

Sonic Healthcare UK Gender Pay Gap Report 2024

1. Executive Summary

At Sonic Healthcare UK, we are committed to fostering an inclusive and diverse workplace. This report presents our gender pay gap analysis for 2023-24, highlighting key insights and actions to address any disparities.

Overall, our Mean and Median Pay Gap improved compared to prior year, with over 60% of employees in our upper pay quartile being female.

2. An Overview of Our Company

Sonic Healthcare UK is made up of several entities providing clinical pathology services. The two main employers – The Doctors Laboratory (TDL) and the Health Services Laboratories (HSL) – will be reviewed in more detail later in this report. While these are separate employers, the senior management and leadership, and many of the common corporate functions, are provided to both entities by TDL employees. For that reason, we show the gender pay gap calculations both jointly and separately, as the first provides an accurate reflection of how our company works in practice, while the second meets the statutory reporting requirements.

3. Gender Pay Gap Metrics

This section presents statistical findings comparing male and female earnings.

Definitions:

Mean (Average) Pay Gap – The average difference in hourly pay between men and women.

Median Pay Gap – The middle value in the list of hourly earnings for men and women.

Bonus Pay Gap – The difference in average and median bonus payments between men and women.

Pay Quartiles – The proportion of men and women in different salary bands.

Sonic Healthcare UK Gender Pay Gap

| | | | |
|-----------------------------|---------------|-----------------------|--------------|
| Mean Pay Gap | 3.75% | Median Pay Gap | 1.02% |
| Gender Bonus Pay Gap | -9.13% | | |

Proportion of Men and Women Paid a Bonus

| | |
|--|---------------|
| Proportion of males receiving a bonus | 76.94% |
| Proportion of females receiving a bonus | 72.09% |

Population by Pay Quartiles for Sonic Healthcare UK

The proportion of males and females in each quartile is as follows:

| | Number of Males | % of Males | Number of Females | % of Females |
|---|-----------------|------------|-------------------|--------------|
| Proportion of males to females in the upper quartile | 237 | 39.17% | 368 | 60.83% |
| Proportion of males to females in the upper middle quartile | 272 | 44.96% | 333 | 55.04% |
| Proportion of males to females in the lower middle quartile | 261 | 43.14% | 344 | 56.86% |
| Proportion of males to females in the lower quartile | 241 | 39.83% | 364 | 60.17% |

We have two main employing entities that we are required to report separately. The individual results are presented below.

| | HSL | TDL |
|---|--|--|
| Company description | <i>Joint venture providing pathology services to NHS partners and customers</i> | <i>Independent provider of clinical laboratory diagnostic services in the UK</i> |
| Gender pay gap | Mean Pay Gap: 4.49% Median Pay Gap: -13.11% | Mean Pay Gap: 3.29% Median Pay Gap: 10.88% |
| Gender pay bonus | Mean Bonus Pay Gap: 3.99% Median Bonus Pay Gap: 0% | Mean Bonus Pay Gap: -32.09% Median Bonus Gap: 0% |
| Proportion of men and women paid a bonus | Proportion of males receiving a bonus: 72.58% Proportion of females receiving a bonus: 71.63% | Proportion of males receiving a bonus: 81.73% Proportion of females receiving a bonus: 72.79% |

HSL Population by Pay Quartiles

| | Number of Males | % of Males | Number of Females | % of Females |
|---|-----------------|------------|-------------------|--------------|
| Proportion of males to females in the upper quartile | 130 | 37.90% | 213 | 62.10% |
| Proportion of males to females in the upper middle quartile | 113 | 33.04% | 229 | 66.96% |
| Proportion of males to females in the lower middle quartile | 132 | 38.60% | 210 | 61.40% |
| Proportion of males to females in the lower quartile | 154 | 45.03% | 188 | 54.97% |

