

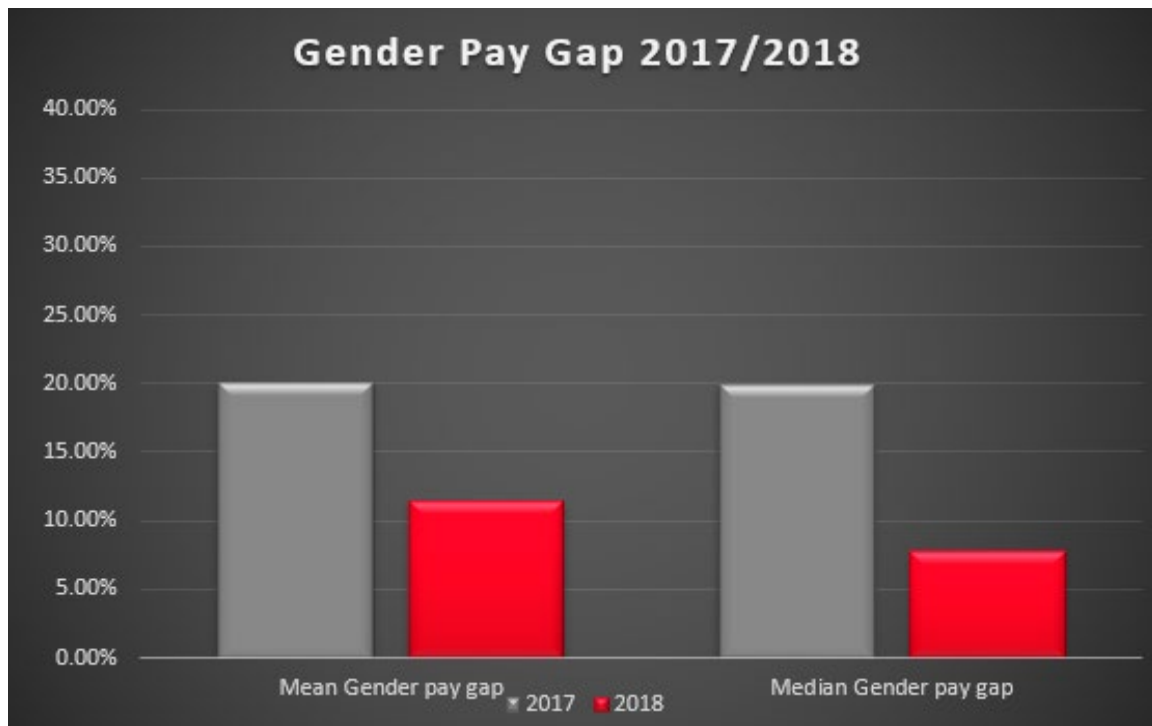
### Gender Pay Gap Report 2018

BBI Solutions OEM is required by law to publish an annual gender pay gap report, covering 6 key components, namely:

1. the difference in the mean pay of full-pay men and women, expressed as a percentage;
2. the difference in the median pay of full-pay men and women, expressed as a percentage;
3. the difference in mean bonus pay of men and women, expressed as a percentage;
4. the difference in median bonus pay of men and women, expressed as a percentage;
5. the proportion of men and women who received bonus pay; and
6. the proportion of full-pay men and women in each of four quartiles pay bands.

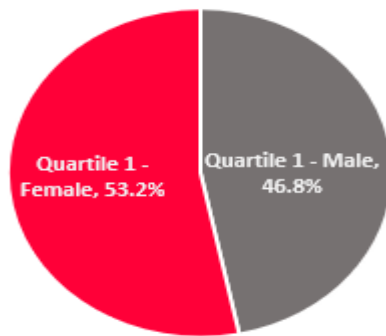
This is a GB requirement only and, as such what follows is the GB report for the snapshot date of 5<sup>th</sup> April 2018.

