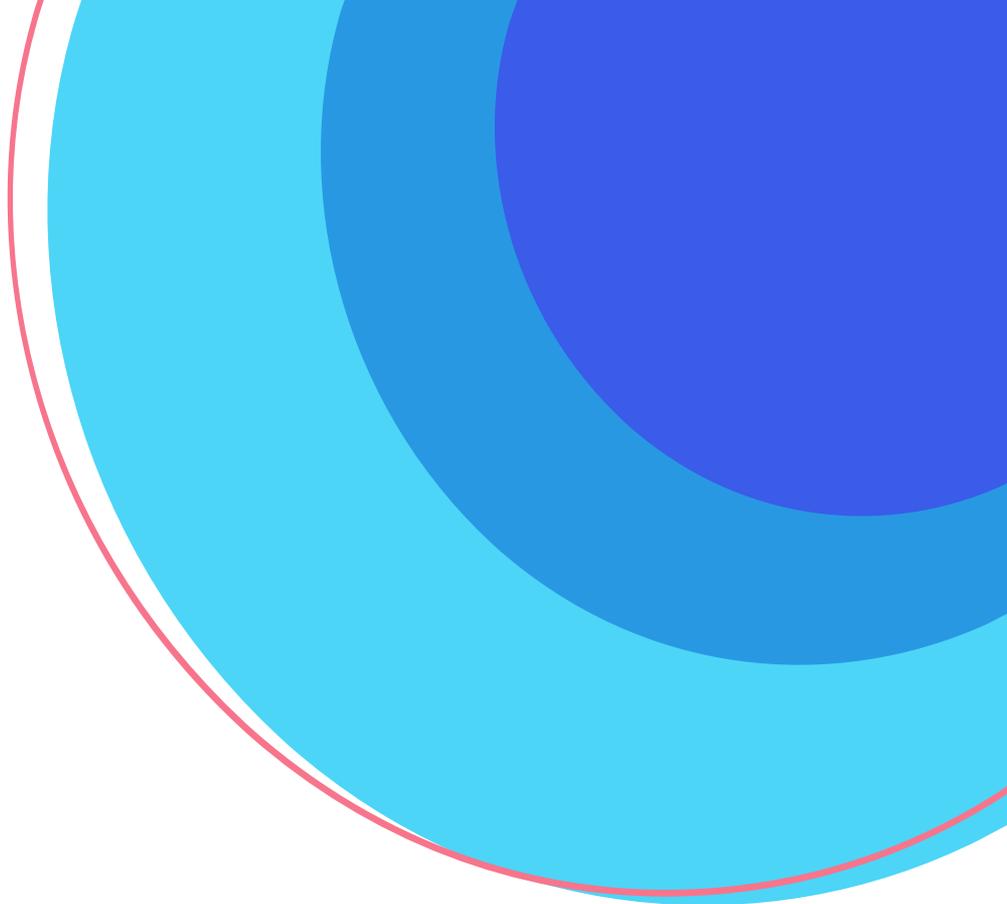


UK Gender Pay Gap Report 2020

October 2021

labcorp
Drug Development



Gender Pay Gap Report 2020

OUR COMMITMENT

Labcorp Drug Development is a leading provider of drug and medical device development services. As part of Labcorp, a global organisation recognised by Fortune® as a World's Most Admired Company, we are united by our shared mission to improve health and improve lives.

Labcorp Drug Development UK, is currently located at a number of sites across the United Kingdom: Edinburgh, Eye, Harrogate, Huntingdon, Leeds, London, Maidenhead, Shardlow and York.

We take pride in our exceptional, highly talented and skilled people. Our work is accomplished each day by diverse, global teams who inspire change, motivated by the lifesaving work we undertake.

