

# Gender Pay Report 2019



# Foreword

At AstraZeneca, we believe that an inclusive and diverse workforce is fundamental to the successful delivery of life-changing medicines to patients. This is because innovation requires breakthrough ideas that only come from people encouraged to be themselves at work, enabled to contribute to their full potential, and empowered to challenge conventional thinking.

Our ability to harness different thinking, ideas, experiences and perspectives has been central to the progress we have made as a company in recent years, strengthening our open and collaborative culture, fuelling innovation, and resulting in the unprecedented achievements that we delivered in 2019.

Gender diversity is one tremendously important element of our culture, and I am proud of the progress we continue to make. Globally, compared with five years ago, we have increased the number of women hired into senior roles: women now make up just over 45% of senior leaders today, compared with 40% in 2012, and we are aiming to reach 50% by 2025.

In the UK, our progress is recognised in the *2019 Hampton-Alexander Review* of the FTSE 100 companies, where, in the Executive Committee and Direct Reports category, AstraZeneca is ranked sixth – up one place on 2018. Further, when we look at the latest data in this report, it is encouraging to see that the gender pay gap at AstraZeneca continues to compare favourably with national averages.

More generally, the progress we are making as a company is supported by several initiatives, including our Women as Leaders programme, which aims to advance the next generation of female leaders, activities to encourage more women to seek careers in science, technology, engineering and maths (STEM), as well as other efforts, such as gender-neutral advertising of roles, diverse candidate slates and interview panels.


In addition, as part of our broader commitment to inclusion, we continue to hold regular events across the company to promote inclusion and diversity in the workplace. This includes a series of

Empowerment Summits, which feature a mix of speakers and leaders who challenge participants to think differently, speak up and create an environment where every member of our team can give their best. In 2019 we expanded this series to six Summits and used streaming technology to make sessions available to all employees.

We will continue to take action to enhance our culture and drive the innovation that will enable us to make an even bigger difference to the lives of patients around the world.



Pascal Soriot  
Chief Executive Officer



“We are committed to promoting and maintaining a culture of respect and equal opportunity.”

## Our Global Inclusion & Diversity Strategy focuses on:

- > empowering leadership at all levels,
- > fostering a culture where people speak up with their different ideas and opinions; and
- > building a strong and diverse talent pipeline

# 6th

FTSE100 ranking for Women representation in the top 3 layers: moved up from 7th place 2018 to 6th place 2019 *Hampton-Alexander Review*.

# 45%

of our senior leaders today are women, compared with 40% in 2012

# Introduction

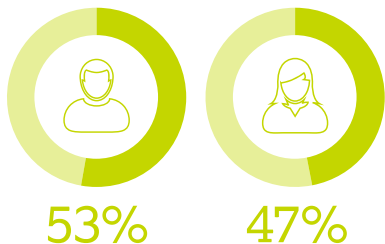
In 2019, we employed 6,805 people in the UK, and our gender balance was almost equal – 53% men vs 47% women. We remain committed to fair pay and we review pay across the workforce to ensure that this principle is applied in practice. This year, our gender pay gap, which continues to compare well with the UK average, was very similar to that published in 2018, this is expected as we would anticipate progress to be made in the mid to long term and not on a year on year basis.

The gap continues to be driven by our demographics and our timing of payments. We currently have more men than women in senior roles in the UK, and more women than men who work part-time and take advantage of our flexible working policies.

As a significant employer in science and manufacturing in the UK, we continue to believe we have an important role to play in encouraging women in science, technology,

## AstraZeneca gender balance

UK employees – 6,805



engineering and maths (STEM). We continue to support many initiatives that promote women in STEM through our ambassador work and have more than 60 STEM ambassadors partnering with primary and secondary schools in the UK.

This year, we implemented an award-winning leadership toolkit that was produced by the UK Women's Business Council, allowing us as an organisation within the STEM fields to build greater gender diversity and fill our talent pipeline through the use of metrics.

We continue to invest in our talent strategy, which is about attracting, retaining and developing the best people, whatever their backgrounds. This is critical to us as an organisation as a truly diverse workforce is about every aspect of people's backgrounds, not only gender, but also ethnicity, religion, socio-economic status, sexual orientation and culture. This diversity drives creativity and innovation and is pivotal in enabling us to deliver the next phase of our organisation's vision.

