



UK gender pay reporting 2018



Message from **Tim Robinson**, Chief Executive Officer, LGC

It is crucial to me that we continue to foster an inclusive and diverse environment, where each and every one of our employees knows they can fulfil their potential by developing and growing their career, regardless of their gender, whilst contributing to our vision of Science for a safer world.

Since our first report, our organisation has seen important changes and, in particular, the sale of our Forensics and Security business. Our UK employee base decreased by 569 people through this divesture and this has had an impact on our reported data.

By law, we are required to report the gender pay gap of UK legal entities that employ 250 people or more. In our case, this includes LGC Ltd only. For transparency, this report is showing the data as of 5 April 2018 for all our UK legal entities; 5 April 2018 (LGC Ltd only); 5 April 2017 (as reported last year) and 5 April 2017 (excluding the Forensics and Security division).

As a reminder, as required by the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, we are publishing the following data about our UK workforce:

- mean and median gender hourly pay rate gaps (as of 5 April 2018);
- mean and median gender bonus gaps (for the 12 months prior to 5 April 2018);
- the proportion of men and women who received bonuses (for the 12 months prior to 5 April 2018);
- the proportion of men and women employees in each pay quartile (as of 5 April 2018).

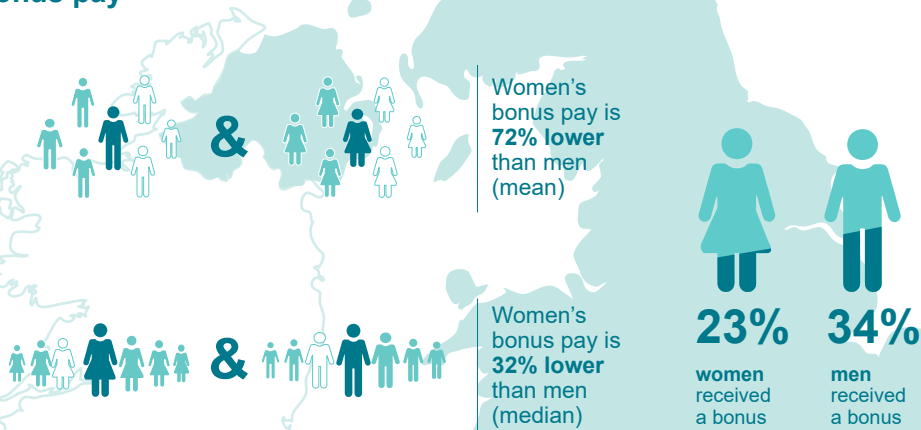
It is important to differentiate gender pay gap and equal pay. The UK Department for Business, Energy and Industrial Strategy explains that “The gender pay gap shows the difference in the average pay between all men and women in a workforce”. Equal pay is the right for men and women to be paid the same when doing the same, or equivalent, work. All LGC positions are benchmarked internally and externally to ensure consistency of pay across the organisation. We will continue to ensure that there is consistency of pay across the whole of LGC, irrespective of gender.

The following data is collectively reported for all LGC legal UK entities (as of 5 April 2018):

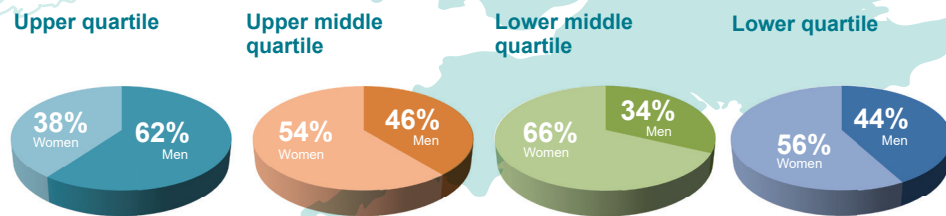
Hourly pay rate



Bonus pay



Pay quartiles



LGC's gender pay data



53% of LGC's UK employees are women, which is a greater representation than the average in scientific professions (WISE campaign - 2018 Workforce statistics).

Gender pay gap summary

	Hourly pay rate gender gap		Bonus pay gender gap		Proportion of females and males who received a bonus		Proportion of females and males in each pay quartile			
	Mean	Median	Mean	Median	F	M	Upper	U.Mid	L.Mid	Lower
April 17 - All LGC UK legal entities (reported)	23%	13%	68%	72%	28%	25%	40/60	61/39	69/32	58/42
April 17 - All LGC UK legal entities ex F&S	25%	16%	68%	72%	28%	25%	36/65	58/42	68/32	54/46
April 18 - All LGC UK legal entities	25%	16%	72%	32%	23%	34%	38/62	54/46	66/34	56/44
April 18 - LGC Ltd only	22%	18%	58%	15%	18%	29%	37/63	50/50	65/35	57/43

When we compare our reported hourly rate and our gender split by quartile, between April 17 (excluding Forensics and Security employees) and April 18, there is little change, as addressing those gaps will take time. With regards to the bonus analysis, bonus is paid by each divisions, upon the achievement of agreed divisional targets. As such, some teams might not be paid bonuses every year and this is reflected in the changes observed in bonus pay data. It is also worth noting that as the Forensics and Security division was sold in October 17, any bonuses paid to the team in the period from April 17 to October 17 would be included in this report.

How we plan to foster greater diversity at LGC

Our gender pay gap reflects the wider challenges facing organisations in achieving greater diverse representation in leadership positions. We recognise this is a complex challenge and addressing this will take time.

Since our first report, we have carried out a review of the data, listened to employees to understand some of the barriers to diversity and have started a diversity group. This has led to us signing up to the WISE campaign, in support of our employees' development. We have also embedded unconscious bias awareness training into our management and leadership development programmes.

We are committed to understanding and overcoming the challenges to progression facing women at LGC. We are focusing on monitoring and analysing gender balance data formally in LGC, both qualitatively and quantitatively. This will enable us to better recognise the drivers of our gender pay gap, unique obstacles and actual or perceived barriers our employees may face in both aspiring for and progressing into higher paid roles and leadership positions. This will ensure that we target our actions towards a mix of appropriate initiatives that will deliver the most effective results.

We remain committed to equal pay and will continue to develop initiatives to foster greater diversity. We review our existing programmes and policies to enable all employees to fulfil their potential and achieve their career aspirations regardless of gender, race, sexuality, etc.

I confirm that this report and its data are accurate.

Tim Robinson
Chief Executive Officer

