

Baxter Healthcare Ltd (UK) Gender Pay Gap Report 2019

This is Baxter's third gender pay gap report. In April 2017, for the first time organisations that employ over 250 people in the UK were required to report annually on their gender pay gap. This enables organisations to show the difference in average earnings between men and women in the UK and is calculated across all jobs at all levels.

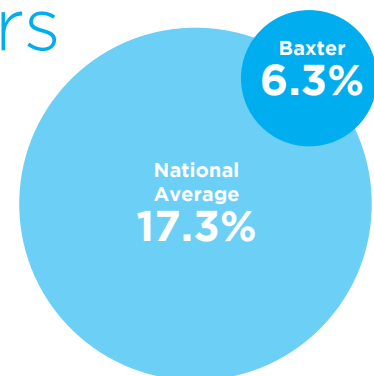
At Baxter, we believe in an inclusive culture and that a diverse workforce can drive innovation, create trusted partnerships with customers, suppliers and community partners, and can contribute to the success and sustainability of our company. This thinking forms the foundation of our global inclusion strategy, which is directly linked to one of the company's aspirations to be inclusive in the way we work with all stakeholders and to

commit to attracting, motivating and retaining a diverse workforce.

We are committed to providing opportunities for all employees, and recognise that every individual's unique background and experience contributes to a successful organisation.

Understanding the numbers

Our mean gender pay gap is 6.3%, which is significantly smaller than the national average of around 17.3% in our third year of reporting.



Remember that the Gender Pay Gap is not the same as Equal Pay. The Gender Pay Gap is a simple average figure for all employees within the UK workforce, irrespective of the job that they do. Equal pay ensures that men and women receive equal pay for carrying out the same or equal work. Baxter has robust compensation policies and practices to ensure equal pay and we regularly review all employees' pay and our pay policies to ensure we offer equal pay for equal work, regardless of gender.

Our mean gender pay gap in 2019 was 6.3% and so we have seen a slight increase in the mean pay gender pay gap since the 2018 figures. However, this figure remains much lower than the national average of around 17.3%.

Our mean gender pay gap is driven purely by the fact that there are more men than women holding senior roles within the organisation and at that senior level, eligibility for equity grants plays a large part in the bonus awards.

At the time of running the analysis in April 2019, we had 12 men and 5 women at Director level and 49 men and 36 women in senior management roles.

Our mean bonus gap is 12.8% which is a significant improvement on 2018 which was 29.6%.

Our Commitment

Attracting and retaining women leaders

- We are leveraging diverse candidate sourcing channels and ensuring we are presented with an equal number of male and female candidates.
- We continuously focus on ensuring our recruitment process is free of bias and that women have an equal opportunity for promotion into leadership roles.
- We have a comprehensive Advancing Women in Leadership Programme which involves bringing current and aspiring women leaders together from across the business, to develop and flourish within Baxter.
- We have a comprehensive Return to Work Programme for women who are returning from maternity, adoption or parental leave.
- We have increased our activities to educate and attract new talent to Baxter by attending careers fairs and have an established Student and Graduate Placement Programme. Out of eight graduate placement positions, seven have been awarded to women.
- We actively encourage progression of women through regularly holding focus groups to share career progression of successful women.

Holding our leaders accountable to drive inclusive leadership capabilities and culture

- Our Global Inclusion Council provides thought leadership, guidance and support to enhance Baxter's inclusive culture. Composed of leaders from the company's businesses, regions and functions worldwide.
- Our UK and Ireland Country Sponsor is a member of the Global Inclusion Council the lead for the Regional Inclusion Council in EMEA.
- Our Local Inclusion Council drives local action plans in line with our strategy.
- We provide Inclusion and Diversity education and training to all our managers which focuses on valuing differences and unconscious bias, equipping managers in their efforts to create and sustain an inclusive culture at Baxter.
- Our leaders attend and support industry led initiatives to learn about new ideas and share best practice.

Valuing differences to create a work environment where people can be their very best

- We provide Inclusion and Diversity education and training to all our employees designed to enhance their understanding of why inclusion and diversity are critical to Baxter's success.
- We have an established Women Leaders Resource Group and a number of Women in Leadership Forums at sites across the UK, to share experiences and learning for both women and men.
- We provide coaching, mentoring and career development interventions for all our team members.
- We believe in and embrace Flexible Working wherever possible, including varied working patterns, part time roles, job share and remote working.
- We hold 'Gender IQ' Workshops for our senior leaders. Within this the message on retaining women in the business is unequivocal.
- We hold well attended events across different sites to celebrate International Women's and Men's Days.

Definitions

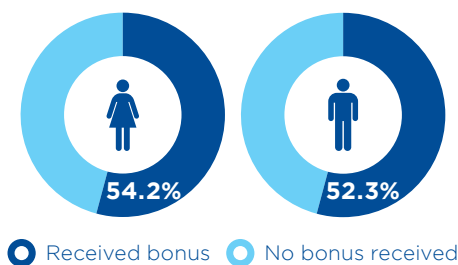
Mean and Median

The gender pay gap shows the difference between the mean (average) and the median (mid-point) earnings of male and female employees expressed as a percentage of male employee's earnings.

Pay quartiles by gender

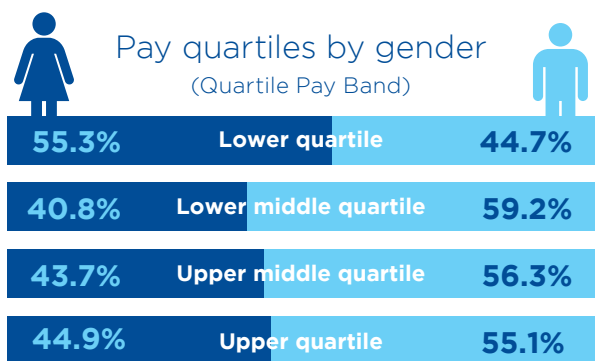
The proportion of male and female employees in each of the quartiles ranked from lowest hourly rate to highest hourly rate.

Proportion of employees receiving a bonus (2018)



Gender Pay & Bonus Gap

Difference Between Men & Women	Mean	Median
Gender Pay Gap	6.3%	4.6%
Bonus Pay Gap	12.8%	-124.3%



Baxter Healthcare Limited has prepared this information in line with The Equality Act 2010 (Gender Pay Information) Regulations 2017 and can confirm that the figures are accurate.

Andy Goldney

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UK and Ireland Country Sponsor

Barbara Elliott

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