

Gender Pay Gap

REPORT 2021



What is the Gender Pay Gap?

The gender pay gap is the difference between the average (of the mean and the median) earnings of men and women across a workforce.

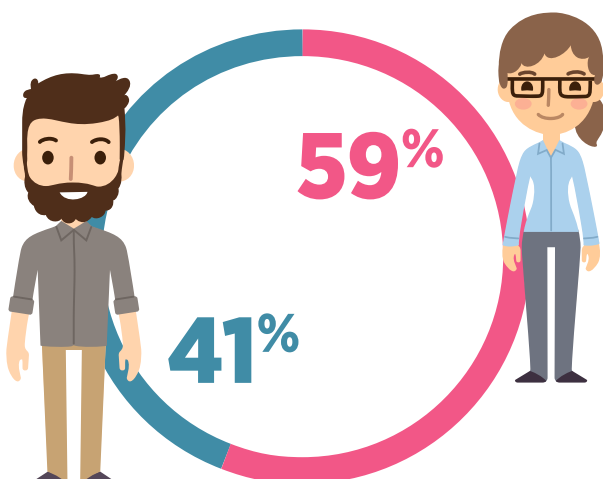
From 2017, it became a legal requirement for employers with a headcount of **250 or more to report their gender pay gap**. Gender pay gap calculations are based on employer payroll data drawn from a specific date 'snapshot' each year.



Diversity & Inclusion is part of our DNA highlighted by 59% of our workforce being female.

It is the description given to the difference in average pay between all men and all women across an organisation regardless of role or grade level. Where **men are paid higher the gap is reported as a positive figure** and reported as a **negative figure where women are paid higher**.

Out of 66 appointments made in 2021, 44 were female of this 96% qualified for a bonus payment.



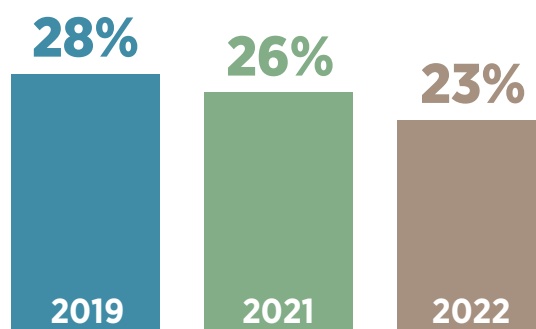
Who is included in the calculation?

The 2021 results are based on all relevant employees on the payroll as at the snap-shot date of 5 April 2021. Relevant employees are those that are paid their usual full pay. As of April 2021, the Chiesi UK workforce was made up of **59% women** and **41% men**.

Over half our employees are field based and enjoy fair and equal pay regardless of gender.

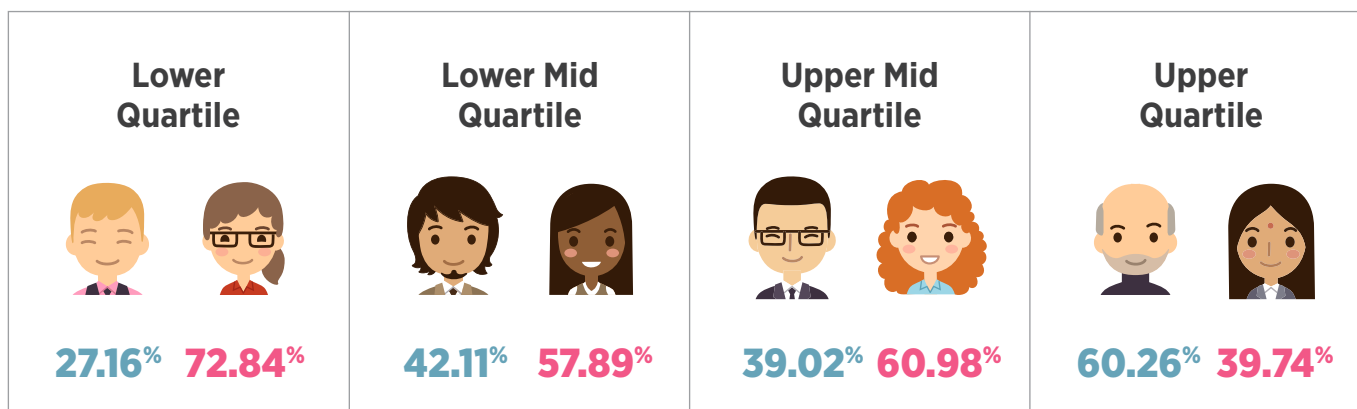
Our Results 2021

As part of our ongoing commitment to reduce the gender pay gap, since we initially began reporting in 2019, the gap between men and women has reduced year on year, from 28% at the start to our current reported figure of 23%.



The gender pay gap is impacted by two General Managers being paid via the UK payroll. If you exclude the General Managers, the gap reduces from 23.27% to 21.68%.

When taking the total population into account the gender pay gap as at April 2021 was +23.27% based on the mean hourly rate as at 5 April 2021. The median gender pay gap is +12.08%. The results can be broken down further in to pay quartiles. Pay quartiles show the distribution of earnings when looking at pay by gender.



Since Chiesi first reported on the Gender Pay Gap, female representation at a leadership level has increased from 9% to 23%

The pay quartiles highlight that a higher proportion of women are in the lower and lower mid quartile which impacts on the mean gender pay gap. This has been identified as an area of focus to have a more equal representation across all levels of the business.

All employees in 2021 were eligible to earn a bonus, provided they had been employed prior to December 2020. **1.6% of females and 0.75% of males did not receive a bonus due to starting late in 2020/21.** Our mean bonus gap is +43.09% and the median is +25.25%. Our mean bonus gap is greater than our pay gap for a number of reasons including:



During 2021 a new Global grading system was introduced. **As part of the new gradings some bonus earning potentials were increased.** The gap has been impacted by the number of senior female appointments that didn't qualify. A high number of female recruits, due to length of service, didn't qualify for a full bonus this time round. Our focus on increasing appointments of female employees in senior positions will ease this in balance in future years. When excluding Senior Management Team bonuses the **gap is reduced from +43.09% to +24%.**

Excluding the UK Leadership Team, the gender pay gap is 21.59%.

What has changed since 2020?

We have been monitoring the Gender Pay Gap each year, reporting our findings since 2019 (excluding the one-year gap during the Covid-19 pandemic). During that time, we have seen an **8.63% increase** in the number of employees, including a **12.56% increase** in the number of females employed. The mean salary has reduced for both men and women (-7.78% for women, and 11.67% for men) but overall we have reduced the pay gap.

The mean salary pay gap, 2020 versus 2021 is **-11.56%.**

Statement from Heather McColl, HR & Support Services Director

“ We recently commissioned a piece of work at a group level to look at our unexplained gender pay gap. As part of the findings, we have a focused action plan and budget secured to reduce these gaps over the next two years. This, alongside our focus on ensuring female talent is recognised and supported will continue to drive down the gender pay gap.

The UK leadership is committed to full inclusivity and undertook focused training in 2021, including exploring unconscious bias, as it is such an important area, this will be rolled out further in 2022 to all people managers. This pledge is further supported by our Chiesi Values and our continued commitment to our patients and to our people. ”

A handwritten signature in black ink, appearing to read 'H McColl', positioned to the right of the text block.