TDL Population by Pay Quartiles

| | Number of Males | % of Males | Number of Females | % of Females |
|---|-----------------|------------|-------------------|--------------|
| Proportion of males to females in the upper quartile | 115 | 43.73% | 148 | 56.27% |
| Proportion of males to females in the upper middle quartile | 154 | 58.56% | 109 | 41.44% |
| Proportion of males to females in the lower middle quartile | 124 | 47.15% | 139 | 52.85% |
| Proportion of males to females in the lower quartile | 89 | 33.97% | 173 | 66.03% |

3. Our Plans for Continuous Improvement

We are pleased to report our gender pay gap at April 2024, and plan to continuously improve the work we do to ensure our workforce is both treated and paid equally.

In the 2023 gender pay gap report, we published that male employees earned on average (mean) 4.13% more per hour than our female employees. The median calculation recorded male employees earning 1.93% more than female colleagues.

At April 2024, our analysis shows that the overall difference between men and women's earnings based on hourly rates of pay is 3.75% (mean) or 1.02% (median). This represents an improvement for the group, and demonstrates our progress to reduce the Gender Pay Gap within our company.

Equality remains at the heart of Sonic Healthcare UK's workforce plan. We are committed to ensuring that regular benchmarking of salary scales, recruitment, and monitoring of our diverse workforce occurs in line with our Core Values, ensuring that fair access for all exists in relation to our recruitment opportunities. Moreover, we are committed to fair and equal pay irrespective of gender and aim to continue to improve our gender pay gap. As an organisation, we plan to promote policies and initiatives to support equal opportunities for our entire workforce.

Both the Mean and Median pay Gaps have decreased since the previous report, and we remain committed to work on reducing the gap for next year's submission.

We have more female employees than men at all levels of pay quartiles across Sonic Healthcare UK. Our aim is to achieve year-on-year improvement in our gender pay gap, and we hope to continue to encourage greater representation of women at the most senior levels across the group. Encouragingly, we continue to see over 60% of those in the upper pay quartile are female, and we are proud of this.

We have several ongoing initiatives that continue to aid the organisation in reducing its gender pay gap. These include:

- Promoting an inclusive working culture by enhancing our training, guidance, and resources in relation to flexible working, family-friendly policies (including hybrid working for corporate staff) and bullying and harassment.
- Continuing to invest heavily in leadership development and talent management to support promotion from within. Our leadership development initiative, Preparing to Lead, and other formal supervisor and management training programmes aim to develop and promote our female staff on a more individual basis.
- Continuing to promote our female role models both internally and externally.
- Ensuring, where possible, that those responsible for recruiting have undertaken Recruitment and Selection training, which includes clear guidance on equality and positive action.
- Working with line managers to ensure they are aware of their role in promoting equality and are proactively supporting the career progression of women within their departments.
- Encouraging better conversations at the Annual Joint Review to ensure it removes any potential barriers that are preventing career progression.

As a group that has grown quickly over recent years because of acquisition, our reward practices vary across our business due to staff transfers from different employers. The bonus pay gap demonstrates this difference. The overall gender bonus pay gap is -9.13%, which means that it is in favour of women. Overall, we maintain a 0% median bonus pay gap as there is no gender difference in the median bonus payments. In 2023/24, TDL and HSL staff received a 'cost of living payment' and this is reflected in the large percentages observed.

In 2024/25, we plan to continue enhancing equality and our wellbeing offering, whilst assessing opportunities for our Preparing to Lead cohort to progress into new roles as part of enhanced and ongoing formal learning opportunities. This will be achieved as we continue to grow services and add contracts across our group.

As we are open to the ongoing improvement of our gender pay gap, we will conduct a thorough review of our terms and conditions, including our benefits, working hours, and practices across our workforce. We believe that promoting these principles will assist in reducing our gender pay gap in future years.

A handwritten signature in blue ink, appearing to read 'David Byrne', with a large, stylized flourish extending to the right.

David Byrne
TDL Group CEO
March 2025