men and women, expressed as a percentage
- the difference in mean hourly bonus pay, expressed as a percentage
- the proportion of men and women who received bonus pay
- the percentage of men and women in each of four quartile pay bands.

To calculate the median gender pay gap, we identify the hourly rate of pay at the midpoint of all full-pay relevant male employees to give the median male hourly-pay rate, and the hourly rate of pay at the midpoint of all full-pay relevant female employees to give the median female hourly-pay rate.

The mean gender pay gap is our average pay and is calculated by adding up all hourly rates of pay and dividing by the number of employees.

To create pay quartiles, we listed the salary of every colleague in order and then split the list into four equal parts to give pay quartiles. Salaries increase from quartile 1 to quartile 4.

BBI Solutions OEM gender pay gap

BBI Group has one employing entity, BBI Solutions OEM, that needs to report on gender pay at the [Government portal](#).

The Office of National Statistics (ONS) confirmed nationally, among full-time employees, the gender pay gap in April 2020 was 7.4%, down from 9.0% in April 2019. Of specific note, nationally the gender pay gap remained close to zero for full-time employees aged under 40 years, but was over 10% for older age groups.

In 2020, BBI continued to close the mean gender pay gap, moving from 11.15% in 2019 to 9.39% in 2020, indicating that men and women's pay are more closely aligned since our gender-pay-gap reporting began. BBI's age demographic shows 63% of employees are aged under 40 years, and so aligns in this respect more closely to the trend reported by the ONS.

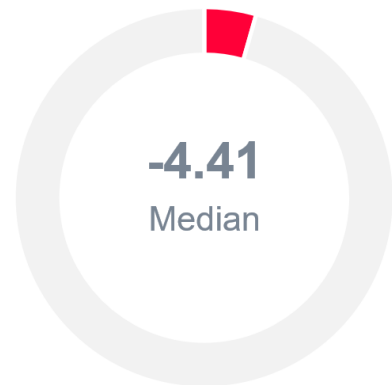
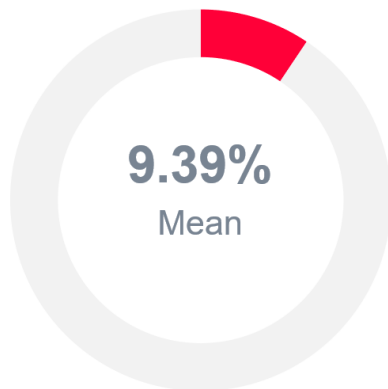
However, the ONS reported that compared with lower-paid employees, higher earners experienced a much larger difference in hourly pay between the sexes. We do not replicate this pattern in hourly pay.

The impact of restructuring in 2019, and succession planning, produced a shift across the Lower Middle, Upper Middle and Upper pay quartiles in 2020. Having reduced the pay gap in our Upper Middle and Upper quartiles, the median gender pay gap has moved significantly from 6.46% in 2019 to -4.41% in 2020.

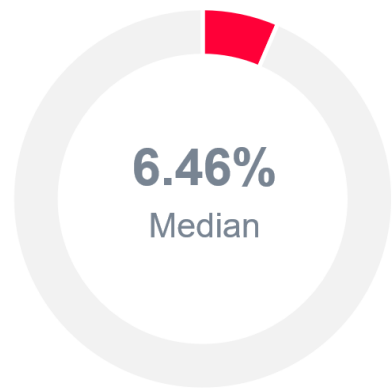
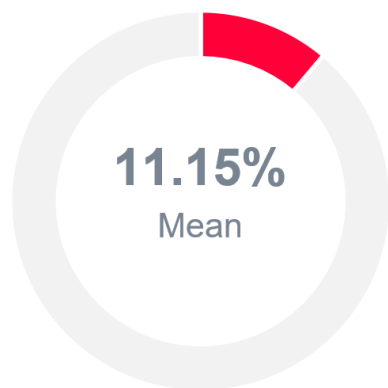


