

**UK Gender Pay Gap** Report 2021

Johnson "Johnson

### A message from Liz Keane



Over the past two years, we have continued to live with the repercussions of COVID-19. The challenges of the pandemic have transformed all our lives at home and at work.

The figures published in our fifth annual UK gender pay gap report fall within the two years of the pandemic.

We are striving to build a workforce that reflects the patients, consumers, and customers we serve. This imperative is driven by our Credo – the values which guide our company – and will lead to meaningful and positive change for the people and communities we serve.

Worldwide, Johnson & Johnson has continued to play a pivotal role in fighting this global pandemic through the manufacture of the Janssen COVID-19 vaccine. We have worked closely with our partners in healthcare to provide medical volunteers where needed and to provide support and resources to alleviate some of the pressure on our healthcare systems.

Our colleagues have also responded to the challenges of the pandemic and continued to serve our customers and communities, while building an inclusive culture that celebrates our diversity – and to them, I offer my profound thanks.

We are absolutely committed to creating a diverse workforce and equitable and inclusive working environments to reflect and celebrate the diversity of the communities in which we live.

Head of HR for Northern Europe



# Understanding the numbers

#### The gender pay gap and Johnson & Johnson

Our report reflects gender pay gap data for Johnson & Johnson's five legal entities in the UK, which have a headcount of more than 250 employees. These companies are: DePuy International Ltd, Janssen Cilag Ltd, Johnson & Johnson Consumer Services EMEA Ltd, Johnson & Johnson Ltd, and Johnson & Johnson Medical Ltd.

Across our five reporting entities, the mean gender pay gap ranged from 2.1% to 21.2% in 2021, compared with 8.7% to 20.9% in 2020. Our mean bonus gap in 2021 ranged from 15.2% to 46.5% - improving on the range of 24.7% to 57.7% in 2020.

Reviewing our own data, we have identified three key points that explain why there is a gender pay gap and bonus pay gap. We continue to strive to address these through our longterm strategy.

- More men in senior positions, with a longer tenure – This remains a central reason for the reported gender pay gap in our UK businesses.
- Challenge to attract and hire women into Science, Technology, Engineering and Mathematics (STEM) roles – This continues to be a call for action for our industry, as well as more broadly across the UK.
- Bonus pay reporting requirements

   We have a higher number of women in part-time working positions across our entities compared to men. While innovative benefits, including parttime and flexible work arrangements, are an important part of our talent strategy, the reported bonus pay gap format compares bonuses for full-time and part-time employees without taking into account this difference.

# Understanding the numbers

Johnson & Johnson **Consumer Services EMEA**, Johnson & Johnson Johnson & Johnson **DePuy International** Janssen LTD **Cilag LTD** Limited Medical LTD LTD Mean Median Mean Median Mean Median Mean Median Mean Median 2.08% 15.11% 11.88% **21.16**<sup>%</sup> 12.72<sup>%</sup> **14.36**<sup>%</sup> -3.56% **14.88**<sup>%</sup> **9.96**<sup>%</sup> **10.68**<sup>%</sup> Gender pay gap 40.26% 31.33% 15.19% 8.91% 32.03% **25.61**<sup>%</sup> 46.46% **22.20<sup>%</sup>** 17.18% 30.16% Bonus pay gap Proportion of women and men paid a bonus Female 82.61% 90.34% 87.16% 84.62% 89.64% Male 78.41% 93.04% 91.25% 92.39% 94.60% Population by pay quartiles (%) Upper 36.4% 63.6% 47.6% 52.4% 49.6% 50.4% 58.0% 42.0% 42.1% 57.9% 36.0% 64.0% 64.1% 35.9% 58.2% 41.8% 62.9% 37.1% 51.4% 48.6% Upper middle Lower middle 34.5% 65.5% 55.6% 44.4% 64.8% 35.2% 65.7% 34.3% 49.1% 50.9% 54.1% 45.9% 51.6% 48.4% 74.7% 25.3% 81.4% 18.6% 60.5% 39.5% Lower

Male

4

Female

### Our strategy: A multi-dimensional approach to fostering an inclusive culture for all people



Our three-pronged approach, built on insights from our colleagues through our biennial "Our Voice Survey", continues to drive forward our commitment to reaching gender parity.