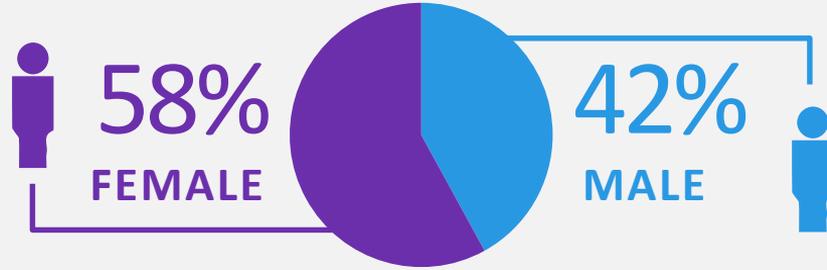
We are committed to an inclusive and inspiring employee experience in which benefits-related rewards, including pay, are based on an individual's performance, skills and qualifications. We are committed to ensuring that women have the same access to training, compensation and leadership opportunities as their male colleagues and that all staff have access to the learning and mentoring necessary to help them advance. In summary, we are focused on creating a workplace that enables every employee to develop professionally and achieve their extraordinary potential.



Measures of Success

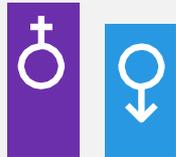
HEALTHY BALANCE

Overall, we have a good gender balance across our organisation. More than half (58.0%) of our 4,021 UK employees are female. Advancement opportunities for female employees also are balanced, with 59.1% of 2020 promotions earned by women.



GLOBAL RECOGNITION

Labcorp Drug Development has been recognised externally for its commitment to inclusion globally, highlighting our distinctive inclusion and diversity programmes and our dedication to a positive working environment for all employees.



59.1% OF PROMOTIONS have gone to females in 2020*
*during snapshot year



58.9% OF FEMALES celebrated 5 or more years of service anniversaries*
*during snapshot year

Forbes 2020
World's Best Employer
and The Best Employer
for New Grads



Understanding the Pay Gap

We are committed to equal pay for equal work, which has been mandated since 1970 in the United Kingdom. We routinely review our compensation and employment practices to ensure equal pay.

The gender pay gap is a different measurement. It shows the variance in average pay between all men and women within a workforce. Our gender pay report reflects several key contributing factors that impact our results.

While our gender mix across each pay quartile is balanced, like many companies in our industry and the broader healthcare sector, a disproportionate number of executive positions are held by male employees. This imbalance also exists in our UK-based positions in sales. Both play a significant role in our gender pay gap and bonus pay gap. Additionally, more than 89% of our part-time positions are held by females. Our employees have told us that this flexibility is important to them and we remain committed to offering a variety of working arrangements. Still, part-time status impacts the bonus gap in particular, because it is calculated on actual bonus payments made rather than full-time equivalents.



Gender Pay Gap Summary

DEFINITIONS

The mean is calculated by adding the ordinary pay or bonus of all women, dividing by the number of women, then doing the same for men, and making a comparison.

The median gap is calculated by taking the midpoint of the lowest and highest pay or bonus for women and the lowest and highest pay or bonus for men, and making a comparison.

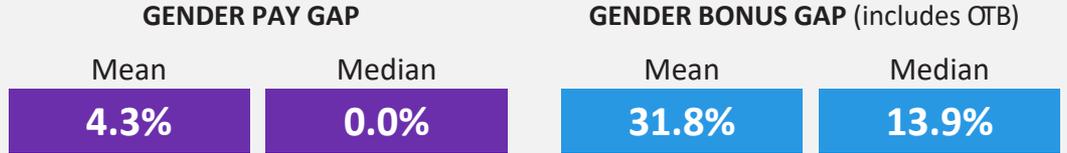
Data snapshot:

6 April 2019 – 5 April 2020

“Ordinary pay” includes basic pay, and allowances but does not include overtime, redundancy, termination of employment or non-monetary pay

Bonus includes pay related to performance, incentive, commission, securities (at time of income tax charges) and length-of-service awards

The mean Gender Pay Gap has narrowed by 13.9% over the previous reporting year



Gender & Bonus Pay Gap Trend (mean & median)



