

Gender Pay Gap



Report Published 2024

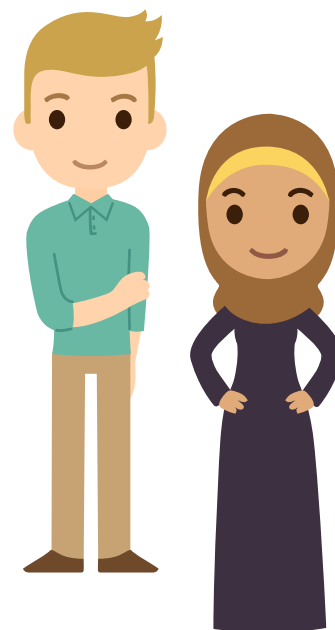
Data as of 2023

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.

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. If men are paid more the gap is reported as a positive figure and reported as a negative figure if women are paid more.

The scope of the data includes just those on Chiesi payroll. Contractors through agencies are excluded from this analysis.



Who and what is included in the calculation?

The Chiesi UK Gender Pay Gap report for 2023 is based on payroll data as at the snapshot date, April 5, 2023.

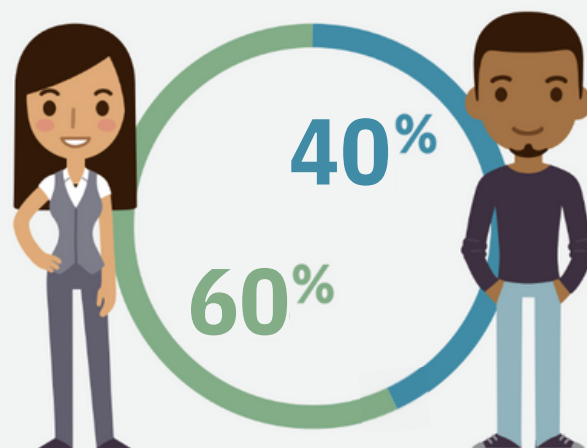
At this time, the Chiesi UK workforce comprised 60% women and 40% men.

Ordinary Pay, at Chiesi, includes pay and allowances:

- ✓ Basic pay
- ✓ Allowances (such as payments for extra responsibilities, secondment allowances, disturbance allowances, car allowances, or retention incentives).

What is included in Bonus payments?

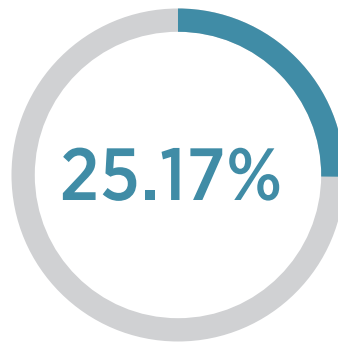
- ✓ Annual bonus
- ✓ Sales incentives schemes
- ✓ Refer a friend incentive
- ✓ All incentive vouchers, such as long service and employee recognition.



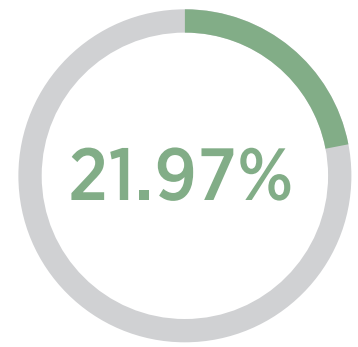
Our results 2023

Chiesi UK reports a mean gender pay gap of 25.17% for the year 2023 and a median gender pay gap of 21.97%.

This trend is consistent with the company's efforts to address gender pay disparities.

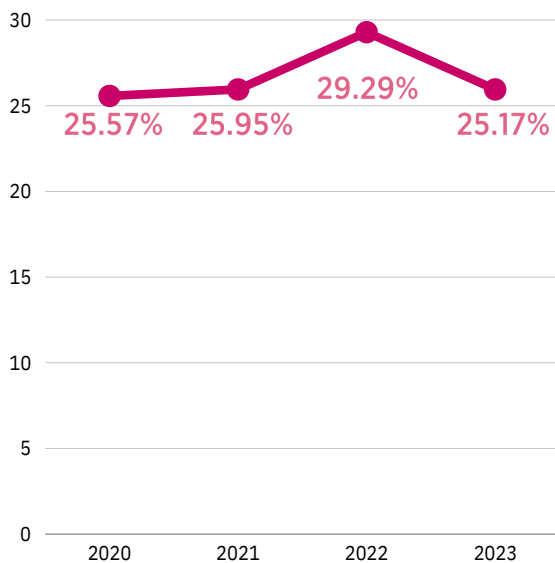


Mean hourly rate



Median hourly rate

Mean gender pay gap over time



Both the mean and median hourly rate gaps have decreased. The mean hourly rate gap reduced by over 4% between 2022 and 2023.

