

# Gender Pay Gap Report 2021

Breakthroughs that change patients' lives<sup>®</sup>



# Diversity makes the difference



## Diversity makes the difference

At Pfizer, we pioneer biopharmaceutical innovations by combining transformational technology with cutting-edge science and indomitable human spirit. Every day, we open new worlds of medical possibilities to advance our purpose: breakthroughs that change patients' lives.

With creativity, collaboration and stronger decision-making all springing from diversity, there's a clear link between realising our purpose and building inclusivity. Our aim is to be as diverse as the patients and communities we serve. We work hard to create inclusion and equity. We encourage everyone to bring their whole self to work. And we celebrate and take pride in our differences. All of which helps ensure we can be at our best at work.

To continue the undeniable progress we've already made on our diversity journey, we're determined to address all the issues that remain in our way. One of these obstacles is the gender pay gap that results from having more men in senior positions and more women in junior roles. We won't rest until we have closed the gap.

### Reducing the gender pay gap, improving diversity

Our strategy to close our gender pay gap and build diversity is founded on our five-point Equity, Diversity and Inclusion (ED&I) strategy described below. In the last year, we've made significant progress and have:

- Launched and started to embed four out of five of our key initiatives.
- Supported each initiative with a comprehensive communication plan and internal social media campaign.

- Engaged colleagues across the business to provide functional and technical expertise, design and deliver activities and champion change.
- Developed and implemented a metrics framework to measure our progress and help us target resources and activities better.

Closing the gender pay gap is a key priority for Pfizer. This is reflected in the fact the issue is a standing agenda item at the UK Board of Directors meetings. It's also shown in our decision to engage an independent consultancy to calculate and verify our latest figures. This report captures their findings, outlines our initiatives and sets out the way ahead.

We're pleased to report that we have narrowed the gender pay gap for the third year running in both Pfizer Limited and Pfizer R&D UK Limited.

There is still plenty of work to do and we are extremely mindful of complacency. However, it's clear that we're continuing to build diversity and inclusion and closing the pay gap by being true to our core values: Equity, Joy, Courage and Excellence.

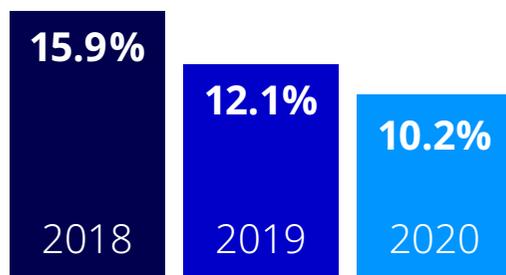


**Ben Osborn**  
UK Managing Director



**Denise Harnett**  
HR Director UK

### Median Gender Pay Gap



## What is the gender pay gap?

Let's start with a definition.

**The gender pay gap is the difference between the average hourly pay for men and women across an organisation.** This figure is expressed as a percentage of men's earnings. In effect, it's a high-level snapshot of the gender pay balance in the organisation.



It's worth pointing out that the gender pay gap isn't the same as unequal pay. If men and women are being paid differently for comparable work that is unequal pay. The Equal Pay Act of 1970 was passed to prevent that and Pfizer complies with this legislation.

The majority of UK organisations have a gender pay gap that favours men, and the overall UK median Gender Pay Gap is 15.5%.\*

\* <https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/datasets/industry2digitsicashetable4>

# Closing the gender pay gap



### Closing the gender pay gap: our five-point Equity, Diversity and Inclusion (ED&I) strategy

Equity, or fairness, is a core value for Pfizer. By making sure it's embedded in the business alongside greater diversity, it will benefit everyone. Our five-point Equity, Diversity and Inclusion (ED&I) strategy is designed to ensure we do exactly that. Here it is in full:



**1. Ensure recruitment diversity** – while continuing to recruit the right person for the role, we'll build a stronger gender balance of candidates across all levels and stages and widen our application pool with gender-neutral job descriptions and job postings.



**2. Create a trusting, flexible workplace culture** that encourages work life harmony, attracts talent and enables all our people to be their best working self.



**3. Build a Career Support Programme**, that enables colleagues to find clarity, momentum and direction to make positive changes.



**4. Long-term absence support** – by helping them prepare and welcoming them back, ensuring they benefit from equal opportunities.



**5. Establish family friendly practices** that support every stage of the family life cycle, recognising the modern family comes in many different forms.

