

**Sonic Healthcare UK**  
**Gender Pay Report 2022 for TDL & HSL**

**INTRODUCTION**

Gender pay reporting legislation requires employers with 250 or more employees to publish statutory calculations every year, showing how wide the pay gap is between their male and female employees. This report sets out the results for Sonic Healthcare UK.

**WHAT IS THE GENDER PAY GAP?**

A gender pay gap is a measure of the difference in the average pay of men and women – regardless of the nature of their work – across an entire organisation, business sector, industry, or the economy as a whole. It is the result of the different number of men and women across all roles.

It is different from an equal pay comparison, which is a direct comparison of two people or groups of people carrying out the same, similar or equivalent work.

**UNDERSTANDING THE GENDER PAY GAP**

**HOW ARE THE MEDIAN AND MEAN GAPS CALCULATED?**

Using the calculations set out in the gender pay gap reporting regulations, we have taken pay data from our entire business of nearly 2,250 staff at April 2022. This data includes many different roles and a variety of rates of pay.

Imagine all of our female employees stood next to each other in a line, in order of lowest hourly rate of pay to highest and visualise all of our male employees doing the same. The median gender pay gap is the difference in pay between the female employee in the middle of her line and the male employee in the middle of his line.

The other measure is the mean gender pay gap, which shows the difference in average hourly rate of pay between men and women. This is also affected by the different numbers of men and women in different roles.

These median and mean calculations are also carried out when comparing bonus pay over a twelve-month period. The proportion of men and women awarded any bonus pay over that period is also reported.

**HOW ARE THE PAY QUANTILES CALCULATED?**

In this report, we also show the percentage of men and women in each pay quartile. Quartiles are calculated by listing the rates of pay for each employee across the business from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of males and females in each. This should not be confused with an employee's position within the pay ranges set for each role.

**WHAT'S INCLUDED IN OUR CALCULATIONS?**

Calculations of mean and median pay and of quartile pay bands are based on data from April 2022 only, including ordinary pay and bonus pay.

**Ordinary pay** is not limited to basic pay, but also includes other types of pay, such as pay for working unsocial hours and shift premium pay. It does not include pay for overtime, pay relating to redundancy/termination of employment or the value of benefits which are not in the form of money.

**Bonus pay** includes any additional pay relating to commission, productivity, or performance. Calculations of mean and median bonus pay use bonus pay from the twelve months ending on 5 April 2022.

## 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. 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. Our results for our total UK workforce show the following:

### Sonic Healthcare UK Gender Pay Gap

<b>Mean Pay Gap</b>	<b>-2.25%</b>	<b>Median Pay Gap</b>	<b>4.27%</b>
<b>Gender Bonus Pay Gap</b>	<b>-4.55%</b>		

### Proportion of Men and Women Paid a Bonus

<b>Proportion of males receiving a bonus</b>	16.07%
<b>Proportion of females receiving a bonus</b>	12.24%

### Population by Pay Quartiles for Sonic Healthcare UK

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

	<b>Number of Males</b>	<b>% of Males</b>	<b>Number of Females</b>	<b>% of Females</b>
<b>Proportion of males to females in the upper quartile</b>	215.00	40.26%	319.00	59.74%
<b>Proportion of males to females in the upper middle quartile</b>	226.00	42.24%	309.00	57.76%
<b>Proportion of males to females in the lower middle quartile</b>	221.00	41.39%	313.00	58.61%
<b>Proportion of males to females in the lower quartile</b>	174.00	32.58%	360.00	67.42%

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

	<b>HSL</b>	<b>TDL</b>
<b>Company description</b>	<i>Joint venture providing pathology services to NHS partners and customers</i>	<i>Independent provider of clinical laboratory diagnostic services in the UK</i>
<b>Gender pay gap</b>	Mean Pay Gap: 4.52% Median Pay Gap: -9.07%	Mean Pay Gap: -11.75% Median Pay Gap: 10.20%
<b>Gender pay bonus</b>	Mean Bonus Pay Gap: 35.57% Median Bonus Pay Gap: 0%	Mean Bonus Pay Gap: -17.91% Median Bonus Pay Gap: 0%
<b>Proportion of men and women paid a bonus</b>	Proportion of males receiving a bonus: 5.03% Proportion of females receiving a bonus: 5.43%	Proportion of males receiving a bonus: 28.81% Proportion of females receiving a bonus: 21.87%