Our talent strategy is delivering and having a positive impact on our workforce. Women continue to be promoted into senior and leadership roles at a higher rate than men – and this is based on performance. Later in this report you can read stories from some of the women whose careers are thriving at AstraZeneca.

As an organisation, we constantly challenge ourselves to achieve more, which is why our investment in this area is for the long term, and why inclusion and diversity are high on our list of priorities. The continued delivery and progress of this approach is pivotal in helping our company and our people deliver life-changing medicines.

Fiona Cicconi  
Executive Vice-President, Human Resources



“We aim to attract, retain and develop the best people, whatever their background.”

15.7%

Hourly median pay gap  
– on average men were paid 15.7% more than women

23.8%

Median Bonus Gap  
– on average men were paid bonuses that were 23.8% more than women

# Explaining gender pay

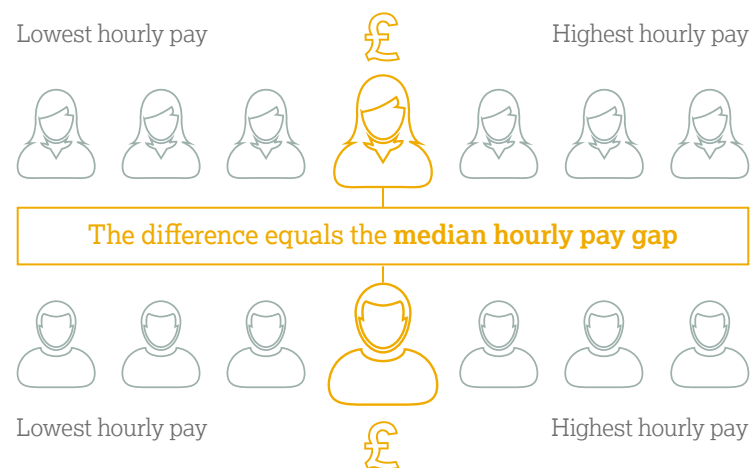
## What is the difference between gender pay and equal pay?

Equal pay is a man and a woman being paid the same for doing the same job, or a job of equal value. The requirement of equal pay for equal work has been enshrined in UK law for nearly 50 years.

Companies are required to disclose their gender pay gap by comparing average pay by gender to show the overall balance of pay between men and women. The difference in average pay between men and women – the gender pay gap – can be influenced by many factors, such as the number of women and men at different salary levels within the company, or the number of men and women choosing to work part-time.

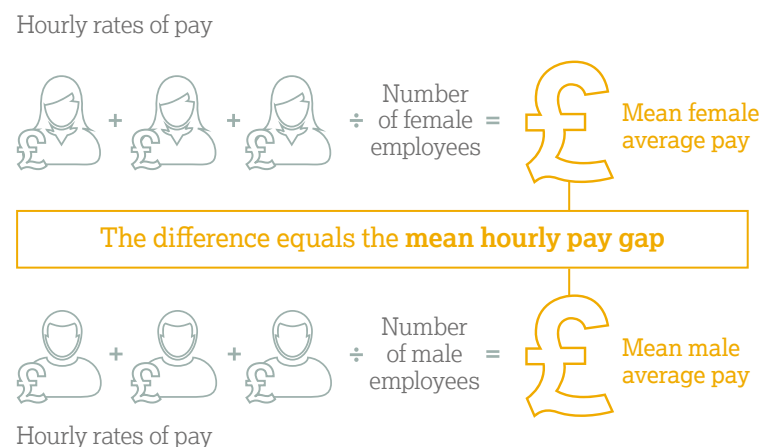
## Explaining mean and median pay calculations

The UK Regulations require us to report our median (mid-point distribution) and mean (average) pay and bonus gaps, along with the ratio of men to women in each pay quartile.



### Median

The median is calculated by lining up everyone of each gender in order of how much they are paid. The median is the amount paid to the person in the middle of each line. The median gap is the difference between these two numbers, expressed as a percentage. This calculation is done for pay and for bonuses.



### Mean

The mean is the average hourly pay across each gender. This is worked out by adding together all the hourly rates of pay for each gender and then dividing the total by the total number of people of that gender. The mean gap is the difference between the two numbers, expressed as a percentage. We report both the mean pay gap and the mean bonus gap.

