UK Gender Pay Gap
Report published 05 April 2022
**Lonza and the UK Gender Pay Gap Information Regulations**

Our commitment and practice provide a solid foundation as we strive for gender pay parity.

1. **Our goal: gender pay parity**
2. **Two UK sites are included in this report: Cambridge and Slough**
3. **We grew by approx. 45 employees between April 2021 and April 2022**
4. **Over half of our employees are women**

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We are committed to support the Gender Pay Gap Information Regulations introduced in 2017, under the Equality Act 2010, which require companies with 250 or more employees in the UK to publish their gender pay gap each year.

All of our mandatory gender pay gap figures have been analysed by the internal Lonza Total Rewards team.

Lonza strives for gender pay parity and transparency. Lonza’s pay philosophy and practice reward the individual’s role, skillset, and performance, regardless of gender, gender reassignment, ethnicity, age or other such factors.

Lonza Biologics plc’s population grew between April 2021 and April 2022 by approx. 45 employees across our sites in Cambridge and Slough. 52.19% of our employees are women, this is increasing year on year.
Reporting the numbers

We are committed to support the Gender Pay Gap Information Regulations introduced in 2017

As per the UK Government requirements:

- The figures in this document are a “snap shot” taken on one single day - 5 April 2022
- The mandatory gender pay gap figures display the average (mean*) and median** gap between pay of women and men regardless of their job level and are therefore distinct from an equal pay for equal work analysis
- The figures have to be reported by pay quartiles (low / lower middle / upper middle / upper)

*The mean is the average of the numbers.
**The median is the “middle” of a sorted list of numbers. To find the median, place the numbers in value order and find the middle number.
UK Gender Pay Gap – Hourly Rate and Bonus

Report published 5 April 2022

Median – Hourly Pay Gap: 7.63%
Mean – Hourly Pay Gap: 10.07%
Median – Bonus Pay Gap: 6.98%
Mean – Bonus Pay Gap: 31.77%

Figures published 5 April 2022

1320
Total number of employees

689 Women > 88.35% received bonus pay in 2022
631 Men > 88.7% received bonus pay in 2022
Proportion of female and male per pay quartile in %

<table>
<thead>
<tr>
<th>Pay Quartiles</th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td>LOWER</td>
<td>56.36</td>
<td>43.64</td>
</tr>
<tr>
<td>MIDDLE</td>
<td>57.88</td>
<td>42.1</td>
</tr>
<tr>
<td>PER MIDDLE</td>
<td>50.3</td>
<td>49.7</td>
</tr>
<tr>
<td>UPPER</td>
<td>44.24</td>
<td>55.76</td>
</tr>
</tbody>
</table>

52.19% of our employees across the two sites included in this report are women.
The proportion of senior management relative to our total Lonza Biologics UK community is higher than what would be expected.

Lonza Biologics in Slough hosts a variety of global senior management positions who work across different global parts of the organization, not directly supporting the UK operations.

In line with industry standards, senior management positions carry higher salaries and have higher bonus targets.

While we are an equal opportunity employer, there is currently a greater proportion of men in senior management roles. Our Talent Development Programs are designed to increase visibility and opportunities to grow into senior management roles.

When looking at the data by Lonza’s internal pay bands, we can see that our ongoing initiatives around diversity and flexible working arrangements have had a positive effect on the balance of men and women in each of the pay bands.

If “Equal Pay for Equal Work” is compared on each of these pay bands, there is no difference between female and male employees’ remuneration.
Lonza Embraces Diversity
As part of our recruitment process, we ensure women know they are welcome

Diversity across the organization and at all levels ensures our work benefits from multiple approaches and perspectives.

Some of our initiatives from the last 12 months:

- **RiseUp@Lonza.** This grassroots movement was set up by our employees to create opportunities for women to build relationships, gain confidence and be inspired. It is helping us to take small but important steps to drive change from within.

- **We have started a Slough and Cambridge workgroup focussing employee feedback on gender equality and raising awareness of issues that prevent women from advancing their careers.** The Gender Equality workgroup is part of our Inclusion, Diversity and Belonging (IDB) initiative which currently also have active workgroups for Accessibility and Cultural diversity. This initiative will drive a review of our policies to ensure they encourage diversity and inclusion.

