

GENDER PAY GAP REPORT 2023

BBI Solutions OEM Limited



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Introduction

BBI is a successful international company that is focused on growth, innovation and the highest quality standards. With employees across four continents, we embody a culture of partnership, teamwork and trust. We all take pride in the important work we do; creating products that improve the health of millions of people worldwide. Leveraging our decades of experience in all stages of diagnostic development for the right solutions the first time requires an inclusive workplace, an environment that enables our employees to thrive and to continue to serve our customers and their patients. We are committed to creating and maintaining a working environment that is inclusive, diverse and supportive, which provides opportunities for all our employees globally. 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.

The career pathways development program now in their fourth year has made career progression more visible and attainable in lower and middle salary positions. This has been complimented with a suite of career maps and employee testimonials which have captured real-life examples of the many career journeys and experiences of BBI employees. Additional Guides and content improve career discussions between line managers and employees. In 2023, our growth plan enabled changes in BBI's UK structure which provided our employees with new promotion and secondment opportunities in the UK.

Gender is just one part of the diversity we seek. Our sixth annual gender pay report demonstrates how our programs support a vibrant career for women in BBI.

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 2023. 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 2023 include:

- basic salary
- car and travel allowances
- additional responsibility allowances
- bonus pay for the year to 5 April 2023
- 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 2023, the gender pay gap decreased to 14.3% in 2023, from 14.4% in 2022, and is still below the levels seen in 2019 (17.4%). However, in 2023, the gap among full-time employees increased to 7.7%, up from 7.6% in 2022. This is still below the gap of 9.0% before the coronavirus (COVID-19) pandemic in 2019. The ONS also identified that compared with lower-paid employees, the gender pay gap among higher earners is much larger, however this difference has decreased in recent years.

In 2023, more male employees left BBI 54% and more male employees joined BBI 54%. 2023 also saw movement of employees across the Lower, Lower Middle and Upper Middle pay quartiles, the overall result is that Male and Female ratios in the Lower and Middle pay quartile have remained the same as our 2022 report, Males now make up 50% of our employees in the Upper Middle Quartile (47% in 2022). The bandwidth of employee salaries that now sit in the Upper pay quartile is notably broader where males make up 62% (58% in 2022). The mean gender pay gap at BBI in 2023 increased from 10.46% to 12.27% and continues to be favourable against ONS market data. Notably BBI's mean gender pay in 2021 was 13.65%

