

Binding Site | Gender Pay Gap Report



2018



Introduction

As a company the Binding Site remains committed to ensuring our workforce reflects the communities where we are located and the patients that we serve. We are dedicated to providing a workplace with equal opportunities for all and recognise that gender is just one element of this, we are equally focussed on race, religion, sexual orientation and ability. Our diverse workforce enables us to deliver new and innovative solutions to the market with shared ideas and a collective dedication to our mission, vision and values. We continually strive to ensure that The Binding Site is a fair and equal environment for everyone to achieve their full potential.

We have opportunities in a multitude of different functions and promote a fully inclusive culture, enabling employees to develop and challenge themselves and our business to go further from which we all benefit, employees, customers and patients.

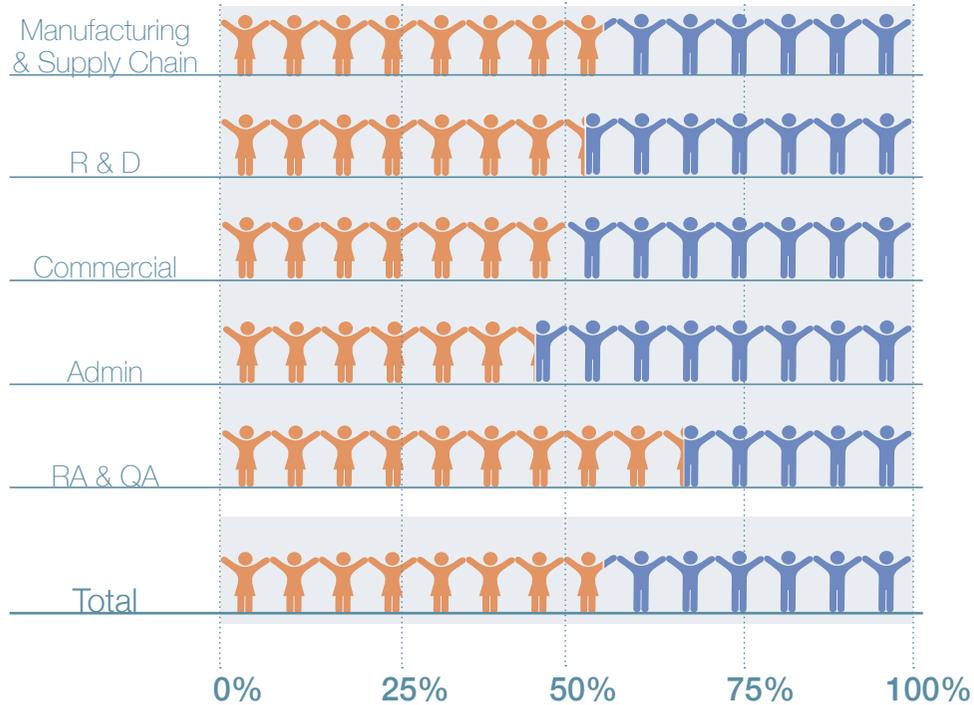
What is the Gender Pay Gap?

The Gender Pay Gap is the difference in average hourly pay and bonuses of all women and men across the UK organisation. The Gender Pay Gap is different from equal pay. Equal pay is about a woman and a man receiving equal pay for the same or similar job. We continually assess our pay across our company for all roles to ensure we maintain fairness and consistency.

We are confident that we have equal pay for work of equal value not only because it is a legal requirement but because it is the right thing to do and reflects one of our core values - Integrity- in everything we do as a company.



The work force profile of our company by gender, by area



The Binding Site Group (at 5 April 2018 in the UK as calculated by the legislation) employed 609 people of which 52% were female and 48% were male. We analyse these by 5 functional areas: Manufacturing & Supply Chain, R & D (Research & Development), Commercial, RA & QA (Regulatory Affairs & Quality Assurance) and Administration as shown above. This also shows the female and male split across those areas.