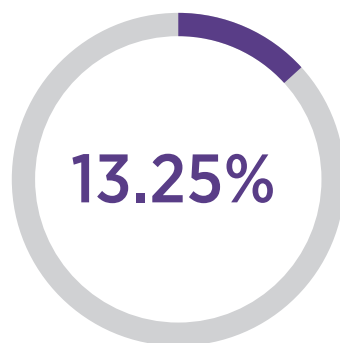
The illustration to the left reports a mean gender pay gap reduction of 29.29% to 25.17%. The median gender pay gap also decreased from 22.86% to 21.97%.

When excluding Senior Management Team bonuses, the mean gap is reduced by 20%.

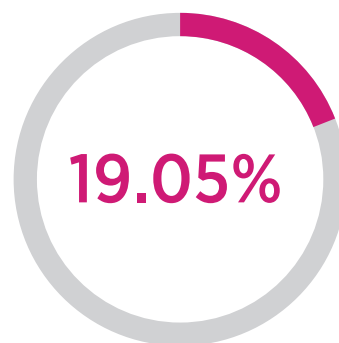
Leadership representation impact

In terms of leadership representation, 86% of the UK Directors are male, contributing to the overall gender pay gap. When excluding director-level roles from the analysis, the mean and median hourly rate gaps are reduced to 13.25% and 19.05%, respectively.

Out of 45 promotions, 35 were female.