We're using a test, learn and adapt approach to build and roll out our five initiatives. This helps us understand what works well and what needs to be adapted – making sure we use the most effective approach.

Alongside the five initiatives, we've put in place:

- A **'Gender Pay Gap Acceleration Strategy'** – to make sure we inform and engage colleagues at all levels about the role they can play. We've

launched an internal social media campaign and created websites for each initiative explaining their importance and how colleagues will benefit. Our aim is to inspire trust and positive energy in the strategy and the purpose.

- A **metrics framework** – to measure our progress. This will demonstrate the value and impact of Pfizer UK's gender pay gap strategy and initiatives. But even more importantly, it will help us target action when and where it's most needed.

## Gender Pay Gap Report 2021 Summary

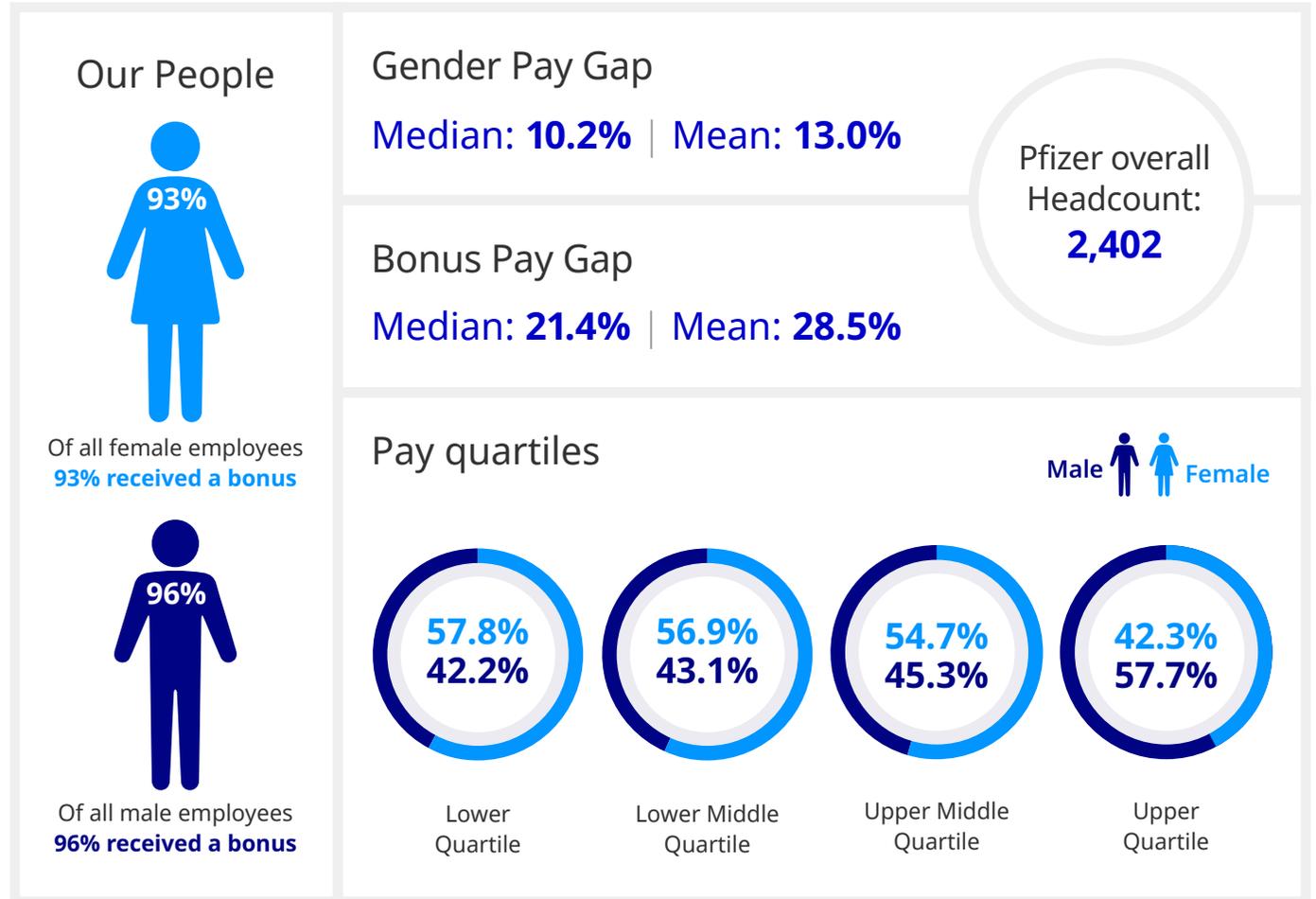
### How the figures are calculated

#### Median vs mean

The median pay gap is calculated by finding the exact middle point between the lowest and highest paid man in the business and the lowest and highest paid woman. We then compare the two figures. The mean pay gap is calculated by adding up the hourly pay of all the women in the business and dividing by the number of women. We then do the same sum for men and compare the two figures.

