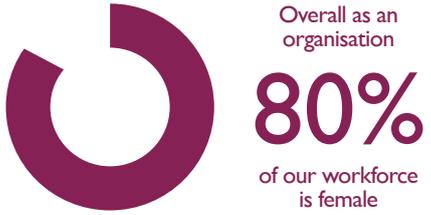




BMI HEALTHCARE LIMITED GENDER PAY REPORT 2018

BMI Healthcare remains committed to creating a diverse workforce offering inclusive opportunities for all our employees and workers, regardless of gender. We are passionate about fairness, equality and inclusion; creating an environment where our people can thrive, grow and develop professionally and personally.



GENDER PAY IS NOT THE SAME AS EQUAL PAY!

A **gender pay gap** is a measure of the difference in the pay of men and women across an entire organisation, regardless of the nature or level of their work.

It is different from an **equal pay** comparison, which involves a direct comparison of two people or groups of people carrying out the same work or work of equal value.

UNDERSTANDING THE GENDER PAY GAP

It's important to remember that a gender pay gap review is different to an equal pay comparison. An organisation's gender pay gap takes into account all jobs, both full-time and part-time, at all levels and all salaries. In this report, we show BMI Healthcare's median and mean gender pay gap, the median and mean bonus gap and the percentage difference in bonus pay of men and women as at 5 April 2018.

The median is the mid-point of a range of data and illustrates the point at which half the results are above this point, and half the results are below this point.

The mean, sometimes referred to as mean average, is the sum of all the values in a data set, divided by the total number of values. The mean (or average) of a set of numbers includes outliers, such as low or high salaries for a minimal number of employees.

When analysing a large set of data, such as the hourly pay of our workforce of just over 11,000, it is often thought best to review the middle point (median) of the data because this provides a better measure of the central tendency – and is less affected by any outliers.

OUR 2018 MEAN AND MEDIAN GENDER PAY GAP

Under the statutory requirements, we are required to report gender pay gap figures for our main employing entity – BMI Healthcare Limited. The data illustrates our gender pay gap as at 5 April 2018: this is a snapshot of the difference between the hourly pay of all women, compared to the hourly pay for all men.

Our gender pay gap remains substantially lower than the UK national median average of 17.9% (for full time employees) as identified by the Office for National Statistics in their 25 October 2018 publication. **Our median figure, the midpoint across the hourly rate spread, is 4.3% higher for women than it is for men.**

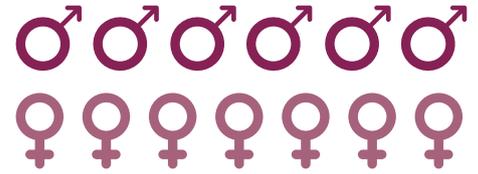
BMI Healthcare's overall mean gender pay gap is 8.8%. However, for the 10,000 BMI employees and workers with an M5 grade – which is 90% of our total workforce – the gender pay gap is less than 1%. **This means that, for staff with an M5 grade, there is less than 1% difference in the mean hourly pay for men and women.**

Since our last report a year ago, hourly rates of pay have risen consistently for both male and females; but our gender pay gap remains largely unchanged, with only statistically minor movements in the figures. Due to the size of our workforce it will take a significant change to the underlying data to radically alter our summary figures; nonetheless it is encouraging to see a slight improvement compared to last year.

PAY - HOURLY RATE		
Difference between men and women		
	2018	2017
MEDIAN	-4.3%	-3.5%
MEAN	8.8%	8.9%

Fundamentally, the drivers of our gender pay gap remain the same as in 2017: a higher proportion of our female workforce work less than 37.5 hours per week, compared to their male colleagues. While we support both men and women to work flexibly, the majority of those currently doing so are women.

As with many organisations, we have a higher proportion of women than men in lower paid roles and proportionately fewer women in higher paid senior leadership positions - something which the gender pay calculation does not take into account. Although over 68% of management positions graded M3 and M4 within BMI Healthcare are held by women, less than a third of our senior leadership roles graded M1 and M2 are undertaken by women.



63% of our female workforce work less than 37.5 hours per week compared to only 35% of our male workforce

Our remuneration packages are based upon an employee's skills, experience and qualifications not their gender. Rates of pay reflect the seniority of each role, and the level of responsibility held. We are committed to offering fair remuneration packages to all, and our annual pay review process is applied fairly to all employees across our entire organisation. **As from 1 October 2018 we became a National Living Wage employer; all employees and workers regardless of gender or age receive the National Living Wage as a minimum.**

OUR 2018 MEAN AND MEDIAN GENDER BONUS GAP

In the 12 months preceding 5 April 2018, the 11% median gender bonus gap indicates bonus payments to male employees were 11% greater than their female colleagues.

Our bonus schemes are gender neutral by design, the same bonus rules apply to all eligible employees. Employees who work part-time receive their bonuses on a 'pro rata' basis, but the calculation for the gender bonus gap does not allow any adjustment to bring these bonuses back to their 'full-time equivalent' level for comparison - **within BMI a greater number of bonus payments (43%) were paid to part time female employees which were calculated on a pro rata basis in line with contracted hours of employment.**

The illustration alongside shows the proportion of male and female employees receiving a bonus payment for the 12 months preceding 5 April 2018. Only small numbers of employees (less than 3%) received a bonus in this time period, however, as only 20% of our workforce is male, the calculation suggests a larger proportion of the total male workforce received a bonus compared to the proportion of the total female workforce - whereas, in reality 65% of all bonuses paid in this period were to female employees.

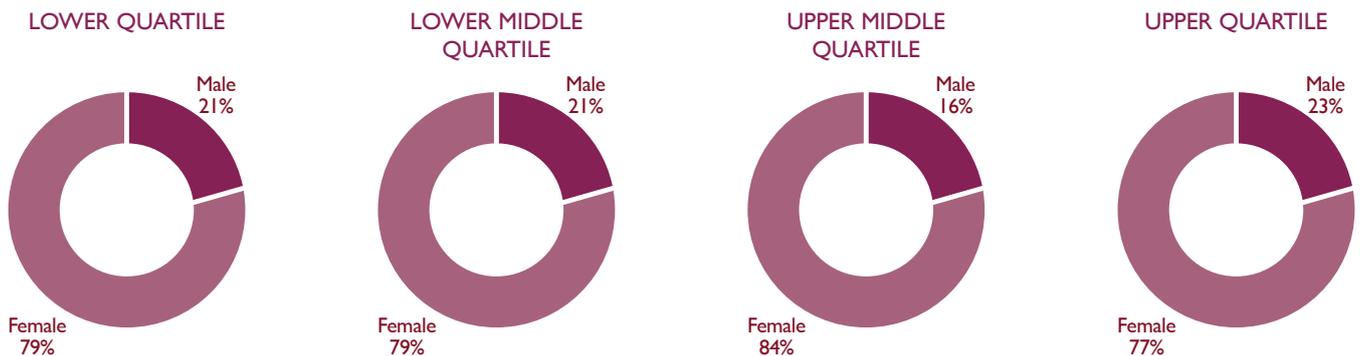
BONUS PAYMENTS	
Difference between men and women	
MEDIAN	11.0%
MEAN	28.7%

Proportion of bonus payments by gender



PAY QUANTILES

Below we have shown the proportion of males and females in the four pay quartiles. This illustrates the gender distribution within BMI Healthcare across four equally sized hourly pay quartiles, each containing approximately 2390 employees



Karen Prins, Chief Executive Officer