	2018	2017
Mean gender pay gap for BBI Solutions OEM	11.5%	20.16%
Median gender pay gap for BBI Solutions OEM	7.7%	19.96%
Mean gender bonus gap for BBI Solutions OEM	22%	-100%
Median gender bonus gap for BBI Solutions OEM	76%	-100%
Proportion of male employees in BBI Solutions OEM receiving a bonus	10.32%	0%
Proportion of female employees receiving a bonus	1.55%	0.76%

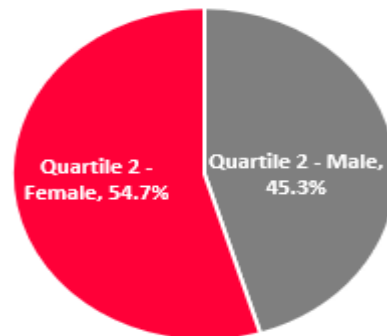


**Pay Quartiles by Gender**

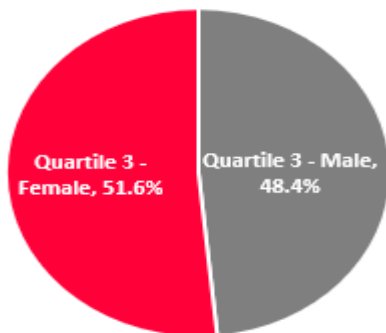
Quartile 1 2018



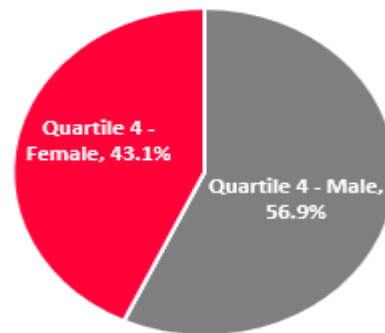
Quartile 2 2018



Quartile 3 2018



Quartile 4 2018



Band	2018		2017		Description
	Males	Females	Males	Females	
Quartile 1	46.8%	53.2%	36%	64%	Includes all employees whose standard hourly rate places them at or below the lower quartile
Quartile 2	45.3%	54.7%	44.44%	55.56%	Includes all employees whose standard hourly rate places them above the lower quartile but at or below the median
Quartile 3	48.4%	51.6%	62.67%	37.33%	Includes all employees whose standard hourly rate places them above the median but at or below the upper quartile
Quartile 4	56.9%	43.1%	60.98%	39.02%	Includes all employees whose standard hourly 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 BBI Solutions OEM's gender pay gap?**

BBI Group 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. Gender Pay Reporting requires our organisation to make calculations based on employee gender and we have established this by using our existing HR and payroll records. All employees can confirm and update their records, if they choose to, by contacting the HR Team.

It is BBI Group's practice to pay employees equally for the same or equivalent work, regardless of their gender (or any other characteristic set out above).

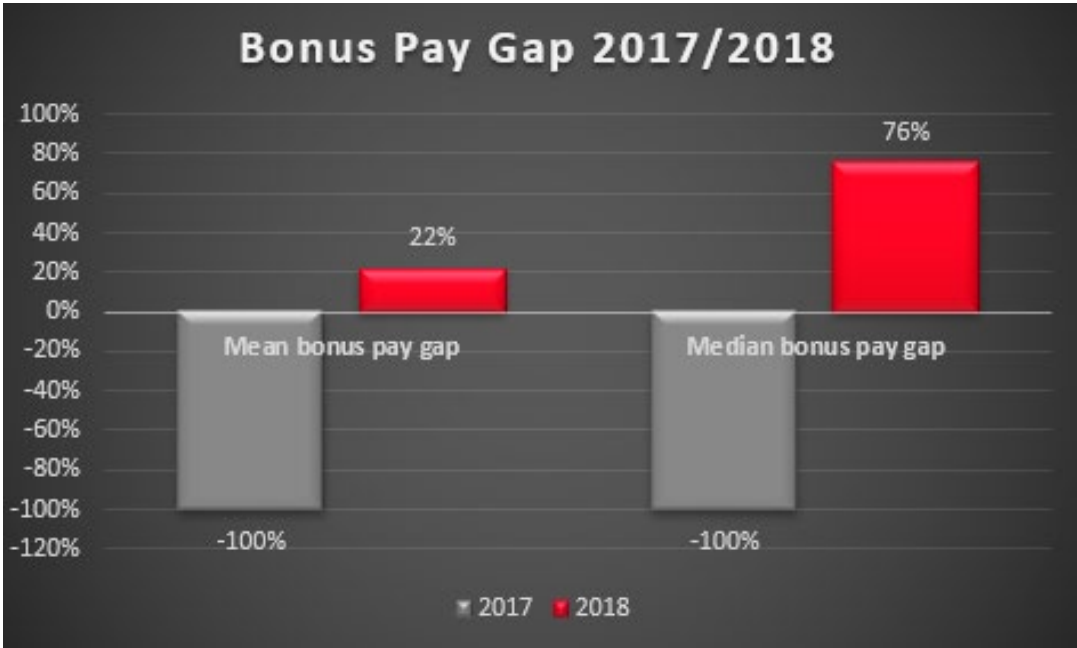
BBI Group is confident that its gender pay gap within BBI Solutions OEM is not the result of our systematically paying men and women differently for the same or equivalent work; rather, our gender pay gap is due to the roles men and women fill within the organisation and the pay levels those roles attract.