#### Quartiles

Using hourly pay, quartiles divide the list of earners – ordered from lowest to highest – into four equal groups. This provides a picture of where male and female employees are in the pay hierarchy.



The analysis is based on the pay period in which the snapshot date of 5 April 2020 sits. Under the regulations, we are required to report our gender pay gap data for each separate legal entity that has at least 250 employees and therefore we have reported data for Pfizer Limited and Pfizer R&D UK Limited. Because we consider it important to consider the picture for all colleagues, we have also looked at the information required by the regulations for Pfizer UK which combines those two entities together with John Wyeth & Brother Limited, Upjohn UK Ltd and Pfizer Consumer Healthcare (Pfizer Consumer Healthcare and Upjohn UK Ltd are no longer part of our organisation, divesting in April and November 2020 respectively).

### Our strategy in depth

In the last year, we've launched four out of five of our key initiatives. The final key initiative, establishing family friendly practices, will be launched in Q2 2021.

**“Ensuring gender diversity across all stages of recruitment has been a key focus to boosting recruitment contributions to closing our gender pay gap. We continue to strive for further improvements and have created a strong platform to enable greater success.”**

Karl Treacy, Talent Acquisition Cluster Lead UK/Ireland/Nordics



#### 1. Building recruitment diversity

At the end of July 2020, we introduced our recruitment diversity initiative. We set out to raise our application numbers and significantly increase our job descriptions' inclusivity and conversion rates.

Some of our focus has been on language. By using a gender-decoding tool to create job descriptions, we're now avoiding the gendered phrases and exclusionary metaphors that discourage applications from women. Research states\* that 80% of applicants would turn down a role that didn't offer flexible working. So we've also introduced a flexible working statement to all our job descriptions, which ensures our approach to this important issue is communicated consistently.

At the same time, we've simplified our recruitment process and put in place supporting e-learning training. Assessment, selection and interviewing are all now smoother and more straightforward for applicants. With hiring managers giving our recent process improvements an exceptional performance ranking, we have made strong progress.



#### 2. Improving everyday flexibility

Creating a trusting, flexible workplace is a proven way of closing the gender pay gap.

At the end of May 2020, we launched an initiative to make flexible working work for everyone. We created the 'Team Pact' workshop.

The Team Pact is about building informal flexible working practices to complement our well-established formal ones. Our aim is to ensure colleagues can work when and where's best for them, where roles allow, while managing their non-work commitments. It's about maximising their productivity and energy while achieving positive outcomes for individuals, teams and the wider business.



### 3. Lifestyle diversity and long term absence support

There's no such thing as a typical career trajectory at Pfizer. We recognise that lives aren't linear. So we want every colleague to be able to return to work when they're ready and able to do so. In November, we launched an initiative to enable this ambition and make going into long term absence and returning to work smoother for everyone; colleagues and managers.



### 4. Career succession support

In December 2020, we launched the first part of our career succession support programme. With a wealth of development resources to draw on, it's easy for colleagues to get overwhelmed by information. We've set out to give them the clarity and direction to make positive career decisions by grouping our skills tools and advice into 'buckets'. These help people learn the way they want; at their speed, any time and anywhere.

At the heart of this programme is a new focus on self-advocacy. We are expanding our approach in this area with a workshop that empowers colleagues to learn more about self-advocacy and find ways to help each other promote their strengths. We have set out to help colleagues to showcase their achievements confidently, improve the way they navigate opportunities and become effective allies for others.



# A continuing programme of change



### A continuing programme of change

Our five-point Equity, Diversity and Inclusion strategy builds on and complements our long-term programme to build trust, positivity and stronger communication in the business. We're continuing to make progress with these change initiatives.

#### UK Country Management Forum

Inclusivity has gained new momentum because of our diversity and culture activities and workshops. Our leadership teams are committed to building on this progress. We're continuing to embed the inclusive culture that is our core to our values across the business. With support from leaders in each of our Commercial, Global Science and PGS business lines, colleagues are finding inclusivity has real meaning here.