### HSL Population by Pay Quartiles

	<i>Number of Males</i>	<i>% of Males</i>	<i>Number of Females</i>	<i>% of Females</i>
<b>Proportion of males to females in the upper quartile</b>	114.00	37.50%	190.00	62.50%
<b>Proportion of males to females in the upper middle quartile</b>	100.00	32.89%	204.00	67.11%
<b>Proportion of males to females in the lower middle quartile</b>	130.00	42.90%	173.00	57.10%
<b>Proportion of males to females in the lower quartile</b>	103.00	33.88%	201.00	66.12%

### TDL Population by Pay Quartiles

	<i>Number of Males</i>	<i>% of Males</i>	<i>Number of Females</i>	<i>% of Females</i>
<b>Proportion of males to females in the upper quartile</b>	104.00	45.02%	127.00	54.98%
<b>Proportion of males to females in the upper middle quartile</b>	124.00	53.91%	106.00	46.09%
<b>Proportion of males to females in the lower middle quartile</b>	84.00	36.52%	146.00	63.48%
<b>Proportion of males to females in the lower quartile</b>	77.00	33.33%	154.00	66.67%

### **Our Plans to Improve our Gender Balance**

We are pleased to report our Gender Pay Gap at April 2022, and plan to continue to improve the work we do to ensure our workforce is equally treated and equally paid.

In our last Gender Pay Gap report, we reported that male employees earned on average (mean) 3.48% more per hour than our female employees. The median calculation recorded male employees earning 1.37% more than female colleagues.

At April 2022, our analysis shows that the overall difference between men and women's earnings based on hourly rates of pay is -2.25% (mean) or 4.27% (median). This displays improvement to women's average hourly earnings, but regression in the median calculation of the gender pay gap.

We will always ensure fair access to all regarding our staff recruitment, in line with best practice and getting the right person for a role. We are committed to ensuring that regular benchmarking of salary scales, recruitment, and monitoring of our diverse workforce takes place in line with our Core Values.

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. Sonic Healthcare UK continued to grow its business in 2021/2022, although the scaling down of our Covid testing work was largely complete at this time. The baseline staffing numbers decreased across both group entities as a result of the Covid work coming to an end in March 2022. The mean pay gap in particular has decreased since the last report, and we will work on improving this for the next submission.

At all levels of pay quartiles across Sonic Healthcare UK, we have more female employees than men. Our aim is to achieve year-on-year improvement in our gender pay gap, and we hope our annual pay reviews may accomplish

continued progress against the gender pay gap for our next report. Overall, women make up the majority of employees across all grades in both companies and our challenge is to continue to encourage greater representation of women at the most senior levels across the group. We are confident that our gender pay gap will not widen next year.

Some of the initiatives we undertake to support the organisation in reducing the gender pay gap 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.
- Reviewing our flexible working policy, promoting all areas of our business to consider flexible approaches to support staff in achieving career goals.
- 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 programmes support internal coaching and mentoring schemes to develop and promote our female staff on a more individual basis.
- Introducing mid-year salary spot checks to ensure our staff are paid the correct rates for the role they carry out and to ensure equality across all areas of our workforce.
- 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 barriers that may exist 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 -4.55%, which means that it is in favour of women. Overall, we maintain a 0% median pay gap as there is no gender difference in the median bonus payments. HSL tends to reflect NHS terms and conditions where bonuses are not payable, with a few directly employed examples with different arrangements, while TDL reflects a more commercial model, and is comparable to NHS terms and conditions for employees to reference. In TDL, women receive more favourable mean average bonus payments than men, while the position is different in HSL. Once bonus figures are calculated across the group, the overall gender bonus pay gap is in favour of women.

In 2023/24, we plan to continue enhancing our wellbeing and equality focus, whilst also looking at opportunities for our Preparing to Lead cohort to move 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. A thorough review of our terms and conditions, including our benefits, working hours, and practices, may help us better attract and retain women in the organisation. We believe that the promotion of these principles will assist in continuing to reduce our gender pay gap in future years.

The data in this document is accurate and in line with government reporting regulations.



**David Byrne**  
**TDL Group CEO**  
**March 2023**