# What is our UK gender pay gap?

Our hourly median pay gap, at 15.7%, is below the UK average of 17.3%

## Why the gap?

The hourly median pay gap is driven largely by two factors:

1. The higher proportion of men in senior and executive roles
2. The higher proportion of women choosing part-time roles

## Seniority gap

Like many companies, the seniority gap comes from more men taking up careers in science in previous generations. However, things are changing. We now have an almost 50/50 split of men and women in scientific and clinical roles, which were traditionally male dominated. At present, we have more women in junior roles, but we are actively encouraging women to progress to senior roles, which should reduce the pay gap in due course and this year for the first time we have over 50% of our AstraZeneca employees being women.

## Part-time working

Part-time working affects the numbers because these roles received pro-rated bonuses based on the number of hours worked, and the statutory calculations don't allow us to take this into account. The flexible arrangements we offer mean that many employees find they can combine a rewarding career with having a family, and don't have to choose between the two. Part-time working is, of course, available to men as well, but in practice more women tend to choose these arrangements than men.

## How do these numbers differ from last year?

Overall, the pay gap is similar to last year, our mean hourly pay gap has improved in 2019 due to increased representation of women in the upper quartile of pay. Moreover, the representation of women across the pay quartile groups has remained fairly balanced, this represents, the general movement across the organisation. Although a small increase has been seen in our median hourly pay and bonus gap measures, AstraZeneca's median hourly pay gap (15.7%) continues to remain below the UK national average of 17.3%.

Our pay gap continues to be driven primarily by the higher proportion of men compared to women across senior career levels, and it is recognised that hiring into manufacturing and digital roles during this year with a predominantly male candidate pool has resulted into more men being hired than women. We are starting to see progress overall but change will only happen over the medium to long term, as our efforts to encourage more women to progress into senior roles starts to bring results.

## Hourly pay gap

Median

**15.7%**

Median pay gap: men were paid 15.7% more than women

Mean

**12.7%**

Mean pay gap: men were paid 12.7% more than women

## Bonus gap

Median

**23.8%**

Median bonus gap: men were paid 23.8% more than women

Mean

**32.9%**

Mean bonus gap: men were paid 32.9% more than women

## Bonus recipients

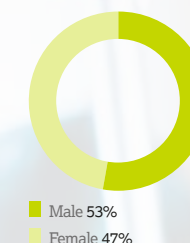


## AstraZeneca in the UK

Number of employees

**6,805**

Employees



## Ratio of men to women in each pay quartile

Upper quartile



Upper-middle quartile



Lower-middle quartile



Lower quartile



# How are we promoting gender diversity in the UK?

To promote gender diversity across the company, we need to think about it at every level in the company, and at every stage in an employee's career.

Our talent strategy is based around three areas:



This strategy applies to all our employees, whatever their background, and a broad range of aspects of diversity. For the purposes of this report, however, we highlight here just a few of the ways we are promoting gender diversity in the UK, through which we aim to improve our pay gap in the medium to longer term.

## Our diversity principles

- > We ensure we have equal pay for equal roles based on performance
- > We have a respectful and supportive culture that enables us to attract and retain a diverse workforce
- > We recruit from a broad, qualified group of candidates to increase diversity of thinking and perspective
- > We encourage collaboration and fairness to enable all employees to contribute to their full potential and increase retention
- > We identify and break down systemic barriers to full inclusion by embedding inclusion and diversity in our policies and practices
- > We equip leaders with the ability to mitigate unconscious bias, drive inclusion and psychological safety within teams, manage diversity and be accountable for the results.



“Diversity and Inclusion work together allowing us to be more creative and more productive. I believe this is driving our competitive advantage.”

Leif Johansson  
Chairman

# Attract

## What this means

We work hard to make sure that the way we recruit appeals equally to men and women. This includes:

- > Using augmented writing software tool to check that job adverts use gender-neutral language
- > Gender-balanced interview panels and shortlists for interview candidates
- > Diversity/unconscious bias training for hiring managers in areas with existing imbalance
- > Focus on sourcing women candidates in areas of greatest leadership gender imbalance
- > Early talent assessment centres with an equal mix of genders attending.

## Our strategy in action

Hannah experienced AstraZeneca initially as an undergraduate based in Alderley Park and being aware of the opportunities available to her as a Graduate after finishing her Undergraduate degree at Leeds University, Hannah joined AstraZeneca in Cambridge as a Graduate Scientist based in Oncology R&D in September 2018.



I wanted to work for AstraZeneca as the opportunities presented to me within the company were apparent from the very beginning. Having worked initially in AstraZeneca as an Undergraduate it was very obvious that there were not only opportunities but also a drive to invest in my career development.