#### Pfizer Women's Resource group (PWR)

We're engaging with colleagues on gender-related themes through our PWR group. By partnering with external organisations to run discussions on gender-related work topics, we're creating a safe, inclusive environment within the workplace. As part of this, we've also sponsored several business-wide initiatives, including an unconscious bias awareness campaign.

#### Colleague Resource Groups (CRGs)

We have four more Colleague Resource Groups: Ethnicity; LGBT; Cross-generational and Disability. These groups are looking at different colleague needs and help us to encourage and support inclusion throughout the business. We are actively encouraging colleague involvement in these CRGs.

#### External partnerships

##### **Membership of the Healthcare Businesswomen's Association (HBA)**

By working with HBA, we are making sure that all our activity to help women progress in the UK healthcare sector follows best practice. Many of our colleagues have been recognised with awards for their work with HBA and we have deepened our expertise from the experience.

##### **The Employers Network for Equality and Inclusion (ENEI)**

ENEI works to achieve and promote the best practice in equality and inclusion in the workplace. Pfizer is on its Executive Steering Committee.

### **Social Mobility**

Our long-standing commitment to social mobility is reflected in the fact that we've joined with some 450 leading businesses and universities to sign the Social Mobility Pledge.

Alongside this, we actively support the work of the Social Mobility Foundation (SMF). This is a charity that helps high-achieving young people from low-income backgrounds access top universities and competitive professions.

### **Inspiring the next generation**

Throughout 2020, our STEM (Science, Technology, Engineering and Maths) Programme continued to inspire the next generation. Our work encourages students to pursue STEM subjects and to consider the life sciences sector as a fulfilling and rewarding career option.

We have reached 34,000 pupils through our Science in a Box school's programme, delivered by our 250 STEM ambassadors.



# Next steps

To continue our progress and build a business-wide inclusive environment, we will:

- Maintain the Board-level review of our progress.
- Involve all leaders in the business, encouraging them to participate and enrol their teams.
- Develop our career progress initiative by:
  - Launching a career companion, a navigation tool to help colleagues plan their career paths. This will match people to tailored internal and external career resources.
  - Introduce best-in-class networking advice and guidance.
  - Adapting our mentoring programme to enable a culture of growth and development within Pfizer. Mentors and mentees will be paired based on their professional goals, interest and experience.
- Review our current family friendly practices to ensure our existing resources are easily accessible, comprehensive and updated regularly.

## Statutory disclosure

Pfizer UK has two legal entities with at least 250 employees: Pfizer Limited and Pfizer R&D UK Limited. Under the regulations we are required to report our gender pay gap data for each of these entities, as set out here:

### Pfizer Limited

Female employees:	<b>676</b>
Male employees:	<b>538</b>
Median gender pay gap:	<b>17.7%</b>
Mean gender pay gap:	<b>19.2%</b>
Median bonus pay gap:	<b>38.5%</b>
Mean bonus pay gap:	<b>31.2%</b>
Female employees who received a bonus:	<b>93%</b>
Male employees who received a bonus:	<b>95%</b>

#### Proportion of females and males in each quartile pay bonus



Lower quartile:	<b>72.3%</b>	<b>27.7%</b>
Lower middle quartile:	<b>63.2%</b>	<b>36.8%</b>
Upper middle quartile:	<b>47.2%</b>	<b>52.8%</b>
Upper quartile:	<b>40.1%</b>	<b>59.9%</b>

### Pfizer R&D UK Limited

Female employees:	<b>503</b>
Male employees:	<b>437</b>
Median gender pay gap:	<b>-3.3%</b>
Mean gender pay gap:	<b>7.4%</b>
Median bonus pay gap:	<b>20.0%</b>
Mean bonus pay gap:	<b>28.1%</b>
Female employees who received a bonus:	<b>94%</b>
Male employees who received a bonus:	<b>96%</b>

#### Proportion of females and males in each quartile pay bonus



Lower quartile:	<b>53.6%</b>	<b>46.4%</b>
Lower middle quartile:	<b>50.2%</b>	<b>49.8%</b>
Upper middle quartile:	<b>60.0%</b>	<b>40.0%</b>
Upper quartile:	<b>50.2%</b>	<b>49.8%</b>

We confirm that Pfizer UK's gender pay gap calculations are accurate and meet the requirements of the regulations.

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