

Babylon

Gender Pay Report

2021

Introduction from Samira Lowman,

Chief People Officer



At Babylon we have a clear mission. **To make high-quality healthcare accessible and affordable for everyone on Earth.** Everything else flows from this; our values and the way we behave, the people we seek, the manner in which we recruit, what we expect, how we reward and the way we work with each other every day to deliver our mission.

This last year has changed the way we work, with many of us working from home, having to adapt to the new norm; juggling work with home-schooling and other demands on our busy but restricted lives. Through all of this, our clinicians have continued to provide support to so many during this difficult time. The world of work has changed to a more hybrid way of working for many; yet initial research is showing this change has the potential to have a significant impact in gender equality.

Women face unique challenges in the workplace including the specific issues of LGBTQ+, BAME and disabled women as well as those with children, elderly parents, and other caring responsibilities. We know the strength of our growth depends on having a diverse workforce which reflects the world we serve. And there is still much to do in improving opportunity for all.

Since our last report in 2019, we have grown considerably around the world. And, along with our growing numbers, we continue to build on our commitment as to how we hire new Babylonians, and to be more family-friendly including a remote first hiring strategy, as well as a hybrid hub model working approach and remote in-country working. We also support fellow Babylonians through our Power of Diversity groups (PODs), which include a Women in Tech & Health POD and how we manage and promote Babylonians.

At Babylon, we strongly believe that equal work deserves equal pay. We have a job architecture that provides a consistent framework allowing us to better understand how we pay across our different roles. We reward delivery and experience, treating everyone equally, regardless of gender or background.

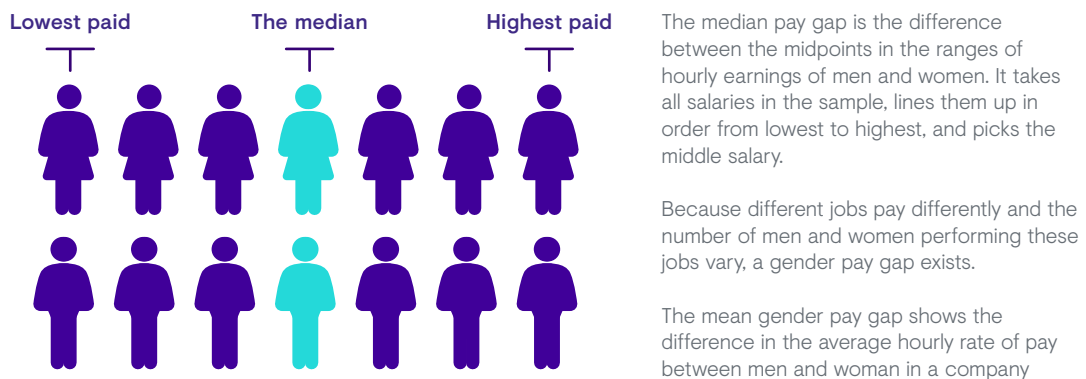
That said, we have work to do as our product and technology employing entity, Babylon Partners Limited, has a gender pay gap driven by the male dominance in the technology sector, and our Clinical employing entity, Babylon Healthcare Services Limited, has higher female representation, aligned to similar industry patterns. Our UK businesses currently have broadly twice as many women in operational roles as men, and twice as many men in managerial and leadership levels as women.

In this report, we confirm our commitment to diversity, equity and inclusion and highlight what steps we are taking to support women, not just in Great Britain, but globally. Our aim is to voluntarily publish a global gender report annually and an ethnicity pay gap report in the next two years as we improve data quality and availability.

UK Gender Pay Gap Reporting

What is it?

In 2017, the UK Government introduced new legislation which requires us to publish our gender pay figures. All companies with 250 or more employees in Great Britain must publicly share their own gender pay gap figures each year by employing entities. The gender pay gap is a measure of the difference between the mean and median earnings of men and women across the company.



Babylon UK comprises Babylon Partners Limited (BPL) and Babylon Healthcare Services Limited (BHSL). For this report, we are publishing both 2020 and 2021 results. We show the proportion of men and women by pay quartiles, which are calculated by arranging the pay for each Babylonian from lowest to highest, before splitting that list into four equal-sized groups and calculating the percentage of men and women in each of the groups.

This report summarises the gender pay gap, measures the difference between men and women's average pay within the organisation, regardless of their role or work level. It is not an analysis of equal pay, which compares the pay of men and women who perform the same role or roles of equal value.

