



Gender Pay Gap Report 2020

Introduction

Our commitment to inclusion

Our diagnostic solutions are designed to be affordable and accessible for every individual around the world. That commitment to equity is woven through all we do; for our people, our customers, and the communities we serve.

We believe that our people are our strength, and we care about building an inclusive and equitable workplace where they feel valued and inspired to do the best work of their careers and empowered to solve some of the biggest challenges in global healthcare.

We're committed to inclusion across race, color, religion, age, gender, sexual orientation and identity. We innovate, collaborate, and succeed best when we're inclusive of diversity in experiences, thought, perspective, and background.

We firmly believe that compensation should be based on what employees do, not who they are or how they identify. We embrace a culture of a deep respect for people as we know that our success is the result of the hard work of our employees who bring their wide range of skills and help to support our vision.

Gender pay gap and equal pay

We recognize the UK Government's legislation, which requires employers with more than 250 employees to publish their gender pay gap and we see many benefits in the creation of a more transparent culture of gender equality.

The gender pay gap and equal pay are two different things. Equal pay is paying men and women equally for doing equal work. Gender pay looks at the difference between the average pay of all men and the average pay of all women across the whole business, regardless of role or seniority.

To calculate the gender pay gap, we're legally required to look at more than just salaries. We look at contractual terms and conditions of employment, such as holiday entitlement, bonuses, pay and reward schemes, pension payments and other benefits.

Our first gender pay gap report sets out our key gender pay data and our approach to attracting, rewarding, and recognizing talent.

We already have a strong equal pay ethos but recognize we have a gender imbalance and have actions underway to begin to address this.

Key gender pay data

Our data has been prepared in line with the UK Equality Act 2010 (Gender Pay Information) Regulations 2017 and the UK Equality Act 2010 (specific Duties and Public Authorities) Regulations 2017.

The snapshot date for salaries is 5 April 2020.

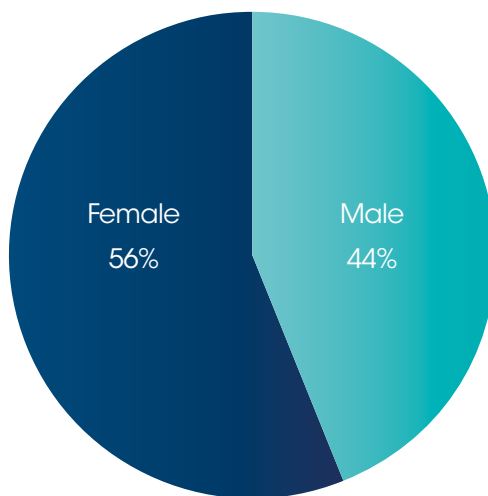
As of 5 April 2020, there were 354 workers of which 333 were categorized as relevant full-pay employees and were used in the reporting of the hourly pay gap statistics.

Understanding our pay gaps

As a medical diagnostics business, many of our roles are STEM based which has a disproportionately lower number of women working in the field. We are finding ways to address this imbalance through several initiatives, such as providing internships and graduate programs.

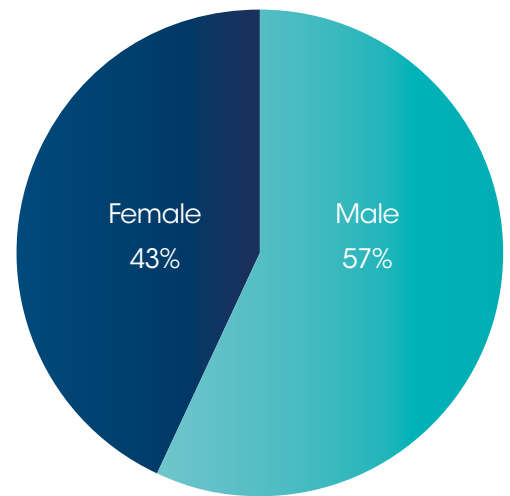
The gender split for LumiraDx UK was 58% males and 42% females as of 5 April 2020. This split is generally reflected in pay quartiles 2, 3 and 4 across our company. There was a higher disparity noted in a quartile 4, in a group of employees in executive and senior roles (80% males and 20% females).