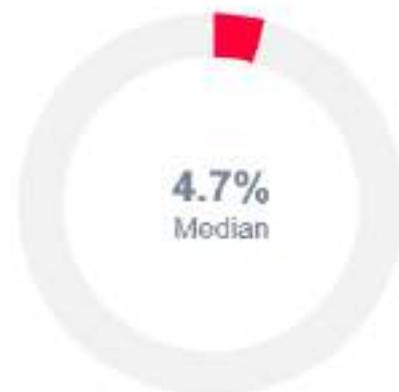


BBI Solutions OEM Gender Pay Gap

2023



2022

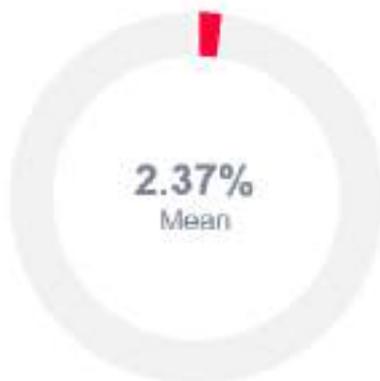


BBI Solutions OEM Gender Bonus Gap

2023



2022

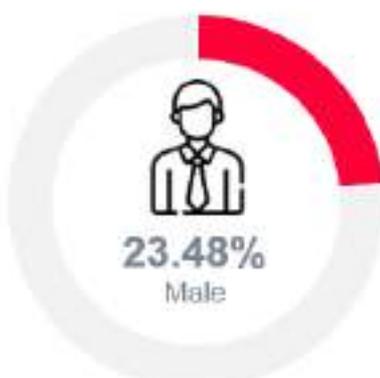


BBI Solutions OEM proportion of male and female colleagues receiving a bonus

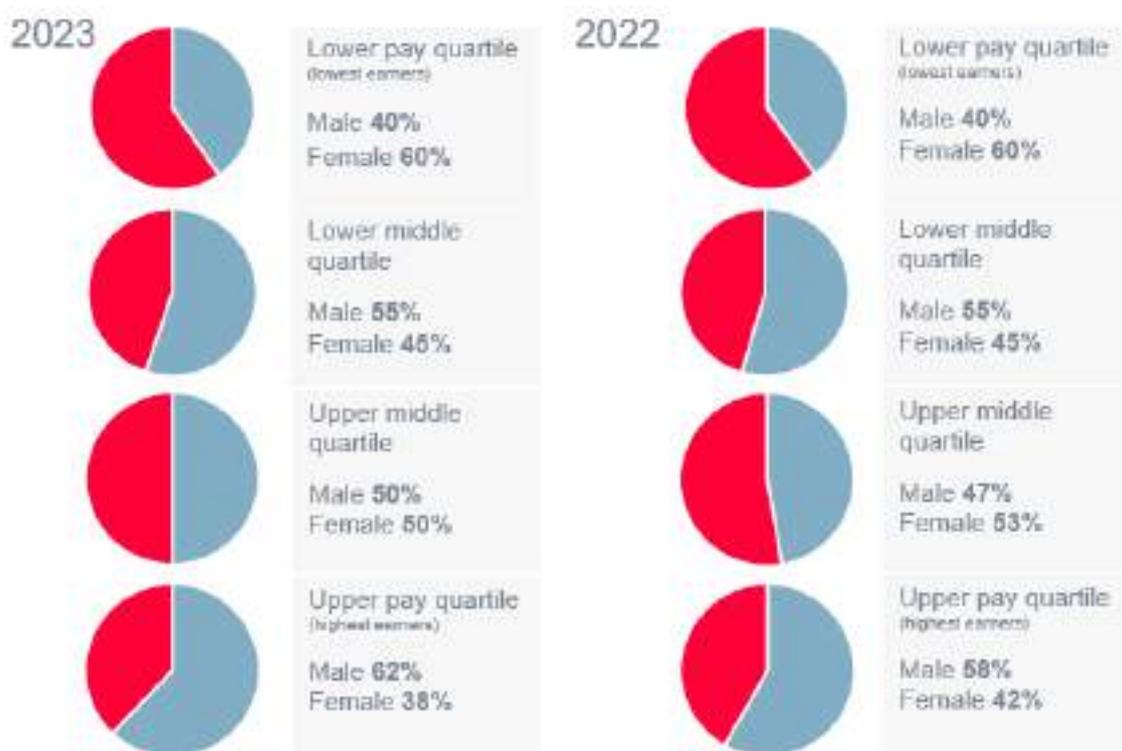
2023



2022



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



Understanding BBI gender pay gap

In 2023, the capabilities of our UK Headquarters and Centre of Excellence were expanded through two parallel project workstreams. Products from within the wider international portfolio were integrated into the UK production portfolio and expansion to the site enabled the realisation of new organic growth opportunities. A structured program of recruitment included traditional and highly specialised roles, the latter traditionally filled by men. By doing this it resulted in movement across the Lower, Lower Middle and Upper middle pay quartiles.

Behind the 2023 data is a more positive outlook. 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, 66% were women compared with 48.8% in 2022 (47% in 2021). Three out of four manager roles appointed internally were filled by women. The majority of this movement will be reflected in BBI's 2024 report.

Strategic Pay Planning in 2023 gave strong consideration to inflationary pressures on salaries, particularly in the lower quartiles.



Vocational and skills training was a key focus in 2023 with funded training courses offered across, Sales, Marketing, Regulatory, Health & Safety and Lean Six Sigma in addition to the existing Leadership provisions. Women made up 50% of those achieving new qualifications but 54% of the total investment cost.