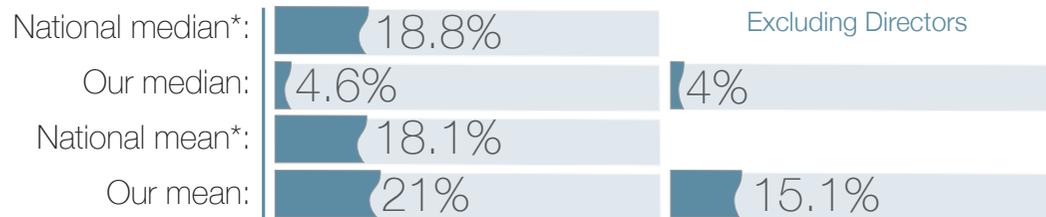


Number of employees by area



What does our Gender Pay Gap report show?

Median & mean gender pay gap:



*National figures from 2017

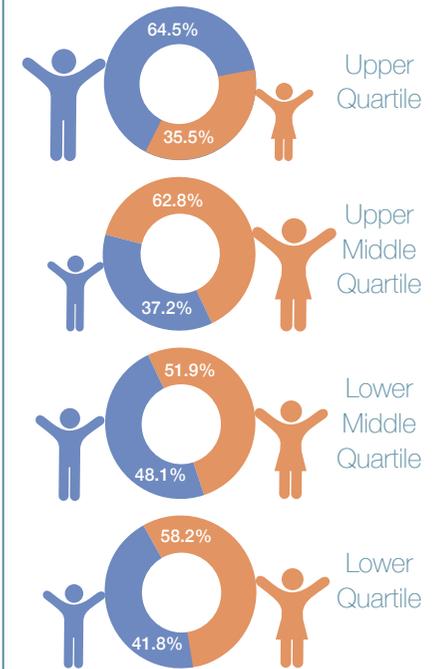
Our Gender Pay Gap, whether measured as a median or mean, has increased since 2017. This was something we were expecting as highlighted in last year's report and is due to the unequal distribution of women and men at more senior positions in the company. This is particularly prevalent at board level, and is not because of our pay policies or practices. We recognise this; it is not unusual across UK companies and the STEM sector, and we continue to look at how we can nurture talent for the future to ensure fair opportunity for all.

We implemented our Apprenticeship Program in 2016 which has been a great success. Of our current cohorts of the STEM subjects 61% are female, which will assist with closing the gap in the future as each of our Apprentices has the ability to succeed. In the short term, however, more females starting in junior roles has a negative impact on our Gender Pay Gap as it brings down the average pay for females. Longer term we expect this to lead to an increase in our talent pool of female leaders for the future, particularly in the STEM area. We have already seen an increase

in our female leaders within the business, which was addressed in our report last year. Having a focus at the entry stages also increases the pool of female talent for the future.

In the UK the level of employment within the core STEM sectors continues to grow, however women remain significantly under-represented and only 22% of the STEM workforce are female. The good news is that Science is leading the sector in a positive direction with over 43% of the Science workforce represented by women. When we compare this to our own business, where over 50% of our employees are female, we are at the forefront of promoting the change in STEM representation for women which is fantastic. Due to the historic under-representation of women in science and technology-based industries, the pool of female talent available for selection now into senior roles is limited. As an organisation we continue to expand and create a number of new senior roles. These have been filled by a mixture of internal and external appointments. Over the last year we have appointed 3 females into senior roles.

% of male & female employees in each pay quartile



Looking at the current gender split across the organisation we have already taken steps to ensure that the leaders of the future can be drawn from a talent pool that is more evenly balanced between genders so this should ensure that the structural difference leads to a closing of our gender pay gap over time.

Bonus Gender Pay Gap

All employees within our business had the ability to earn a bonus in the year that this report relates to, subject to eligibility criteria. Of the employees eligible, 93% of females received a bonus and 87% of males received a bonus.

Bonus gender gap is 58.92% including directors (a reduction of 13.65% from last year) and 29.69% (a reduction of 4.2%) when excluding directors.