Babylon Partners Limited - BPL

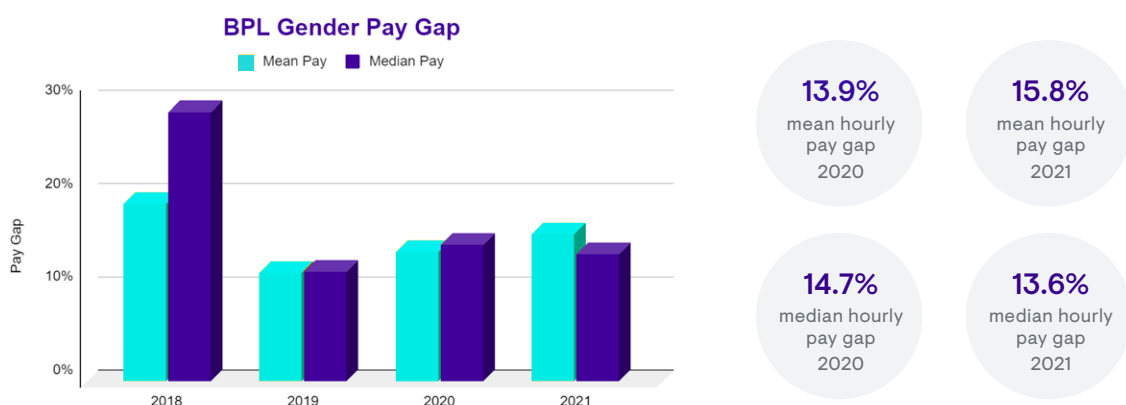
Babylonians working for Babylon Partners are our Product, Technology, and Support Services employees.

From the first time we reported in 2018, there has been an overall downward trend, from 28.9% in 2018 to 13.6% in 2021. We are deeply committed to reducing the gender pay gap further, and the first step is understanding the disparity.

Our gender pay gap is created by having a higher male population and more men in senior positions, which is consistent with the continual under-representation of women at senior levels across the technology industry. Despite these obstacles, and while this is an industry-wide problem, we are actively working to improve this disparity.

Since our last report, where we reported for 2018 and a snapshot of February 2019, we recognise that the proportionate number of men in the top quartile has increased from 58% in 2018 to 75% in 2021. The number of people in BPL who identify as female has reduced from 43% in 2018 to 36% in April 2021.

While as a business we have continued to grow globally, we have also been affected by the pandemic over the last 18 months. The Office of National Statistics reported that generally more women than men were furloughed, this is not the case at Babylon where more men were furloughed, and more men participated in a voluntary redundancy programme at the start of the pandemic.



There has been a small shift in the pay quartiles, where women are slowly moving into the upper pay quartile from 2020 to 2021, reflecting the slight decrease in the median gender pay gap between these two years. As 2019 was a snapshot of the position we believe the median pay gap trend is reducing over time.

From 2020 to 2021, the number of men and women employed decreased resulting in the average pay for men increasing by 3.6% but only 1.3% for women, therefore, the overall mean increased from 13.9% to 15.8%.

	Proportion of women	
	2020	2021
Upper pay quartile	23%	25%
Upper middle pay quartile	29%	29%
Lower middle pay quartile	29%	33%
Lower pay quartile	56%	53%

While Babylon has historically not paid bonuses over the last couple of years there have been cash awards paid, predominantly to:

- Enable Babylon to attract talent to the organisation
- Thank Babylonians for introducing new joiners through a referral scheme
- A spot award, or
- As a small thank you by way of a voucher

	Mean Bonus Gap	Median Bonus Gap	Proportion of men receiving a bonus	Proportion of women receiving a bonus
2020	-55.8%	-71.4%	8.8%	2.9%
2021	19.8%	23.1%	15.8%	12.1%

The bonus figures are ad hoc in nature and do not illustrate a trend. However, the proportion of women receiving an award has increased at a higher rate than the increase in men receiving an award.

From 2021, Babylon introduced a new bonus scheme, and any relevant pay-outs will not be made until Spring 2022.

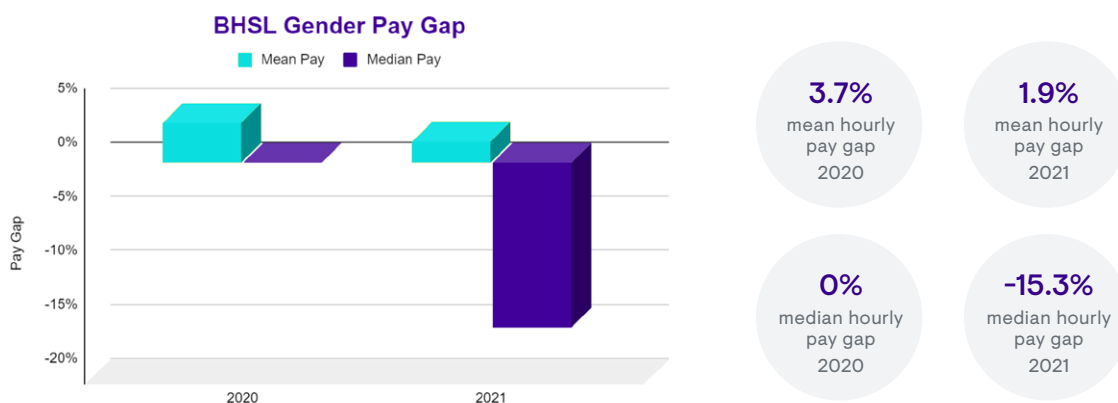
Babylon Health Services Limited - BHSL

Babylon Health Services employs clinicians and clinical support to deliver operational excellence to our patients.