Breakthroughs included sponsorship of BBI's first female engineering apprentice and funded Level 3 Diploma in Engineering Electrical and Electronic Technologies.

In the same period, females leaving BBI slightly increased compared to the previous year, 46% (42.8% in 2022, 59% in 2021 and 58% in 2020). Females made up 46% of employees joining BBI (46.8% in 2022, 51% in 2021 and 50% in 2020)

In addition to the annual management bonus scheme and sales commission plan, a new program of small-scale incentives was introduced in 2022 to recognise contributions to our commercial efforts from employees in support functions. Since 2021, the sales commission plan has included additional enhancements to drive high performance, a role traditionally filled by male employees. The combination of these events resulted in a larger pool of females receiving a bonus and a wider breadth of payments. Since our previous report, the bonus median shifted from 23.31% to 45%. (10% in 2021) and therefore the bonus mean moved from 2.37 to 60% (-47.45% in 2021).

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

BBI Senior Leadership Team recognises and values a diverse workforce globally, we believe in the potential of innovation and our people. We continue to develop our pipeline of international talent with a growth of key leadership roles globally filled internally by women in 2023. In the UK, 30% of vacancies were filled internally by year end. Secondments provide an important tool for career development and succession planning for women in BBI in leadership and technical roles, in this report period 73% of secondments were filled by women (50% in 2022).

We are doing fantastic things at BBI. Our 2023 Employee Engagement Survey had a response rate of 85%. Areas of high engagement included Wellbeing, Company Direction and Employee Development. Our employees have told us they understand how their role supports the Company mission, that they feel they are able to develop their skillset at BBI, and in addition to their line managers regularly checking in with them, they know where they can access services to support their wellbeing. In 2024 our online global talent hub includes Career Maps showing how employees can develop their career in BBI using real life data and supported by testimonials from across the business. There are tips to enable good conversations to happen between employees and their managers so that plans can gain traction and be realised. Across our operational teams, our cadre of female talent have benefited from promotion opportunities and the positive benefits of this will appear in next year's gender pay report.

Technical Cross-Training in our Laboratories and an expanded Leadership Training programme will be key priorities in 2024 to enhance the opportunities we offer our employees. The Train the Trainer program launched in 2022 and completed in 2023 has added to our existing capabilities.

In its fourth year, females made up 53% of employees enrolled in the BBI Career Pathways program (50% in 2022) with plans to expand into newly formed teams in 2024. 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.

New team building workshops were introduced in 2023 to focus on Collaboration and Communication to support the changing shape of our business. In 2024, additional in-house leadership and soft skills workshops will be launched to complement the existing core funded courses and expansive online resources. We will make strides with an eye on our future talent - looking at skills we will need to bring innovation and deliver new products in the years to come.

In 2023, BBI's Quarterly Town Halls continued to share the company vision but through a more local lense communicated through dedicated Site Leads. The progress updates are delivered to give immediate relevance to our employees, championing

initiatives and highlighting and recognising local success stories. The new internal newsletter launched in 2022 has expanded in content, championing employee achievements, raising the profile of our best performers, communicating internal movement and career progression and new features celebrating BBI's female leaders. The Site Leads in Portland, Maine and Freiburg, Germany and our Chief Operations Officer were promoted from BBI's female talent. Joining the Senior Leadership Team alongside the Chief Operations Officer in 2024 is our first female Head of Research and Development.

BBI is growing a new talent pipeline for the long term, we have cemented strong relationships with our local universities and schools, increasing the number of work experience students and interns year on year.

Key to our long-term strategy is to create greater gender balance where women can progress their careers into senior roles, to have greater representation of women at every level particularly Senior Leadership. Hybrid working is one of a number of flexible approaches BBI offers in providing a more female friendly culture. In 2024 our family friendly policy will be enhanced to support working families.

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 2023, in line with the UK Governments Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in dark ink, appearing to read 'M. Gualano'.

Mario Gualano
Chief Executive Officer