We recognise that although we have a higher proportion of females achieving a bonus during the year, males have received a higher bonus amount. This is due to over 65% of the senior roles within our business being occupied with males and remuneration more heavily linked to their personal performance and the performance of the company. This has however reduced significantly on the previous year.

Bonus Statistics

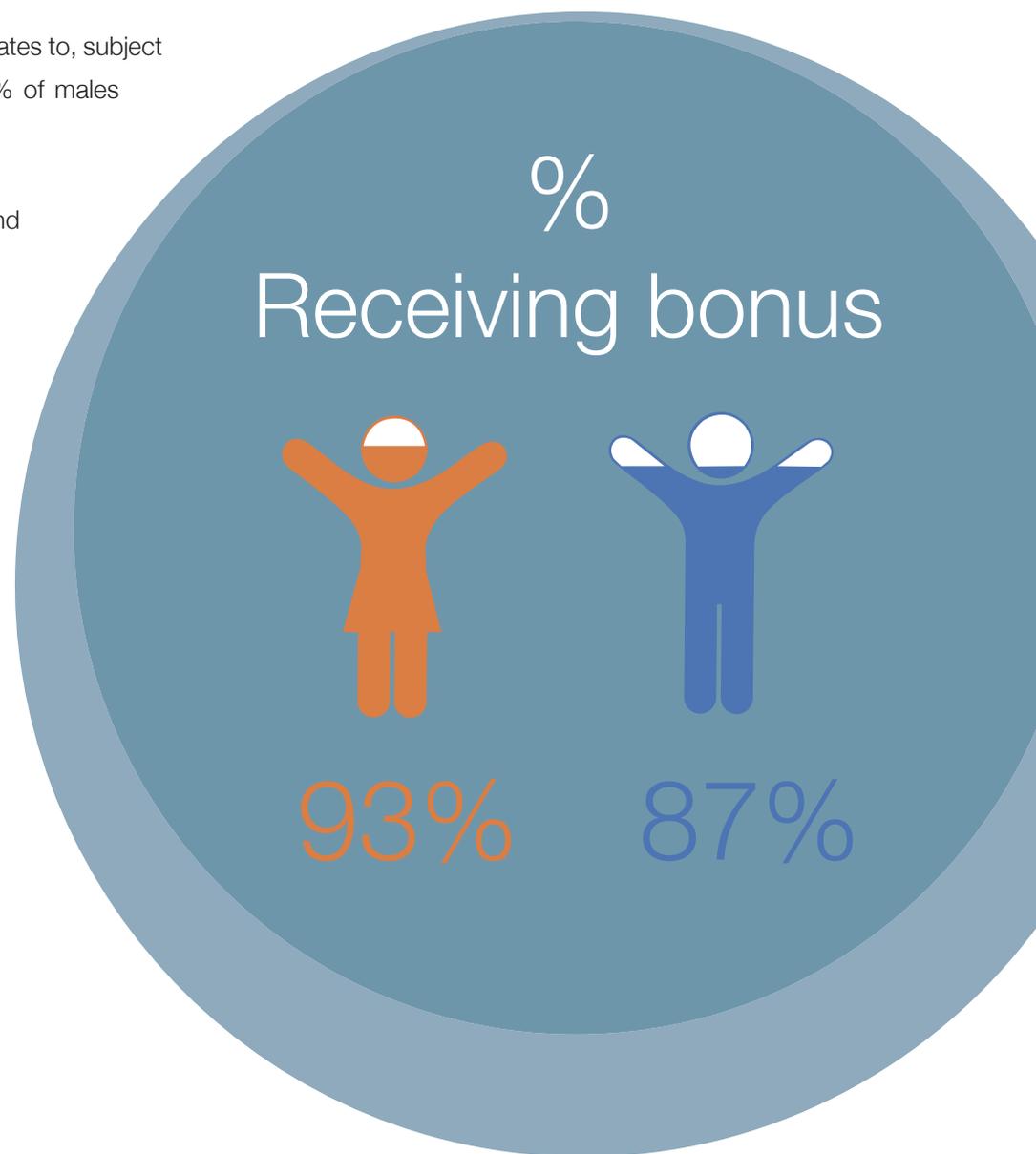
Median gender bonus gap: 0.0%

Mean gender bonus gap: 58.9% ↓

Excluding Directors

0.0%

29.7% ↓



What are we doing about our Gender Pay Gap?