Gender Split Pay Quartile 1
(April 2020)



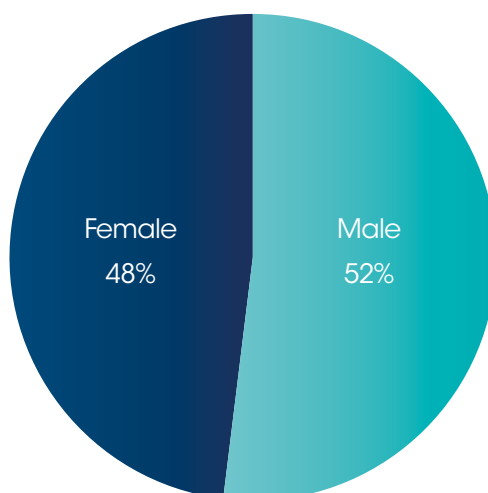
Totals Female: 47 Male: 37

Gender Split Pay Quartile 2
(April 2020)



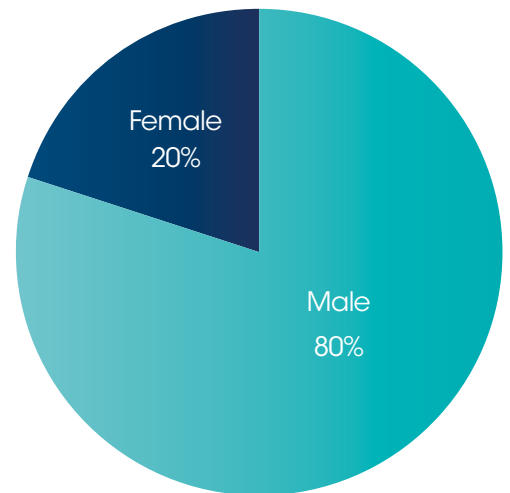
Totals Female: 36 Male: 47

Gender Split Pay Quartile 3
(April 2020)



Totals Female: 40 Male: 43

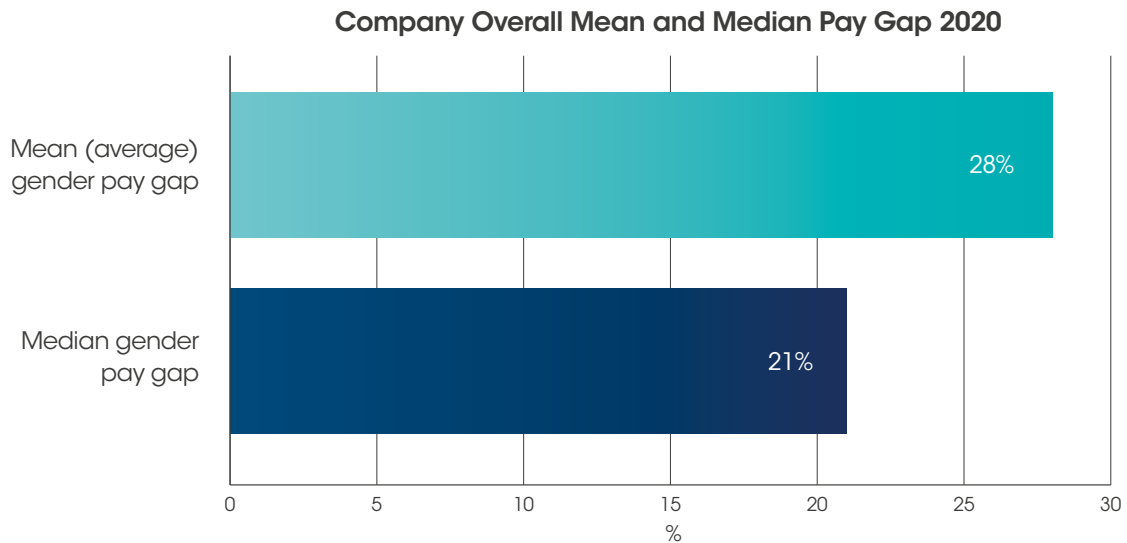
Gender Split Pay Quartile 4
(April 2020)