What really attracted me to AstraZeneca and what I would consider as a unique selling point for me, as a graduate scientist, is the opportunity to not only undertake work in a laboratory environment but also to be more business focused and gain experience in the business environment. The rotations and support by my line manager have been invaluable.

Location has also played a role in my experience and Cambridge is a fantastic place to work especially within the scientific

community and it says a lot that 5 out of 6 of the graduates hired in my year are women. This trend has actually continued into the next cohort of graduates and it is really reassuring to see as it is based on quality and performance and is not just tokenistic, which did concern me when I first joined. The culture in AstraZeneca is totally inclusive and I recognise that I have been really spoilt by my experiences so far – the support from my line manager, the opportunities and the calibre of people is so inspiring and I can only praise AstraZeneca for really delivering for me.

As I look to my future I am really excited by the opportunities that are available to me, it really does validate my decision to join AstraZeneca. The commitment to women and to my development have been second to none.

**“The commitment to women and to my development have been second to none.”**

# Retain

## What this means

We're looking at how we can keep talented women working with us, through:

- > Updating maternity and family leave policies to be market leading
- > Encouraging managers to be gender neutral during reward decisions
- > Formal and informal networking opportunities encouraging women to develop careers in STEM
- > A Network of Women and Empowerment Summits to support women in all career levels
- > Encouraging women and their families to take international assignments which provide them with a rich professional and personal experience
- > Closely monitoring gender diversity in our succession plans

## Our strategy in action

Anne-Marie joined AstraZeneca in 2007 as a scientist in the R&D Genetics department working in the respiratory therapy area. Having taken on various roles in the company she has managed to enter into an area where the impact on patients is connected and tangible which is very important to her. She is very delivery focused and working in the Oncology area where as a scientist you are able to make a real difference to the lives of patients.



When I reflect, what has kept me in AstraZeneca for the last 12 years, is how I am valued and empowered, and the AstraZeneca culture, and how my work impacts the lives of patients.

My current role working in Oncology makes a real difference to patient's lives and my line managers and leadership have been incredibly supportive and instrumental in giving me a great line of sight as to where my work is impacting real people. I have line of sight to patients, and when your leadership gives you ownership, inspires and communicates well this makes an incredible difference to my sense of purpose.

The strategic vision of AstraZeneca really works for me, and this is entirely supported by the company culture. As a Company we have a very diverse workforce and I think we are really good at recognising individual needs, AstraZeneca definitely does not have a one size fits all mentality. I have benefited from personal development, such as participation in the Women as Leaders

Programme which allowed me to reflect and discover new things about me, and as a consequence I think I work and interact very differently now. This is reinforced across the company via superb role modelling, mentoring and culture of positive challenge.

The strength of leadership and the flexible culture combine to offer me not only the challenge of work but also the opportunity to develop and grow in a dynamic and innovative environment. That link to the patient can also not be underestimated – it is the reason I get up for work every day.

**“The strategic vision of AstraZeneca really works for me, and this is entirely supported by the company culture.”**



# Develop

## What this means

As part of the inclusive culture and leadership we are building across the organisation, we invest in robust training to encourage women's professional development.

- > Our Women as Leaders programme aims to encourage more women into senior roles – over 500 women have completed the programme. 35% of attendees were women from the UK. Of those who have taken part, 55% have either been promoted, had their remit expanded, or been identified for future promotions.
- > Our Leading People, Leading Self and Leading Business development programmes aim to develop the whole self as a leader, and encourage participants to challenge themselves to recognise and overcome bias and assumptions.
- > We coach women leaders to take on roles that are stretching them beyond their comfort zone.

## Our strategy in action

After completing post-doctoral research in academia working in world-leading DNA damage repair labs, Susan joined AstraZeneca in 2001 as a lab-based Senior Scientist in the Oncology dept, in 2002 she joined the Oncology Lead Generation group and was promoted to Team Leader in 2005. Her career progression continued and in 2010 was promoted to Associate Director and then Director of Targets Biology within the Oncology Dept. Today Susan is a Senior Director and Head of UK Bioscience.



My experience in AstraZeneca has evolved over the last 18 years where I have developed both in a professional and personal capacity. In my own experience AstraZeneca has been a constant and has provided me with support & opportunity when I have needed it, especially focusing around certain points of my career journey.

