

Our commitment to greater diversity across LGC.

LGC's core vision is Science for a Safer World which embodies the positive impact we have on the world, through the excellence of our employees. Ensuring that LGC is a diverse and inclusive place to work is essential as we strive to recruit, develop and retain a highly engaged and motivated workforce thus enabling us to deliver our business outcomes through our people and to champion better work and working lives.

It is important to differentiate between 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.

We remain committed to equal pay and will continue to develop initiatives to foster greater diversity. All LGC positions are benchmarked internally and externally to ensure consistency of pay across the organisation.

We review our existing programmes and policies to enable all employees to fulfil their potential and achieve their career aspirations regardless of their background.

Employers in Great Britain with more than 250 staff are required by law to publish their gender pay gap information, covering pay and bonuses. In our case, this includes LGC Ltd only. For transparency, this report is showing the data as of 5 April 2019, for all our UK legal entities, as well as for LGC Ltd only.



Data review

It has been three years since the inception of the gender pay gap regulations and we continue to challenge our thinking about the construct and fair remuneration of our workforce.

We are encouraged to see our mean and median gender pay gap fall for a second consecutive year. This is a positive indication that our actions are creating sustainable results across our business that will act to close our gender pay gap even further in the coming years.

It is crucial we continue to mobilise our energy to greater inclusion across all levels of the organisation, not only to attract the best in class but also retain and engage talent across LGC.

When we compare our reported hourly rate between April 18 and April 19, we are observing a slight improvement. This has been achieved primarily through our talent management activities and internal promotions.

	Hourly rate	
	Mean	Median
2018 LGC Ltd	22%	18%
2018 All UK legal entities	25%	16%
2019 LGC Ltd	18%	16%
2019 All UK legal entities	23%	15%

Bonuses are paid by each division, upon the achievement of agreed divisional targets. As such, some teams might or might not be paid bonuses every year and this is reflected in the changes observed in bonus pay data.

	Bonus gap	
	Mean	Median
2018 LGC Ltd	58%	15%
2018 All UK legal entities	72%	32%
2019 LGC Ltd	55%	67%
2019 All UK legal entities	65%	50%

	Proportion of females and males who receive bonus	
	Female	Male
2018 LGC Ltd	18%	29%
2018 All UK legal entities	23%	34%
2019 LGC Ltd	14%	18%
2019 All UK legal entities	25%	37%

LGC gender pay gap report 2019

The proportion of females in the upper and lower quartiles has increased; whilst the proportion in the upper middle and lower middle has either remained the same or decreased slightly.

This is a result primarily from our turnover (new joiners and leavers) which has seen a slight increase in the male population compared to last year.



 	Proportion of females and males in each pay quartile			
	Upper	U. Mid	L. Mid	Lower
2018 LGC Ltd	37/63	50/50	65/35	57/43
2018 All UK legal entities	38/62	54/46	66/34	56/44
2019 LGC Ltd	39/61	49/51	61/39	58/42
2019 All UK legal entities	37/63	50/50	61/39	56/44

How we are reducing our gender pay gap

Closing the gender pay gap is a journey towards greater diversity in our workplace. We will continue to explore activities to make all employees develop and fulfil their potential.

- **Talent review:** In the reported period, we have carried on reviewing our talent pipeline, to ensure we will have a balanced and diverse talent coming through from across the organisation.
- **Monitoring:** We have also captured a baseline of data on the diversity of our workforce, including gender, and are committed to monitoring trends through key performance indicators on a group and divisional basis each quarter.
- **Learning and development:** Inclusivity is embedded in our management and leadership programmes and we are taking our leadership team through an unconscious bias workshop. We continue to be a member of the WISE Campaign, providing alternative and added support to employees who wish to grow their scientific career.
- **Engaging with colleagues:** As part of our continued commitment to overcome growth challenges in our organisation, we are engaging with colleagues through surveys facilitated by dedicated diversity teams. This way, we are assessing additional ways in which we might remove any blockers to progression (real or perceived). Initiatives to promote flexible work practices, to support positive organisational culture, to develop internal networks and identify role models in leadership are all being evaluated for implementation.

Practices and policies

We have reviewed our current practices, in particular related to parental leave, flexible working and leadership development, to ensure our policies and practices support a diverse workforce, enabling colleagues to work and develop their careers in a way that works best for them. We have strengthened our training for line managers to build trust and underpin the delivery of this commitment. We remain committed to equal pay and will continue to develop initiatives to foster greater diversity and inclusion. We will continue to review our existing programmes and policies regularly to

enable all employees to fulfil their potential and achieve their career aspirations regardless of age, gender, race, religion, ethnicity, disability or sexual orientation.

I confirm that this report and its data are accurate.

Tim Robinson CBE
Chief Executive Officer