The BMA reports (May 2021) an overall gender pay gap of 33.5% for GPs and other roles, mostly due to the under-representation of women in the highest paid positions, grades, and specialties. This reinforces the need to ensure we provide opportunities for women in clinical roles to take larger roles to maintain a competitive edge.

Source: [The British Medical Association, Review of the gender pay gap in medicine](#)

The overall low mean gap is representative of the robust pay structure in place at Babylon.



We employ significantly more women in this part of the business, and this is reflected in the zero and negative pay gap across 2020 and 2021. In 2020, we had a median gap of zero. In 2021, the gap became negative as the number of women in the upper middle quartile increased by 10% and the number of women in the lower quartiles decreased slightly. There is still work to do to move more women into the upper pay quartile.

	Proportion of women	
	2020	2021
Upper pay quartile	67%	62%
Upper middle pay quartile	74%	84%
Lower middle pay quartile	66%	62%
Lower pay quartile	75%	71%

While Babylon has historically not paid bonuses over the last couple of years there have been a few cash awards; as a way of thanking Babylonians for introducing new joiners and other small thank you's. The awards are ad hoc in nature and the referral plan is self-selecting.

From 2021 Babylon introduced a new bonus scheme, and any relevant pay-outs will not be made until Spring 2022.

	Mean Bonus Gap	Median Bonus Gap	Proportion of men receiving a bonus	Proportion of women receiving a bonus
2020	-12.4%	63.6%	4.1%	2.8%
2021	50.2%	97.8%	19.0%	12.7%

What's next?

The statistics are great at keeping us accountable, but what's even better is the action that follows. Babylon is committed to equality in the workplace.

While we scale and grow our business we have and will continue to focus on obtaining a diverse representation at a senior level. In 2021, Babylon hired two women who sit on the Senior Leadership team in the US, representing 25% of the Executive team. In 2020, McKinsey reported that within corporate America female representation at the C-Suite level is 21%.

In support of encouraging women in their career development in both our technology and clinical space, we currently have:

- A female clinical leader commenced an Executive Master's in Medical Leadership in September 2021
- Three female Babylonians are enrolled in a Software Engineering Learning Pathway

Employee-led networks

We encourage a workforce as diverse as the patients we serve and recognise this through working with our leaders and our Power of Diversity Groups (PODs) to create a culture of inclusivity with the LGBTQ+ and allies, Women in Tech & Health, Babylon Black Alliance Network, Interfaith, Accessibility, Inclusiveness and all their allies around the globe. These networks and PODs celebrate inclusivity and diversity in life and at work and are integral to the Babylon culture.

In the UK, as part of our business, we have a women's health clinical lead who focuses on women's health, such as postnatal care and menopausal services.

Our Action plan

We know that we have work to do to reduce our gender pay gap and we are committed to this. At Babylon, we know that we live our values and behaviours the best when our workforce reflects the world around us and has a culture

where everyone feels they belong. We will continue to work on our talent strategy and commit to maintaining and growing diversity through the following actions.

Hiring Babylonians - we are:

- Building an environment that encourages flexible, remote and hybrid working
- Enhancing our recruitment pipeline to encourage more women into senior positions
- Proactively marketing and advertising our career opportunities by diversifying our channels and partnerships
- Maintaining diverse interview panels
- Using gender neutral job descriptions
- Developing hiring guidelines that include structured interviews based on Babylon behaviours in order to consistently mitigate biases from our process or when making decisions

We will also commit to:

- Continuing to support the professional development of women, in particular, in the technology and engineering sector
- Enhancing the focus on gender as part of the annual pay review and give managers tools to aid decision-making, plus global analysis on pay decisions, making any corrections where needed
- Reviewing our family friendly policies globally

We will continue to celebrate events such as International Women's Day. In 2021, Babylon held various events discussing women's health and debugging gender bias in tech. Once again, we commit to providing a gender and ethnicity pay gap report globally within the next two years.

Statutory declaration

I confirm that the information and data provided in this report is accurate and in line with the requirements of the UK Government's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Samira Lowman

Chief People Officer





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