BBI Solutions OEM Gender Pay Gap

2020

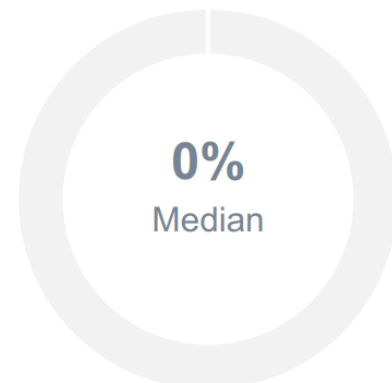
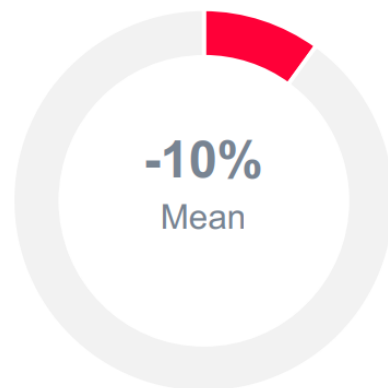


2019

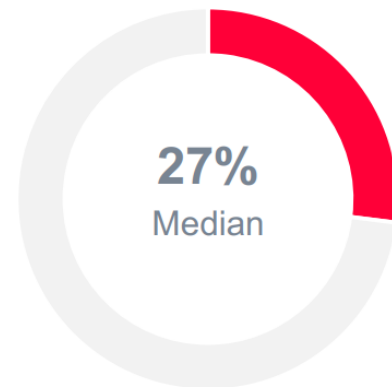
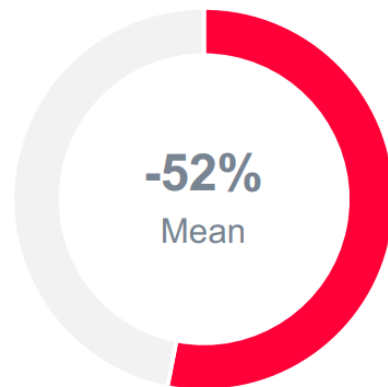


BBI Solutions OEM Gender Bonus Gap

2020

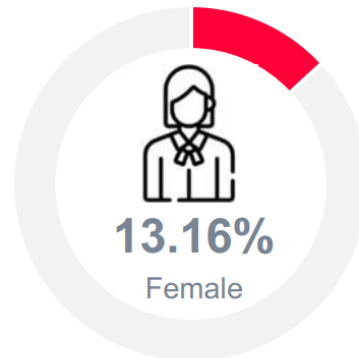
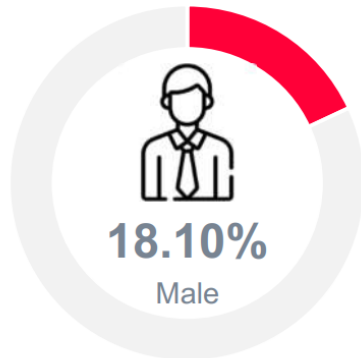


2019



BBI Solutions OEM proportion of male and female colleagues receiving a bonus

2020



BBI Solutions OEM distribution of male and female employees by pay quartile

2020



Lower pay quartile (lowest earners)

Male **32.69%**

Female **67.31%**



Lower middle pay quartile

Male **67.31%**

Female **32.69%**



Upper middle pay quartile

Male **38.46%**

Female **61.54%**



Upper pay quartile (highest earners)

Male **57.69%**

Female **42.31%**

Understanding BBI gender pay gap

In 2020, 15% of the BBI workforce saw a change in their role as a result of a promotion, internal move, or an expansion of their responsibilities. Of these, 43% were women. The average improvement in pay resulting from these changes was higher in the female population, by 3.06%. This movement is partly attributable to the transformation of our Operations organisation structure, identified in our 2019 report. In the same period, the proportion of new employees joining the company was equal, 50% male and female, while women made up 58% of leavers. The combination of these three factors, along with the compensation and benchmarking activities triggered in 2019, resulted in a shift in the distribution of male and female pay in the Lower Middle, Upper Middle and Upper pay quartiles. In the Lower Middle Quartile there are fewer women; 32.69% compared to 43.64% in 2019.