Proportion
Receiving a Bonus
(includes OTB)

FEMALE

20%

MALE

21%

Proportion of Males and Females by Quartile Pay Band

Overall 2019/2020 Labcorp Drug Development	Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Mean Pay Gap	Median Pay Gap	Mean Bonus Gap	Median Bonus Gap
Female	54.0%	59.6%	60.0%	53.5%	4.3%	0.0%	31.8%	13.9%
Male	46.0%	40.4%	40.0%	46.5%				

Legal Entities		Lower Quartile	Lower Middle Quartile	Upper Middle Quartile	Upper Quartile	Mean Pay Gap	Median Pay Gap	Mean Bonus Gap	Median Bonus Gap
Labcorp Clinical Development Limited	Female	78.7%	75.0%	66.3%	58.0%	18.6%	14.0%	43.5%	32.8%
	Male	21.3%	25.0%	33.7%	42.0%				
Labcorp Early Development Laboratories Limited	Female	54.3%	57.1%	52.8%	48.9%	6.9%	5.4%	19.1%	72.1%
	Male	45.7%	42.9%	47.2%	51.1%				
Labcorp Clinical Research Unit Limited	Female	61.2%	56.2%	67.5%	55.0%	9.2%	-0.3%	57.6%	17.5%
	Male	38.8%	43.8%	32.5%	45.0%				

Taking Action

Labcorp is committed to closing the gender pay gap in the United Kingdom with a focus on increasing the number of women in senior, executive and sales roles. Acknowledging that we seek continuous improvement, we continue to take purposeful action to create the change we want to see. Through our global Women in Leadership initiative and our UK-specific development programmes, we are creating more pathways for women to grow professionally and achieve their career aspirations. We believe that it is essential to create an inclusive environment that respects and values the diverse skills, insights and experiences of all our employees.

WOMEN IN LEADERSHIP (WIL)

In 2020, we continued Women in Leadership (WIL) initiative across Labcorp. Based on feedback from women across the globe, our WIL programmes focus on:

Building Awareness:

We continued two modules of required training for managers and employees, mandating a respectful and diverse workplace free of harassment. We began sharing more stories of our women colleagues' successes, challenges, career movement, work/life balance integration across our internal channels. These stories help our women employees make connections with one another and build a support network for their development and advancement. We also asked men to participate in these stories to build robust support for advancing women colleagues.

Developing Women Leaders:

Elevate is our Women's Senior Leader Development Experience, a six to eight-month immersive learning experience designed to accelerate personal and professional growth for high performing women in senior leadership roles. This is an engaging program that includes a combination of face-to-face sessions, virtual learning sessions and one-on-one executive coaching. The Ignite Your Impact series is a highly sought after programme for women in senior manager through director level roles. This three-month virtual offering is highly interactive, which includes six modules designed to help women enhance competencies in confidence, influencing, decision making, risk taking and building networks. "Ignite gave me the confidence to take the time to consider what I wanted from my career and how to make the right steps to achieve this. I implemented the skills from the Networking session and within 2 months of putting them into practice I moved into a new role!" said Sarah, UK participant.

Finding/Cultivating Diverse Talent:

We prioritised talent attraction for gender and other diverse candidates by expanding our reach beyond our normal talent pools. We conducted targeted advertising and took a deeper view into our own organisation for upcoming talent. We focused specifically on gender and other diversity in our succession planning development maps and talent review processes. For executive level roles, our Chief HR Officer and Chief Diversity Officer now review candidate pools for diversity before the final candidates are selected.

Encouraging Executive Engagement:

Executive listening sessions are focused on connecting our women leaders to company executives. These opportunities reap benefits two-fold; executives hear the voices and perspectives of our women leaders and our women leaders have a vehicle to ask questions, network and raise their visibility to the highest levels. This global programme has included events in Harrogate and Maidenhead.

