GENDER PAY GAP REPORT 2022

BBI Solutions OEM Limited



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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.

BBI has served the global diagnostics industry for over 50 years, our aim is an inclusive workplace, an environment that enables our employees to thrive and to continue to serve our customers and their patients. The leadership and career pathways development programs launched in 2019 and 2020 are now fully embedded into how we operate as a business. With improved communication channels there is a greater awareness of career opportunities and career progression resulting in a growing pipeline of internal talent. Our Career Pathways program continues to support our employee's career development in lower and middle salary positions. In 2022, BBI made two further acquisitions which have provided our employees with project opportunities and secondments outside of the UK. New skills programs introduced in 2022 will further increase internal mobility.

Gender is just one part of the diversity we seek. Our fifth annual gender pay report demonstrates how we have continued to reduce the gender pay gap in our lower, lower-middle and upper pay quartiles. In our lower, lower-middle and upper-middle pay quartiles women benefit from our structured development programs.



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 2022. 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 2022 include:

- basic salary
- car and travel allowances
- additional responsibility allowances
- bonus pay for the year to 5 April 2022
- 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.

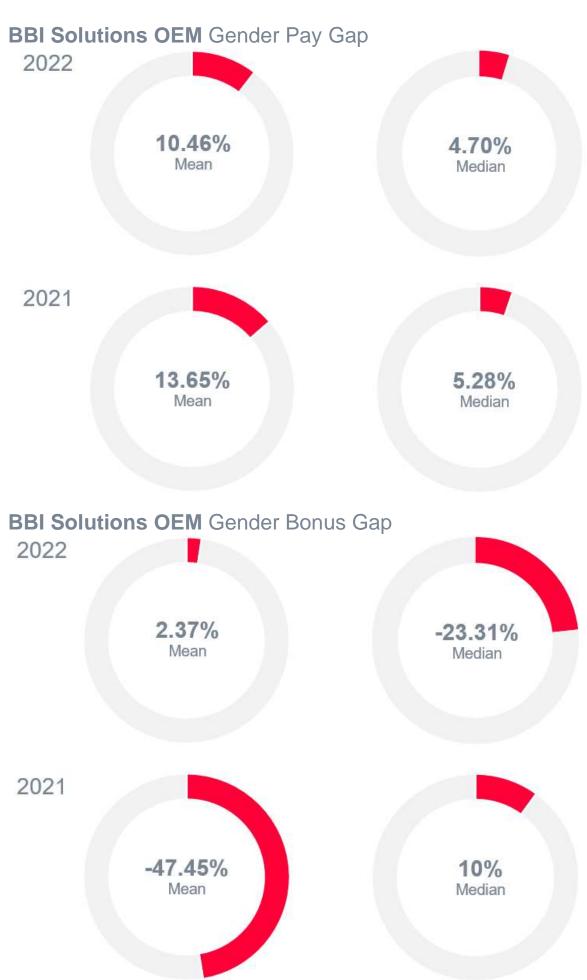
The Office of National Statistics (ONS) reported that among all employees in 2022, the gender pay gap decreased to 14.9%, from 15.1% in 2021, but is still below the levels seen in 2019 (17.4%). They have re-iterated their advice from last year regarding data collection disruption and lower response rates during Coronavirus/Job Retention Scheme (furlough). Highlighting this has made interpretation difficult for 2020 and 2021 where data were subject to more uncertainty and should be treated with caution. The ONS encourage a focus on long-term trends rather than year-on-year changes.

In 2022 the proportion of leavers and new employees were more evenly distributed across the pay quartiles in comparison to 2021 where specific project recruitment activities resulted in males making up a higher proportion of new employees in the Upper Middle and Upper pay quartiles. The mean gender pay gap at BBI in 2022 decreased from 13.65% to 10.46% and continues to be favourable against ONS market data. Notably BBI's mean gender pay gap in 2019 was 11.2%.

The pay gap across Lower, Lower Middle and Upper pay quartiles continues to reduce. The median gender pay gap at BBI in 2022 moved from 5.28%, to 4.7% showing continued improvement since 2019 (6.46%).