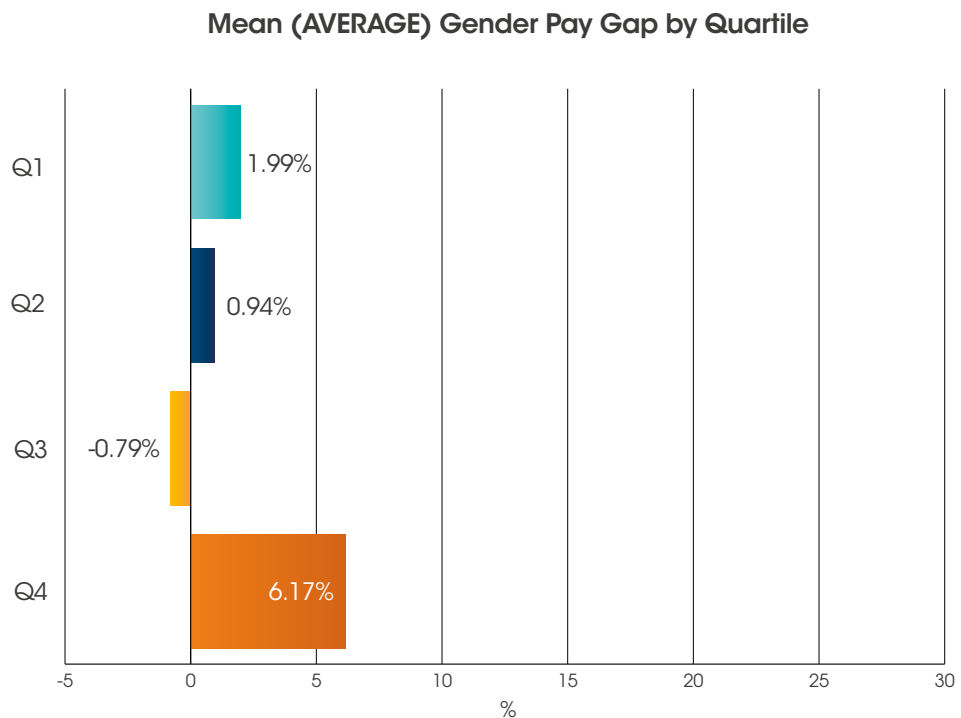
Totals Female: 17 Male: 66

Mean and median pay gap

The median gender pay gap refers to the % difference between the midpoint female and midpoint male and so this is more open to fluctuations year on year.