Our Gender Pay Gap is a product of the disproportionate distribution of male employees in more senior roles. This is a result of the sector dynamics over an historic period. There is little we can do which will immediately result in a material change in our Gender Pay Gap. However, we are committed to providing opportunities to all and ensuring that we recognise the potential for gender bias in our procedures and processes and seek to exclude this wherever it is identified as a risk.

Flexible working and family friendly policies

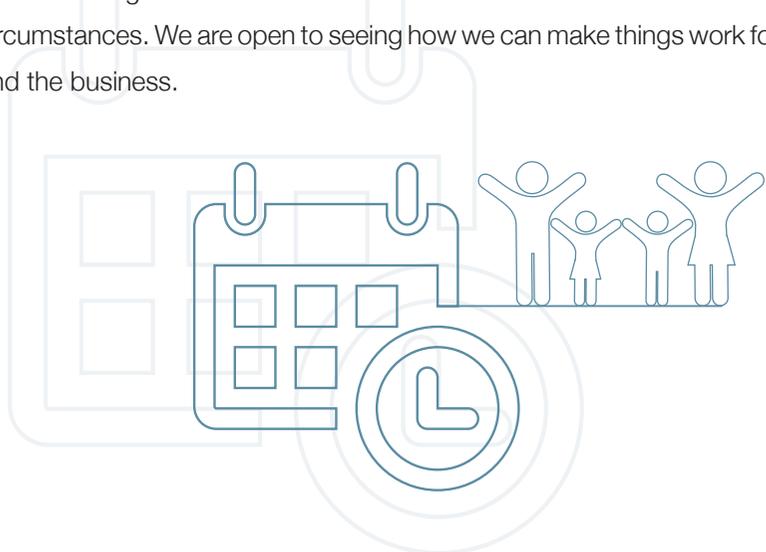
We encourage a healthy work / life balance to encourage more shared parental responsibility and for more women to return to work after maternity leave and to enable all employees to be considered for flexible working where appropriate. We also openly discuss shared parental leave to encourage fathers to take shared time should they wish. 10% of our employees work part time, of which 15% are male. Out of our total female population 16% work part time.

We also offer a range of different working arrangements, which aren't encompassed in the figures above. A significant proportion of our employees across all levels take advantage of this to enable them to create a work / life balance that suits their circumstances. We are open to seeing how we can make things work for our employees and the business.

Recruitment activity

Reviewing our recruitment activity to ensure we do not discourage any group from applying, ensuring that the stipulated requirements are specific and required each and every time.

We ensure that each recruitment process has a diverse recruitment panel. This has been implemented at the senior recruitment levels since 2018 and will continue through all levels of the organisation.



Investing in our people

We aim to continually invest in our people, to ensure they have the growth and development opportunities to perform and excel within their role. This includes setting up the Learning Academy for all employees to access, and we are in the process of broadening this to include content focused on the STEM-specific aspects of our business.

We also operate a sponsored learning ethos within the organisation to ensure our talent is supported where it is relevant to the role; 83% of our sponsored learning is female based within stem specific educational programs.

Succession planning for our future

We introduced formal succession planning into our business in 2018 which has identified many individuals with potential for the future whether that be in leadership, managerial or other functional or technical specialised roles. As a business we will review this annually.

We are confident that we have the right procedures and processes in place to ensure that everyone makes best use of their talents and fulfils their potential and that there are no gender barriers to achieving this.



Victoria Morbey
Group Head of HR