Based on current evidence, it appears that across the UK economy as a whole, men are more likely than women to be in senior roles (especially very senior roles at the top of the organisation), while women are more likely than men to be in front-line roles at the lower end of the organisation. BBI Group is pleased to report that our own gender divides within BBI Solutions OEM are not as stark as in other parts of the industry and this is likely to be due to the prevalence of college/degree-educated employees in the workforce as a result of the scientific nature of our manufacturing operations and customer base. This can be seen in the Pay Quartile table.

The Pay Quartile table and graphs on page 2 depicts BBI Solutions OEM's workforce divided into four equal-sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile) and Band D covering the highest-paid 25% (the upper quartile). In order for there to be no gender pay gap, there would need to be an equal ratio of men to women in each Band. Within BBI Solutions OEM, although the split is close, it is not quite even, but we are pleased to report that there is no cliff-edge drop in the number of females in the upper quartile.

**Gender Bonus Gap**

Under normal circumstances, we expect a higher proportion of men to receive a bonus than women. This is because in BBI Solutions OEM currently we do have a higher proportion of men in the management and commercial roles, some of which, under our current policy, may attract a performance bonus. In 2017 the data did not reflect this as the bonus pay period fell outside the reporting period. This is, however, reflected in the 2018 Gender Pay Gap data and is demonstrated through the proportion of males in receipt of a bonus (10.32%) compared with females (1.55%).



## What did BBI Group do to address its gender pay gap within BBI Solutions OEM?

BBI Group is cognizant that other organisations' will, within the current climate of increased visibility, be seeking to address their own situations, bringing with it increased external pressure to improve. BBI Group recognises that although some elements that contribute to its gender pay gap statistics are outside of its own control (for example, the subjects people study and the value of the roles that tend to attract men more than women), there are steps that have been taken to promote this further.

- **Establishing a Compensation Philosophy and Statement:** this will guide BBI Group's overall commitment to the way in which we position ourselves in the market and seek to develop in the future. This will be built into a policy following senior stakeholder sign-off within the financial year 2019.
- **Introduced a Core Hours Policy** – Initially considered as part of the establishment of Group Global Headquarters, consultation with individuals at that time indicated that an anticipated benefit of having a core hours policy is that it will attract those people who have outside responsibilities that require flexibility.
- **Promoted flexible working policy:** ensuring that employees in all areas and levels of the organisation will be considered for flexible working regardless of their role and level of seniority and that flexible working need not be limited to part-time working.
- **Engaged in Job Evaluation activity and a subsequent internal pay comparison exercise:** A 94% pay comparison exercise was completed and movement has commenced with pay banding. BBI Group recognises that this is a complex and time-consuming activity but commits to delivery.
- **Working with the local council to source affordable childcare:** Particularly near the Group Global Headquarters, where the majority of the UK employee base is located will become a key focus for 2019.

Although none of these initiatives will in themselves remove the gender pay gap, BBI Group believes that this, along with our annual commitment to report on our activity, will contribute to a reduction of the gender pay gap wherever possible.

Any further initiatives launched throughout the year will be reported on the company intranet.

I, Richard Couzens, Group CFO, confirm that the information in this statement is accurate.

Signed



Date

04<sup>th</sup> April 2019

### Notes

- For the purposes of providing data on the difference in the mean and median pay of men and women and the proportion of men and women in four quartile pay bands, only "full-pay relevant employees" count. Full-pay relevant employees are those relevant employees who, during the relevant pay period, are not being paid at a reduced or nil rate as a result of being on "leave" - which includes annual leave; maternity, paternity, adoption, parental and shared parental leave; sick leave; and special leave.
- The calculations of the mean and median gender bonus gaps include data for all relevant employees who received a bonus payment, regardless of whether they are "full-pay relevant employees".