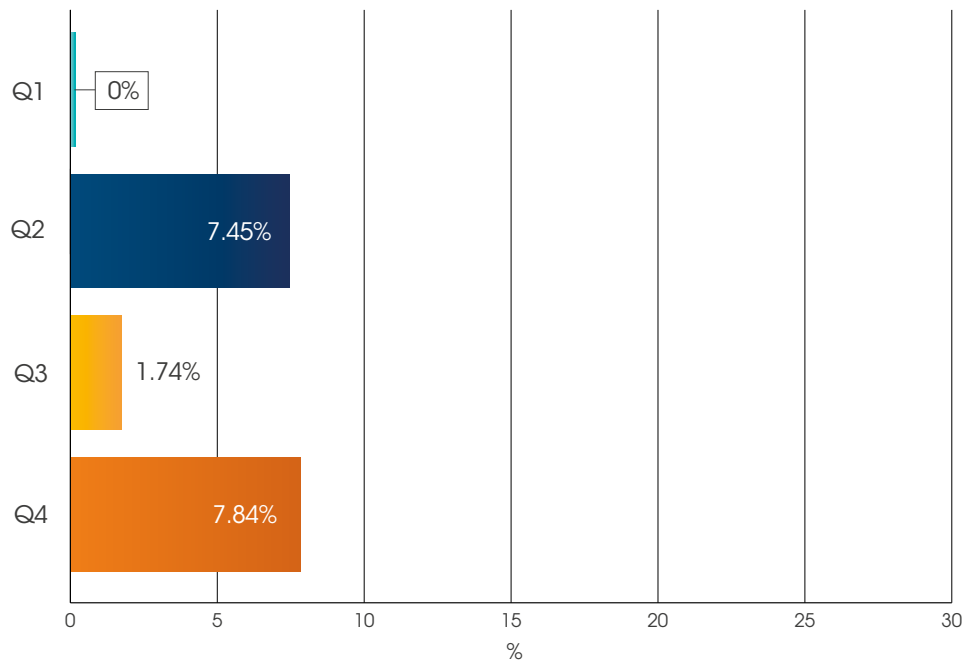


Further analysis at each quartile shows us where we can do more work to address our gender pay gaps.



The Mean or Average gender pay gap analysis by percentile shows very low gender pay gap amongst the majority of our employees, with the largest gender pay gap amongst the higher paid employees.

Median Gender Pay Gap by Quartile



The Median gender pay gap analysis by percentile shows there is no gender pay gap amongst the lower paid employees and the largest gender pay gap is amongst the highest paid employees.

Actions underway

Our Mean & Median pay gap that we observed during this exercise calls for actions which we have already identified at the start of 2021. We have already implemented various immediate interventions to address the findings presented in this report.

1

Total reward

We've developed a new total reward strategy built to reflect country, market, and social differences, whilst remaining fair and equitable for all. Our 'single status' approach to benefits means that no matter where people work, their level of seniority or what they do, they have access to a consistent set of benefits, tailored for their country.

We conduct a regular salary review exercise to align salaries, based on employees' roles in the business and we created job families and career levels to promote equal opportunities.

2

Skill-based recruitment

Where appropriate for roles, rather than solely relying only on interviews, we ask candidates to perform tasks they would be expected to perform in the role they are applying for. The tasks are planned and scored consistently to ensure fairness, and we measure performance on those tasks to assess suitability for the role.

3

Structured interviews for recruitment and promotions

To prevent unfair bias, we only use structured interviews for all roles at all levels in the company. By asking exactly the same questions of all candidates in a predetermined order and format, and grading the responses using pre-specified, standardized criteria, the responses are comparable and fair.

4

Shared Parental Leave

Our shared parental leave policy means that employees can take paid parental leave when having a child or adopting. We are currently looking at developing a family leave policy, providing support and options for all employees with primary care responsibilities, including shared parental leave and carer's leave.

5

Employee Resource Groups

We have developed Employee Resources Groups (ERGs), voluntary, employee-led networks where our employees come together in support of common interests, backgrounds, or demographics. The groups network, socialize, work on professional development, and raise awareness of relevant topics and issues. Being employee founded and led, this means they focus on the things that matter most to our people. They have complete autonomy in how they shape their vision, priorities, and success factors, and are supported by executive and sponsor to help drive action forward. We have two groups in place, and we'll grow this over time, based on employee feedback.

1. **Gender inclusion** - This ERG champions gender inclusion, leading the way in shaping ideas and ways of working to create gender equality across our organization.
2. **LGBTQ+** - The primary role of our LGBTQ+ group is to work together to raise awareness and influence action on diversity, inclusion and equality. Helping us foster an environment where people across our LGBTQ+ communities feel confident and supported to be themselves, in and out of work.

Closing the gender pay gap is a long-term initiative and we're committed to monitoring our progress and putting the actions in place that make sure we can sustain it for the future.