Ortho Clinical Diagnostics

Gender Pay Gap Report - April 2019 (for publication in April 2020)

1. Introduction

In 2018, the UK Government introduced a new legislation that made it statutory for organisations with 250 or more employees to report annually on their gender pay gap. The Regulations requires all UK employers with more than 250 employees to annually publish their gender pay gap data and Ortho Clinical Diagnostics (Ortho) fully supports the new legislation. Ortho Clinical diagnostics is committed to fairness and equality. As an employer, we want to promote equal opportunities for all and foster a culture of inclusivity.

2. The gender pay gap is different from equal pay

The pay gap is not the same as equal pay. Equal pay - that men and women doing the same job should be paid the same - has been a legal requirement for 47 years. Under the 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.

A gender pay gap shows the difference in average (mean or median) pay between all men and women in the organisation. As an example, 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. Our pay gap

Based on the Government's methodology, Ortho Clinical Diagnostic's calculated mean gender pay gap is 10.08%. This compares favourably to the 17.3% UK average*.

^{*}Across the UK, men earned 17.3% more than women in April 2019, according to the <u>Office for National</u> <u>Statistics (ONS)</u>. The gender pay gap among all employees fell from 17.8% in 2018 to 17.3% in 2019, and continues to decline. Page 1

Ortho Clinical Diagnostics Results		
Pay Gap		
Mean Pay Gap	10.08%	
Median Pay Gap	8.97%	
Bonus Gap		
Mean bonus pay gap	18.37%	
Median bonus pay gap	-4.97%	
Proportion of males and females receiving a bonus payment		
Proportion of male relevant employees who were paid bonus		91.69%
Proportion of female relevant employees who were paid bonus		93.88%
Proportion of employees in each quartile pay band		
Quartile	Proportion of men	Proportion of women
Lower Quartile	56.25%	43.75%
Lower Middle Quartile	56.25%	43.75%
Upper Middle Quartile	62.5%	37.5%
Upper Quartile	70.8%	29.2%

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

4. What does our pay gap data tell us?

The make-up of our business, with lower female representation at senior levels, means that our average male salary is higher than our average female salary.

Ortho Clinical Diagnostic's mean bonus gender pay gap is 18.37%. Our mean bonus pay gap reflects the lower female representation across the company more senior levels.

The median bonus gender pay gap tells us that women at Ortho received 4.97% higher bonuses than men. The median bonus gender pay gap is -4.97%. Median average shows a 'typical' situation. It paints the picture from the middle of the organisation, and is not distorted by the very large or small bonuses.

5. Comparison to previous years' results:

The pay gap at Ortho (mean) has further decreased in 2019 to 10.08% (from 12.6% in 2017 and 11.48% in 2018).

Bonus pay gap (mean) has further decreased to 18.37% (from 27.1% in 2017 and 22.5% in 2018)

Median bonus gender gap is in favour of women.

6. Closing the gap

Ortho Clinical Diagnostics is committed to minimising the gender pay gap within the organisation. Gender equality features as one prominent principle 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.

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

Ortho Clinical Diagnostics's pay gap data provided has been collated in accordance with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017."

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Location London, UK