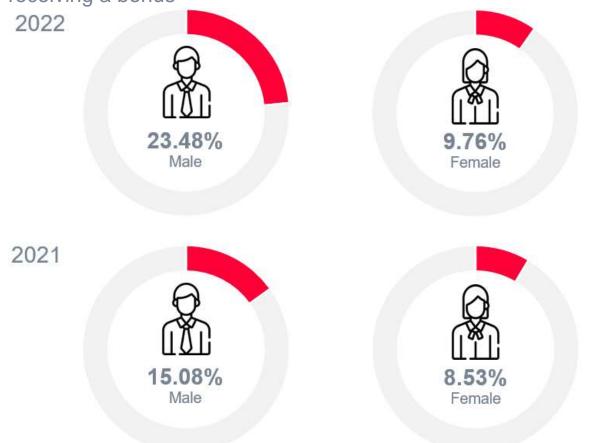




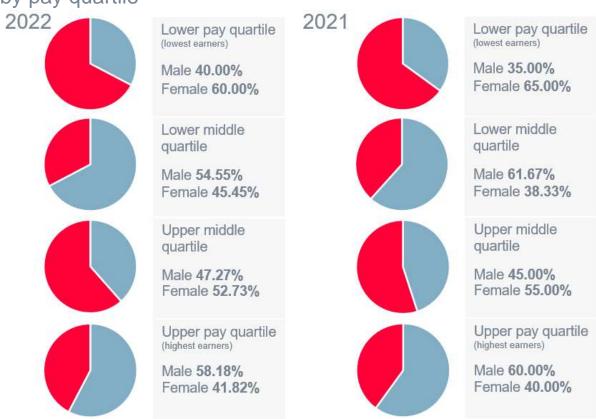




BBI Solutions OEM proportion of male and female colleagues receiving a bonus



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





Understanding BBI gender pay gap

In 2022, of the employees in the BBI workforce that saw a change in their role as a result of a promotion, internal move, or an expansion of their responsibilities, 48.8% were women compared with 47% in 2021 and 43% in 2020.

BBI's Career Pathways program continues to develop and support employees in the Lower and Lower Middle pay quartiles. In 2022, 59.7% (51% in 2021) of employees who received pay uplifts directly connected to their career progression in the program were women. Looking at our Lower pay quartile, a higher proportion of manual and entry-level production roles continue to be performed by women. However, in 2022, this is no longer so prominent, decreasing to 60% (65% in 2021 and 67.31% in 2020). In the Lower-Middle pay quartile, the female population moved to 45.45% (38.33% in 2021 and 32.69% in 2020)

In the same period, fewer females were leaving BBI compared to previous years, 42.8% (59% in 2021 and 58% in 2020). Females made up 46.8% of employees joining BBI (51% in 2021 and 50% in 2020) and 50% of secondment opportunities in 2022 were filled by females in the Lower Middle, Upper Middle and Upper pay quartiles.

The number of males and females receiving a bonus in 2022 and the relative size of the bonus pool resulted in a further shift of the bonus median from 10% to -23.31%. In this period, 27 males and 12 females received a bonus, in the male population there were exceptional payments for project completion and therefore the bonus mean moved from -47.45% to 2.37.

The next section of this report describes where we continue to enhance existing programs and where we can have the greatest, longer-term impact.



Closing the gap

Our business is built on bringing out the best in people nurturing talent and fulfilling all our ambitions. We want our employees to get what they need to advance their career in the way they want at all levels of the organisation. BBI Senior Leadership Team recognises and values a diverse workforce globally, we believe in the potential of innovation and our people.

We are passionate about developing our pipeline of employees with the knowledge and drive to progress to more senior roles across the business. In 2022 resource needs met internally are expanding our talent pool, 36% of vacancies were filled internally by year end (36.31% 2021) against a target of 30%. Secondments provide an important tool for career development and succession planning for women in BBI in leadership and technical roles, in this report period 50% of secondments were filled by women.

BBI's Talent and Resourcing Hub launched in November 2020 provides a suite of support materials including new bespoke materials that support line management skills in recruitment and selection and handbooks that will enhance our candidate's experience.

The employee's learning journey starts on Day 1 at BBI, our global employee onboarding program enables our employees to get acquainted with the company, their new role, their responsibilities and their colleagues wherever they may be located. Cross-training programs provide BBI's employees with job enrichment and career growth across all areas of the company. A hybrid workforce requires a flexible training infrastructure, it should cater for both on-site and remote workers, this is only possible by developing internal training skills. In 2022, BBI launched a new bespoke Train the Trainer program and females made up 42% enrolled.

The *Science of BBI* lecture series, launched in November 2020 continues to provide live and recorded content targeted at both scientific and non-scientific employees. A new portfolio of product training was added in 2022 enhancing the existing offering to develop employee skills and knowledge in the methodologies and processes at the heart of what BBI does.

In its third year, females made up 50% of employees enrolled in the BBI Career Pathways program (60% in 2021) and now includes employees working in production areas with higher levels of manual handling traditionally filled by male employees. 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.

Broader funded programs were launched in 2022 in addition to the existing ILMs in Leadership, Management and Project Management qualifications. These support a wider range of skills development from computer-based skills to continuous Improvement specialisms, with 45% females enrolled. BBI's multi-lingual online learning platform includes 5 learning pathways to support skills development across leadership, wellbeing, compliance and performance management.



Connecting employees through a single SharePoint Hub in 2022 ensures new and existing employees remain updated and supported in all aspects including company news, direct links to learning resources, information on new products and services and internal recruitment opportunities. Senior leaders use the platform and our quarterly Town Halls to share the company vision, provide updates on objectives, promote ideas, and share knowledge. In October 2022, BBI launched a new internal newsletter, sharing updates on innovative projects, internal recognition awards and internal employee movements and promotions.

We are committed to closing the gender pay gap, it is only by challenging every aspect of what we do, can we make BBI a more diverse and inclusive place to work.

The data provided is accurate at 5 April 2022, in line with the UK Governments Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Mario Gualano

Chief Executive Officer