- **We have made some smaller changes at the sites – including providing webinars on menopause, making period products free in all toilets (including male and disabled toilets for non-binary and transgender colleagues).** We will be holding an event, linking with the Global teams, for International Women’s Day on 8th March.
Lonza Embraces Diversity
We want all employees to be able to grow and develop in their careers

“\textit{In order to ensure equal experience, we need to create equal opportunity. We need to challenge the stereotypes and the norms and not simply accept ‘that’s the way it’s always been’. Bias will only be challenged if we are confident enough to put ourselves forward to succeed and if we are prepared to ask for what we want.}”

Caroline Barth
Chief Human Resources Officer, Lonza
Lonza embraces diversity
We want all employees to be able to grow and develop in their careers

I joined Lonza 12 years ago having just completed my PhD in collaboration with our Slough neighbours UCB. I was offered a role in the Cell Culture Development team as a bench scientist and quickly got stuck in working on cell line constructions with many of the customers we still work with today. In these early days I found many opportunities to get involved with introducing and developing new technologies and quickly progressed along the scientific ladder within the team. I eventually transitioned into management – at first, technical – then eventually moving into people management alongside my customer work. I found this mix of working with people and technology incredibly fulfilling and challenging. Along the way I was afforded many opportunities to expand skill sets through technical training, leadership development courses and taking on complex projects. This eventually led to the incredible opportunity to head the Cell Culture Development team and allowed me to work alongside a diverse team of talented individuals. I have recently transitioned into a new role within the Global Process Development team managing the implementation of new technologies and processes across the Lonza network. Throughout my career to date, I have felt supported and encouraged by those around me to continuously push myself and take opportunities as they come. I look forward to a bright future at Lonza.

I have been with Lonza for 17 years starting in the Pilot Purification area of the then Process Scale Up and Support department. Over the next 10 years my role evolved from a pilot execution scientist to a technical administrator, with secondments to QA and Manufacturing Project Manager groups giving me a broader insight into the connections and dependencies across the Slough site. At the same time as the department grew and morphed into Manufacturing Science and Technology I moved into a Tech Transfer role, leveraging the skills gained from my various opportunities. Most recently I have transitioned into a leadership role adding the dimension of people management and at the same time gaining sight of our global impact and interdependencies. Throughout all of these years I was fortunate to have been recognised, supported and pushed to take on new challenges and opportunities, even when I doubted myself and my capability. This support and encouragement is fundamental to my want to stay and grow at Lonza.

My career journey started at Lonza as a university graduate in 2010 – and I’ve not looked back since. I’ve moved from junior laboratory roles all the way up to a Head of Department role, a career journey that I’m proud of. It’s been a lot of growth over the last thirteen years, and I’ve felt feel valued, supported and appreciated every step of the way. It doesn’t matter who you are at Lonza, whether you’re male, female, PhD, no PhD, opportunities always come your way and there’s always the chance to learn more wherever you are in your career journey.
UK Gender Pay Gap
Our commitment to Talent Development

Future Leaders
- 38 total
- 23 Female
- 15 Male

Activate
- 43 total
- 25 Female
- 18 Male

TOTAL TALENT DEV PROGAMS
- 77 Female
- 129 total

Emerging Talent Leader
- 29 total
- 17 Female
- 12 Male

Emerging Talent Technical
- 19 total
- 12 Female
- 7 Male

Business Use Only
In 2023 we are planning to:

Focus on the review and redesign of our programmes and competency measurement tools to ensure that they provide colleagues with effective development opportunities that are fully aligned with Lonza values and objectives.

Continue to increase our support of early career employees through our Apprentice and Placement Student programs, increasing opportunities for people to develop as they start out in their careers. We will continue to support initiatives to promote and support STEM interest in local schools and will build upon the recent success we enjoyed working with Burnham Grammar School and the Young Scientist of the year competition.

We are committed to create a workplace that attracts and develops women and men alike.
UK Gender Pay Gap - Summary
As reported on the governance website

The following numbers are summarised as they are submitted to the UK Government on:


<table>
<thead>
<tr>
<th>Category</th>
<th>Male</th>
<th>Female</th>
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<tbody>
<tr>
<td>Upper</td>
<td>55.8%</td>
<td>44.2%</td>
</tr>
<tr>
<td>Upper Middle</td>
<td>50.3%</td>
<td>49.7%</td>
</tr>
<tr>
<td>Lower Middle</td>
<td>57.8%</td>
<td>42.2%</td>
</tr>
<tr>
<td>Lower</td>
<td>56.4%</td>
<td>43.6%</td>
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**Pay Quartiles**

<table>
<thead>
<tr>
<th>Quartile</th>
<th>Male</th>
<th>Female</th>
</tr>
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<tbody>
<tr>
<td>Women's hourly rate is</td>
<td>7.63%</td>
<td>10.07%</td>
</tr>
<tr>
<td>Women's bonus pay is</td>
<td>6.98%</td>
<td>31.77%</td>
</tr>
<tr>
<td>Who received bonus pay</td>
<td>88.7%</td>
<td>88.35%</td>
</tr>
</tbody>
</table>

lower than male's hourly rate (median) lower than male's bonus pay (median)
lower than male's hourly rate (mean) lower than male's bonus pay (mean)
Concluding Statement
We hereby confirm accuracy of our numbers and compliance in calculation with the mandatory figures required by The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Alexander Herget
Head of Operations, Biologics, UK

23 March 2023