Whilst the diagnostics industry continues to attract a higher proportion of men in management and commercial roles, the reform of the Operations structure resulted in 54% of women promoted in role. The Upper Middle Quartile population changed from 58.18% in 2019 to 61.54% in 2020. There was a marginal change in the Upper Quartile, where women made up 42.31% compared to 40% in 2019.

Looking at our Lower Quartile, a higher proportion of manual and entry-level production roles continue to be performed by women. In 2020, this increased to 67.31% from 65.45% in 2019.

The organisational re-design in 2019 resulted in our bonus mean moving from -52% to -10% in 2020. This was partly due to changes in the number of males and females receiving a bonus, but also due to a change in the total bonus pool received by men. In 2020, 19 males compared to 15 women received a bonus, resulting in women receiving a higher proportion of the total bonus value. In 2019, 17 males compared to 12 females received a bonus. 10.53% of the female population received a bonus in 2019, increasing to 13.16% in 2020.

The next section of this report describes what we believe we can do to have the greatest, longer-term impact.

Closing the gap

The BBI Senior Leadership Team recognises the value of a diverse workforce, and follows an inclusive approach to recruitment, talent management and development. In 2020, BBI's Year of Talent provided exciting opportunities for our employees to enhance and develop their skills, and this was only possible by addressing barriers to learning and development.

In 2020, we integrated succession planning fully into our talent-management process, to identify and nurture a pool of available experienced and skilled employees. Linked to our existing performance-management cycle, part of this process is to identify people who would benefit from formal leadership, management or technical qualifications, to accelerate their development. In addition, internal secondments continued to provide invaluable opportunities to employees by broadening skills, experience, and knowledge. Women undertook half of the secondments in this reporting period.

We work with non-governmental organisations that promote or have a focus on women's career development. Chwarae Teg is a registered charity working to ensure women in Wales can enter the workplace, develop their skills and build rewarding careers. Their *Agile Nation 2 Women's Career Development Programme* is aimed at busy working women. It offers free training to achieve an accredited Level 2 Leadership and Management qualification, as part of a tailored package of learning to help women gain the knowledge, confidence and skills to support their development and progression in the workplace.

Our strategy in Scotland for developing skills and networking opportunities changed direction while Covid measures were in place. We significantly expanded access to ILM qualifications, with 50 employees embarking on qualifications in Leadership and Management, two-thirds of whom are women.

The BBI Career Pathways program began as a pilot at the start of 2020 and resulted in a phased roll-out across our Operations and Quality teams globally. Females made up 57% of those enrolled. The program develops skills and knowledge to support career progression, whether in the same field of work or wider. On-the-job training forms a key part of the program, supported by coaching, shadowing, and mentoring. Development is structured into the working day to ensure our employees receive access, time and resources.

We encourage all female employees to participate in the online learning platform *Engage in Learning*. The course has been enhanced from 21 to 30 modules, and supports our focus on leadership, management, and coaching skills. In 2020, 50.52% of learners who completed these online workshops were women.

We created the *Science of BBI* lecture series, which launched in November 2020, enabling both scientific and non-scientific employees to develop their skills and knowledge in the methodologies and processes at the heart of what BBI does. Our brightest minds translate complex theories into accessible lectures that employees can view online at a later date. In Q2 2021, we will launch the *Talent Hub*, bringing together existing and new learning events and opportunities with resources, to provide a one-stop shop.

We are committed to closing the gender pay gap and increasing the diversity of team members occupying senior positions within all areas of our business.

I am confident we are focusing on the right areas, and have a solid plan in place, capable of bringing the changes needed.

The data provided is accurate at 5 April 2020, in line with the UK Governments Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in black ink, appearing to read "M. Gualano".

Mario Gualano
Chief Executive Officer

