

Ortho Clinical Diagnostics

Gender Pay Gap Report

1. Introduction

Earlier this year, the U.K. government introduced a new legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. Ortho Clinical Diagnostics (Ortho) fully supports the new legislation. As an employer, Ortho is committed to fairness, equal opportunities for all and promoting a culture of inclusivity.

2. The gender pay gap is different from equal pay

The gender pay gap is not the same as equal pay.

Equal Pay

Equal pay - that men and women with equivalent experience and performance doing equivalent work should receive equal pay - has been a legal requirement for 47 years. Under the U.K. Equal Pay Act 1970, and more recently, the Equality Act 2010, it is unlawful to pay people unequally because they are a man or a woman. This applies to all employers, no matter how small.

Gender Pay Gap

A gender pay gap shows the difference in average (mean or median) pay between all men and women in the organisation. A gender pay gap does not necessarily mean that there are equal pay issues; rather, it may identify an unequal distribution of men and women across the company where more males are employed in higher-paid roles.

So, a company might have a gender pay gap if a majority of men are in top jobs, despite paying male and female employees the same amount for similar roles.

3. Mean Versus Median Pay Gap

The Mean Pay Gap

The mean gender pay gap is the difference in the average hourly ordinary pay rate for women compared to men.

Ordinary Pay is not limited to basic pay, but also includes other types of pay such as allowances and shift premium pay. It does not include pay for overtime or pay relating to redundancy/termination of employment. The figures used are gross before income tax and national insurance deductions, but after any salary sacrifice for pension or child care vouchers.

The Median Pay Gap

The median represents the mid-point. If you separately line up all the women and men, the median is the middle number. The median pay gap is the difference between the hourly ordinary pay rate of the middle women compared to that of the middle men.

4. Ortho results

Based on the government's methodology, Ortho Clinical Diagnostics' calculated median gender pay gap is 12.6 percent and this compares favourably to the 18.4 percent U.K. average.

Across the U.K., men earned 18.4% more than women in April 2017, according to the [Office for National Statistics](#) (ONS).

Ortho Clinical Diagnostics Results	
Pay Gap	
Mean Pay Gap	12.6% (18.4% U.K. average, ONS).
Median Pay Gap	8.4%
Bonus Gap	
Mean bonus pay gap	27.1%
Median bonus pay gap	-1.43%
Proportion of males and females receiving a bonus payment	
Proportion of male relevant employees who were paid bonus	96.8%
Proportion of female relevant employees who were paid bonus	97.0%
Proportion of employees in each quartile pay band	

Quartile	Proportion of men	Proportion of women
Lower Quartile	57.84%	42.16%
Lower Middle Quartile	54.90%	45.10%
Upper Middle Quartile	57.84%	42.16%
Upper Quartile	70.87%	29.13%

At Ortho Clinical Diagnostics, a little over 60% of employees are male.

5. What does our pay gap data tell us?

The pay gap does not indicate that men and women are being paid differently for equal work. We are confident that our gender pay gap is not the result of an equal pay issue. Our pay practices and design include regular checks and audits. We have a standard global approach to job grading which underpins how we reward our employees.

We have carried out analysis to better understand the causes of our pay and bonus gap. The two main factors which influence our gender pay gap include:

- Make up of our workforce, with lower female representation at senior levels
- Higher proportion of men working shifts and as such a higher proportion of men receiving shift pay allowance.

6. Closing the gap

Ortho Clinical Diagnostics is committed to fairness, equal opportunities for all and promoting a culture of inclusion. Equality, including gender, features as one of prominent principles in our Code of Conduct. Our Code of Conduct, the most important document at Ortho, is the foundation for all our business practices. We place emphasis on increasing the opportunities to all employees. We have also appointed our Diversity and Inclusion Director who will lead initiatives aimed at improving our diversity of recruitment.

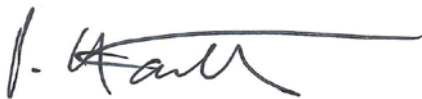
“Diversity & Inclusion (D&I) is critical for our organization. Our company serves a very diverse customer base; diversity of experience, thought and skills allows our organization to make more rich, well thought out and deeply considered decisions in service to our customers. I am very excited about our new D&I Council, which comprises of a group of leaders from across our organization representing the rich tapestry of experiences and backgrounds that make Ortho so unique.

Although we are still in the early stages of defining our key focus areas, we are strongly aligned on our need to continue to refine how we source more diverse talent, how we assist our diverse employees in their professional development and how we more effectively communicate to the organization in order to make Ortho a truly diverse and inclusive global organization” – Mazher Ahmad, Head of Global Talent Acquisition & Organizational Development

Ortho Clinical Diagnostics is supporting this new U.K. legislation and believes that it can play an active role and contribute to closing the gap within the U.K. labour market.

DECLARATION

Ortho Clinical Diagnostics pay gap data provided in this report is accurate and has been collated in accordance with the “Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.”



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London