

OUR 2019 GENDER PAY GAP REPORT



MSD

INVENTING FOR LIFE

AS AN AWARD-WINNING TOP UK EMPLOYER*, WE'RE COMMITTED TO PUTTING DIVERSITY, INCLUSION AND ACCOUNTABILITY AT THE HEART OF WHAT WE DO.

We welcome the opportunity to publish our most recent gender pay gap data, and the chance this provides to examine our achievements and identify areas that may still need action.

The good news is that, overall, our strategies and initiatives to reduce our gender pay gap are already delivering positive results and we continue to be committed to reducing it even further in the years ahead.

ABOUT MSD

We're a leading biopharmaceutical company whose mission is to improve health and wellbeing around the world. This report combines pay data from the two reporting entities that make up our UK business, Merck Sharp & Dohme Limited (Human Health) and Intervet UK Limited (Animal Health).

WHAT IS THE GENDER PAY GAP?

The gender pay gap compares the average pay of all females in an organisation with the average pay of all males. It's an indication of whether employees have an equal chance to progress in a company, whatever their gender.

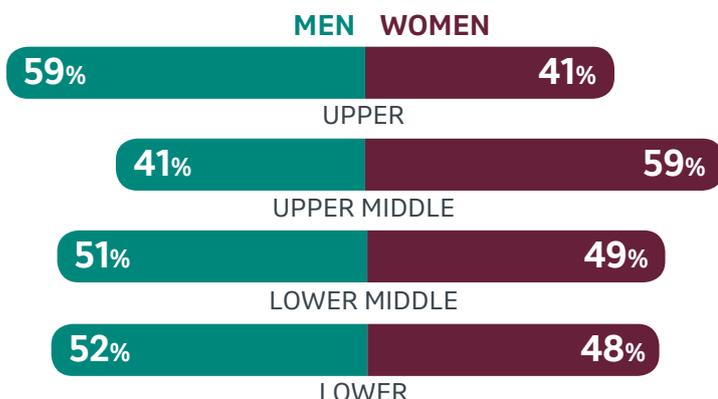
IS IT LINKED TO EQUAL PAY?

The gender pay gap is not about equal pay, which is ensuring that men and women in similar roles are paid the same amount in line with their skills and experience.

At MSD we're committed to equal pay and take measures to ensure that we are paying employees fairly and equitably, not based on age, gender, race or other protected characteristics.

OUR 2019 GENDER PAY GAP RESULTS

MSD PAY QUARTILES



At MSD we continue to have a reasonably balanced number of women and men in each quartile.

MSD GENDER PAY GAP RESULTS



We've worked hard to reduce our gender pay gap and over the last year our mean gap fell from 6.9% to 2.6% while our median also closed from -3.6% to -2.5%. This continues to be well below the national figures of 11.8% at the mean and 9.1% at the median.

MSD BONUS GAP RESULTS



The vast majority of our employees at MSD currently receive a bonus and our mean bonus gap is 25.3%, down from 26.3% in 2018.

Our median bonus gap is -9.9%, compared to -1.1% in 2018. Although we've compiled the data from both of our UK entities for this report, you can find the separate MSDL and Intervet data reports [here](#).

*The Top Employers Institute has awarded MSD the exclusive Top Employers United Kingdom 2019 Certification for our exceptional employee offerings.

“Diversity’ and ‘inclusion’ are not just abstract concepts – they are core values and strategic business imperatives that deliver business results”

Celeste R Warren, VP Human Resources and Global Diversity and Inclusion Center of Excellence

FACTORS BEHIND THE RESULTS AS PART OF A GLOBAL BIOPHARMACEUTICAL COMPANY WE HAVE A BREADTH OF ROLES ACROSS THE UK ORGANISATION, WHICH INCLUDE MANUFACTURING, RESEARCH, COMMERCIAL AND PROFESSIONAL HQ FUNCTIONS.

At MSD we currently have more men than women in our most senior positions. These are often roles with global responsibilities, which command higher market salaries and bonus levels. As part of our efforts to bring more women into these roles we are promoting several initiatives across the business, including the Women in Leadership Programme, General Management Acceleration Programme and Corporate Talent Development programmes.

As a company that recognises diversity, we're proud to offer our employees a variety of working patterns to suit them, for example part-time and shift work. Most of our part-time roles are held by women (**93%**) and a large proportion of our shift workers are men (**90%**). As part-time workers on average have a lower take-home pay and shift workers have a higher take-home pay due to shift premium, this difference in job type continues to play a part in our gender pay gap figures.



Although our bonus gender pay gap is slightly lower than last year, men are still likely to receive a larger bonus than women given the number of males holding the most senior roles. Additionally, a larger number of women work part time and current regulations do not permit us to pro-rate bonuses for part-time employees in our calculations. However, we continue to look at opportunities on how best to reduce the gap, both in terms of short-term actions and long-term strategies.

SUMMARY

At MSD we are proud of our diverse workforce across the UK, and continue to be committed to equal employment opportunities and diversity for all. We are happy with the progress being made, but continue to recognise the need to keep a close eye on data so that we can react quickly to any changes. We remain focused not just on positive change for women, but equality for all.

MAKING PROGRESS BUT READY TO DO MORE

THESE ARE SOME OF THE ONGOING INITIATIVES AT MSD SUPPORTING OUR DIVERSITY AND INCLUSION AGENDA.

NEXT GENERATION NETWORK

We're excited to have launched our successful network in the UK, supporting multi-generational working into the future and promoting opportunities across our whole workforce.

MSD WOMEN'S NETWORK

We've supported a number of activities including personal branding workshops and International Women's Day.

GLOBAL DIVERSITY AND INCLUSION MONTH

Four weeks of events, discussions and initiatives helped us to build awareness of the issues and opportunities.

GENDER DIVERSITY EVENT

We brought together stakeholders from a range of sectors to discuss progress on diversity in the workplace and additional diversity activity.

GENDER DIVERSITY REVIEW

We carried out an in-depth review of how we support diversity across the UK, in particular the LGBTQ+ population, as well as celebrating LGBTQ+ history month.

DIVERSITY NETWORK

We've created a collaborative network across the UK to focus on diversity with multiple events throughout the year.

LIVE IT

We've promoted our well-being programme, focusing on general employee health, including the introduction of a mental health first aiders programme.

PROJECT OPPORTUNITY PORTAL

We've encouraged our employees to pick up ad hoc projects that develop their skills and gives them exposure to other parts of the business.