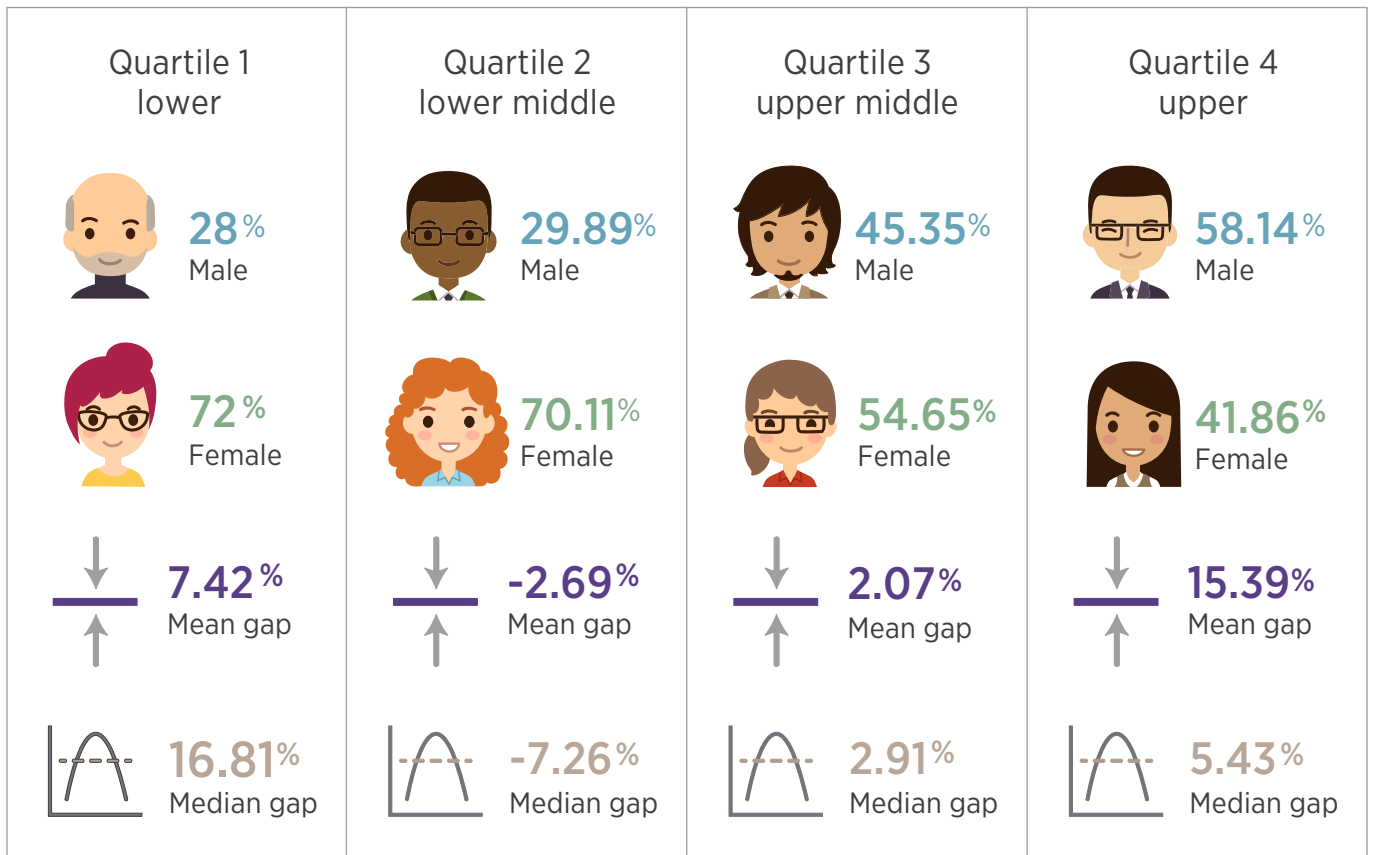
Mean hourly rate



Median hourly rate

Pay quartile distribution

Our results are broken down further into pay quartiles. Pay quartiles show the distribution of earnings when looking at pay by gender.



The pay quartiles highlight that a higher proportion of women are in the lower, lower middle and upper middle quartile, compared to the upper quartile.

In the upper middle quartile, we have seen an increase in the proportion of males, yet both the mean and median gaps have decreased. This demonstrates the equity being achieved in this quartile.

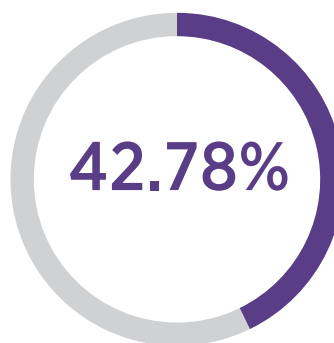
Bonus gender pay gap

Our mean bonus gap is greater than our pay gap, in part due to the increased number of male employees in the upper quartile.

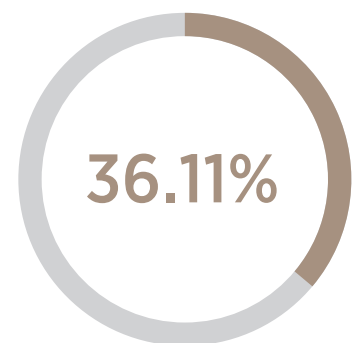
Out of 62 appointments made in 2023, over half were female.

There is an ongoing programme in place to review how our bonus schemes are structured, including, but not limited to, our sales incentive schemes to ensure there is no gender bias.

For non-sales employees, bonus is a percentage of base salary, therefore with more senior positions occupied by males, there is a natural expected gap in the bonus.



Mean hourly rate



Median hourly rate

Changes since 2022

Chiesi UK has observed positive changes since 2022, with an 8% increase in the overall workforce, including a 11% rise in female employees. Thirty-five women have been promoted. In 2024, we will see some positive changes in the UK Leadership team, increasing the gender diversity.

We have seen a positive shift in the gender pay gap in both mean and median figures since 2022.

What are we doing?

As an organisation, we are committed to ensuring gender equality in the organisation and we continue to review relevant policies and challenge gender bias.

Key achievements and future commitments

“ *Our continued work to achieve gender equality is persistent. This year's reduction demonstrates that our initiatives, including gender pay adjustments, the 2023 maternity incentive scheme for field based individuals and a focused action plan, are showing positive results. We will continue to strive for equity irrelevant of gender.* **”**

Heather McColl
HR & Support Services Director



Chiesi is committed to equality and with support of our external consultant Mercer, an annual gender pay equality exercise is being undertaken, comparing like for like roles in order to understand any unexplained gap. In 2023, the UK unexplained gender pay gap was 0.77%, showing that when we compare salaries paid to both men and women in equivalent roles, there is no significant pay gap.