Measuring/Reporting Progress: We regularly track progress against our long-term and short-term goals with outcome-based metrics. As a result of the Ignite Your Impact series, UK women told us they saw a 68% increase in their networking skills, a 58% increase in declaring their brand and a 50% increase in turning failures into learnings and moving forward. 92% of the UK respondents said they feel more valued and increased their engagement in being a leader in the organization.

Taking Action (continued)



A very successful part of the Women in Leadership (WIL) initiative is WEN. The Women's Empowerment Network (WEN) is Labcorp's Employee Resource Group (ERG) focused on women. This global, employee led group is designed to inspire, support and provide tools that enable women to build their careers at Labcorp. Across the UK, there are four WEN groups that cover the following locations: Maidenhead, Edinburgh, Harrogate, Leeds and York; and Huntingdon, Shardlow and Eye. The company is very proud and privileged to be awarded a prestigious Princess Royal Training Award in recognition of the Harrogate WEN, which is focused on Women in Science. This group was acknowledged for their outstanding training and skills development programme that has resulted in exceptional commercial benefits.

WEN is built on a framework of five pillars: Career, Coaching, Connecting, Community, and Company, and has senior-executive sponsorship at the highest levels of our company. During 2020, despite the challenges, the UK WEN groups hosted a range of well attended virtual events including career development, "career conversations" with senior Labcorp women leaders, and external inspirational speakers from the Biotech sector to celebrate International Women's Day. Facilitated by an external GP specialist, there was also a seminar on the menopause for managers. This seminar was designed to facilitate conversations, take the taboo out of the subject and help managers support women in their teams. The session covered symptoms, treatments, impact at work and provided resources to facilitate difficult conversations.

In the past year with most folks working from home we've engaged a wider audience of colleagues virtually across the UK and the world. In 2018, WEN started with two chapters globally. In 2020, WEN outgrew all other Employee Resource Groups to 21 chapters and 1,400+ members.

FLEXIBLE WORK PRACTICES

We support all of our employees by cultivating a flexible, modern work environment. Our employment approach includes remote working and part-time opportunities. We have helped our global teams achieve a better work-life balance with unique site benefits and Worksite Wellness programmes. Our ultimate goal is to create a "boundaryless" organisation that enables all employees to contribute and realise their potential.

UK Apprenticeship Programme

UK APPRENTICESHIP PROGRAMME

Our Apprenticeship Programme supports our efforts to close the gender pay gap. This programme develops our female technical and managerial leaders of tomorrow, providing women with the same career and pay opportunities as their male counterparts and enabling them to achieve their potential without bias.

We have designed career paths that have clear progression routes, from first-time supervisors to senior leader and executive positions, for management as well as technical and specialist tracks. All of our Apprenticeship Programmes are mapped to our job grades and competencies, providing a structured and transparent path for participants to progress through their studies and advance their careers. Labcorp Drug Development programmes are matched to national standards, so participants' achievements can be externally recognised.

Each Apprenticeship blends internal training and competence development with externally recognised skills. Labcorp Drug Development commits 20% of the apprentices' time for training. The programmes are designed to be flexible, allowing for employee-defined training times and to meet individual needs, including career breaks.

Across our Apprenticeship programs 53% of our attendees who have recorded their gender are female, which is above the national average of 49%. We continue to grow the diversity of the types of apprenticeships we offer and ensure they are accessible for all.



Continuing the Commitment

Labcorp Drug Development is a people-based organisation, where our success is based on our ability to attract and retain top scientific, therapeutic, analytical and technical talent from across the United Kingdom and the world.

It is essential that we create an inclusive and diverse workplace where all employees are equally valued for their unique skills, insights and experiences; and empowered to achieve their extraordinary potential. As individuals we bring strength to the organisation in different ways. Together those unique talents make us exceptional.

We know there is more to do and remain committed to addressing our gender pay gap and measuring our progress.



A handwritten signature in blue ink that reads "D Chohan".

Davinder Chohan

Executive Director, Global Total Rewards