Career opportunities presented themselves as soon as I joined and although taking a risk on assigning me to a new group where I hadn't got previous experience, my line manager supported me both in my professional life focusing on drug discovery but also in developing my leadership capability. This paid off and I was thrilled when I was promoted to Team Leader (in 2005) I remember saying to my manager that I was sure that would be my career grade for the rest of career but his immediate response which stuck with me was that there are no glass-ceilings at AstraZeneca – even though at the time there were very few females in senior leadership positions within the department. This led me to believe in myself and gave me a drive to achieve more.

Throughout my career at AstraZeneca the company has helped develop my leadership skills and given me stretch opportunities. As an organisation we have invested heavily in tailored leadership development in areas that can hold female leaders back, supported through mentoring and coaching – this is a great example of our commitment to developing gender equality through performance and capability.

One of the things that I would like to call out is that AstraZeneca has been fantastic at supporting my work-life balance at key stages of my career, enabling flexible working when my children were younger whilst still maintaining the momentum driving my career forward.

We are really lucky to have great role models in senior roles such as Susan Galbraith who jointly heads-up Early Oncology and I am passionate about my role in developing the next generation of leaders at AstraZeneca and supporting them

**“AstraZeneca have maintained a leading position in supporting parental leave and flexible working and I see the benefit for all genders in my department.”**

through the tricky stages of their careers where the demands of having a young family can impact on retention of talent. AstraZeneca have maintained a leading position in supporting parental leave and flexible working and I see the benefit for all genders in my department.

# Appendix – statutory disclosures

In April 2019, we employed 6,805 people across three UK companies – AstraZeneca UK Limited, MedImmune Limited and MedImmune UK Limited. These companies reflect acquisitions made in previous years.

- > AstraZeneca UK Limited employed 5,997 people, who are involved across the full range of our activities: research development, production and commercialisation of our medicines, as well as those working in support and global functions.
- > MedImmune Limited employed 529 employees who work mainly on research and development.
- > MedImmune UK Limited employed 279 employees who work on supply and quality operations, as well as some working in biopharmaceutical development activities.

## AstraZeneca UK Limited

	Female %	Male %
5,997 employees	47	53
	Median %	Mean %
<b>Hourly pay gap</b>		
Gap between male and female hourly pay	13.9	12.2
<b>Bonus pay gap</b>		
Gap between male and female bonuses	25.0	33.2
	Female %	Male %
<b>Proportion of males and females receiving a bonus</b>		
Proportion receiving a bonus	85.3	86.9
	Female %	Male %
<b>Gender split by hourly pay quartile</b>		
Upper quartile	39.2	60.8
Upper-middle quartile	44.3	55.7
Lower-middle quartile	54.3	45.7
Lower quartile	49.8	50.2

## MedImmune Limited

	Female %	Male %
529 employees	54	46
	Median %	Mean %
<b>Hourly pay gap</b>		
Gap between male and female hourly pay	24.6	22.1
<b>Bonus pay gap</b>		
Gap between male and female bonuses	41.0	38.7
	Female %	Male %
<b>Proportion of males and females receiving a bonus</b>		
Proportion receiving a bonus	88.3	92.0
	Female %	Male %
<b>Gender split by hourly pay quartile</b>		
Upper quartile	37.9	62.1
Upper-middle quartile	47.7	52.3
Lower-middle quartile	57.9	42.1
Lower quartile	72.7	27.3

## MedImmune UK Limited

	Female %	Male %
279 employees	39	61
	Median %	Mean %
<b>Hourly pay gap</b>		
Gap between male and female hourly pay	3.6	8.8
<b>Bonus pay gap</b>		
Gap between male and female bonuses	5.3	24.0
	Female %	Male %
<b>Proportion of males and females receiving a bonus</b>		
Proportion receiving a bonus	96.4	94.9
	Female %	Male %
<b>Gender split by hourly pay quartile</b>		
Upper quartile	29.0	71.0
Upper-middle quartile	44.3	55.7
Lower-middle quartile	40.0	60.0
Lower quartile	41.4	58.6

### Basis of analysis

The figures show the median and mean pay gap based on data as at 5 April 2019 and for bonuses paid in the year ended 5 April 2019. We have complied with The Equality 2010 (Gender Pay Gap Information) Regulations 2017 in calculating our gender pay results. In line with the Regulations, we have excluded those people where data required to calculate the gender pay gap is not readily available. We have also excluded contractors who are engaged through third parties.