Ensure personal and career development is supported at all levels



03

Do our best in making our business attractive and inclusive

Increase talent pool of women at entry level

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#### Ensure personal and career development is supported at all levels

At Johnson & Johnson, we believe good health is the foundation of vibrant lives, thriving communities and forward progress. We blend heart, science and ingenuity to profoundly change the trajectory of health for humanity. This is Our Purpose.

As a company, we are committed to supporting our employees to take time to care for their physical and mental health.

We continue to provide our Energy for Performance® training, grounded in science and behavioural psychology, to help our people build their energy capacity and personal resilience at work and beyond. We are proud to have trained more than 100,000 employees globally.

We have a series of programmes including a purpose and career planner to help each employee identify the support they need to develop and be fulfilled.

Our global development programme, ASCEND, is designed to accelerate growth of high potential, high-performing mid-level women into more senior roles. It equips participants to lead with greater strategic impact and presence in ways unique to them. In 2021, 350 female leaders took part, with 440 participants planned for 2022. Over 95% of our 2021 graduates believe the programme will help them to pursue opportunities or roles to advance their careers or leadership aspirations.

In our Health for Humanity 2025 Goals, we have committed to achieve 50% of women in management positions globally by 2025.

And finally, our Women's Leadership and Inclusion Employee Resource Group's Elevate programme seeks to connect and inspire women at Johnson & Johnson by enabling participants to learn from each other's experiences and champion one another. Over 10,000 Johnson & Johnson employees from 65 countries have participated in WLI Elevate.



#### Do our best in making our business attractive and inclusive

In designing this approach, we have thought about the diverse needs of our workforce and, through the scheme, we are proud to offer gender identity support.

Our UK businesses have also made great strides in advancing a culture of belonging in 2021 with the launch of an employee-led internal engagement campaign called 'You belong' to coordinate our diversity, equity, and inclusion programmes. As part of this, the Women's Leadership and Inclusion Employee Resource Group in the UK has created podcasts and events on work/life balance, flexible working, mental health, perimenopause, menopause, sexuality and belonging, microaggressions, IVF, allyship, and WiSTEM2D which is a programme launched in 2015 to advance Women in Science, Technology, Engineering, Mathematics, Manufacturing and Design, with three pillars of activity supporting youth, scholars and professionals.



Inclusion is written into the DNA of Johnson & Johnson. Our Credo impels us to strive for a diverse, equitable and inclusive working environment.

#### Nurturing diversity, equity and inclusion

to deliver our ambition to improve human health has been central to an advertising campaign we launched in 2021 to attract potential talent.

At Johnson & Johnson, we've long championed flexible working. Demonstrating this commitment has been reinforced by practical steps to support the work-life balance of our employees – notably in areas that can disproportionately affect women. We are introducing new hybrid working arrangements globally, designed to allow for personal flexibility and in-person collaboration that drives innovation.

We have also continued to build on initiatives aimed at supporting women to thrive in the workplace through menopause awareness, increasing education, and reducing stigma about this life-stage.

Through our private health insurance, our assisted reproduction programme supports men and women with IVF in the UK with assisted fertility diagnostic tests, treatments, and specialist consultations.



## Increase talent pool of women at entry level

Gender diversity continues to be a significant focus for us, especially based on emerging <u>research</u> in terms of the disproportionate impact that COVID has had on women remaining in the workplace. Globally, we remain committed to ensuring that our female employees experience an inclusive environment where they can grow and flourish. In 2020, 52.5% of all our new hires were female.

GROW is a short-term job experience programme that enhances development through rotations and stretch assignments. The goal is to provide learning experiences that facilitate broadened functional experience, cross company exposure, and ultimately generate a more robust and diverse talent pipeline for future growth. Sixty five UK employees benefited from this programme in 2021.

Since 2015, we have focused on creating a diverse pipeline of talent, including our work

to encourage girls and young people into science careers through our <u>Women in</u> <u>Science, Technology, Engineering,</u> <u>Mathematics, Manufacturing, and Design</u> (WiSTEM2D) programme. In the last year in the UK, more than 24,000 female students benefitted.

And in November 2021, we launched the <u>STEM Scholars Programme</u> to support Black students studying STEM in further education. The five-year programme is championed by our Innovation Centre in London and will support London-based Year 12 students for their final two years in school.



## Thank you.



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