

GENDER PAY GAP REPORT 2018

Under legislation that came into force in April 2017 Oxford Biomedica is required to publish an annual gender pay gap report.

Oxford Biomedica works hard to ensure it is an equal opportunity employer. The Company has a very diverse workforce and prides itself that its working community is a vibrant working environment. At the snapshot date of 5 April 2018 the workforce was structured as below:

	Total	Female	Male	Female	Male
Executive Team	8	2	6	25%	75%
Managers	55	30	25	55%	45%
Non-managerial staff	278	152	126	55%	45%
Total	341	184	157	54%	46%

As Oxford Biomedica has grown its customer base and become more commercial in outlook, the headcount has increased substantially in a number of key business areas. This growth has been reflected across all levels of the organisation, and the company has taken the opportunity to increase its representation of female employees at the more senior levels of the organisation over the past 12 months. This has had a positive impact on the company's gender pay gap, with the mean gender pay gap reducing from 34.6% in 2017 to 25.4% in 2018. The median gender pay gap has remained broadly similar to last year.

The proportion of female employees receiving a bonus has also increased significantly from 10.7% in 2017 to 21.6% in 2018. Whilst this is still relatively low compared to other organisations, this is a reflection of the company's current bonus policy as currently bonuses are only paid to senior employees both male and female. This policy is currently under review, with an aim to extend bonus eligibility further down the organisation.

This is the data report for the snapshot date of 5 April 2018.

- The mean gender pay gap for Oxford Biomedica is 25.4%
- The median gender pay gap for Oxford Biomedica is 8.9%
- The mean gender bonus gap for Oxford Biomedica is 72.1%
- The median gender bonus gap for Oxford Biomedica is 25.1%

- The proportion of male employees in Oxford Biomedica receiving a bonus is 34.2% and the proportion of female employees receiving a bonus is 21.6%

Pay quartiles by gender

Band	Males	Females	Description
A	37.0%	63.0%	Includes all employees whose standard hourly rate places them at or below the lower quartile
B	45.1%	54.9%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
C	53.1%	46.9%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
D	47.6%	52.4%	Includes all employees whose standard rate places them above the upper quartile

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

What are the underlying causes of Oxford Biomedica's gender pay gap?

Whilst the company's gender pay gap has reduced, there is still an overall difference in the earnings of male and female employees. There are a number of factors which contribute to Oxford Biomedica's gender pay gap data.

Pay Gaps

Of the company's eight most senior roles (Senior Executive Team), six are held by males, including the CEO and CFO. These roles are paid higher rates of pay and have significant bonus eligibility. Whilst this population represents only 1.8% of the total workforce population, it influences the data significantly. The Company now has two female members of SET, compared to last year when the whole of SET was comprised of males.

Of the functional Heads in the organisation, 62% of these were male and 38% female at the snapshot date.

There is a higher prevalence of female than male employees at the more junior levels of the organisation, which also contributes to the gender pay gap.

Bonus Gaps

During the target earnings year, the company operated the 2017 bonus scheme, aimed primarily at rewarding senior Executives and managers. The structure of bonus eligibility links to seniority in the Company with higher percentage bonus cash earnings for the most senior staff. The mean gender bonus gap is 72.1%. One of the reasons for this being so high is that the most senior staff in the company received two bonus payments during the reporting period. The 2016 performance bonus was paid late, in July 2017, and the 2017 performance bonus was paid in April 2018.

The Company's culture and values mean it will continue to offer flexible working opportunities to staff. Flexible working arrangements have been taken up primarily by women during the year ending April 2018, and this in turn impacts on their bonus earning capability - bonus earnings are linked to earned salary, where there is eligibility for bonus scheme participation.

The proportion of men at Oxford Biomedica who received a bonus in the 12 months up to 5 April 2018 was 34.2%, while for women this was 21.6%. This reflects the higher proportion of men in the senior management roles which, under the 2017 bonus policy, attract a performance bonus.

What is Oxford Biomedica doing to address its gender pay gap?

Oxford Biomedica is committed to 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. It has a clear policy of paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above). As such, it ensures that all policies and practices are free of gender bias. This includes regular review of recruitment practices, audits of pay and benefits practices, and evaluation of job roles and pay structures to ensure fairness and parity.

Oxford Biomedica is therefore confident that its gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather its gender pay gap is the result of the dispersal of genders across roles within the organisation and the salaries that these roles attract.

To address these findings, Oxford Biomedica is committed to:

- review its candidate attraction strategies for all levels of opportunity to ensure that the widest possible pool of internal and external candidates are encouraged to apply for available roles at all levels of the organisation
- ensure that diversity training is provided to all recruiting managers as part of their mandatory training requirements. This will form part of two training modules to be launched this year on recruitment and employment law for managers

- review appropriate training and development interventions to ensure that a suitably qualified talent pipeline is available for promotion into more senior roles within the company. The focus for the company this year is to train all first-line leaders on management essentials and the programme will be made available to all managers both male and female
- develop structured career paths within departments to encourage promotion into more senior roles
- introduce a job evaluation programme which positions roles across the whole organisation into a pay structure related purely to an objective assessment of role size
- review how the aspirations of the female workforce can be identified and appropriate development programmes constructed to support promotion of the female workforce to more senior roles in the Company
- review its policy on bonus payments, both in terms of overall scheme construction and also eligibility throughout the organisation
- actively support flexible working, in both the female and male workforce
- review the Company's performance review process to ensure that objective criteria are applied consistently across the workforce.

I, Stuart Paynter, Chief Finance Officer, confirm that the information in this statement is accurate.

Signed



Dated

18 FEB 2019