

2023-24 Organon ANZ Gender Pay Gap Report



Opening Statement

At Organon ANZ, we live and breathe our value to “own it”, where we drive accountability and empowerment, acting with the highest levels of integrity.

To this end, we are committed to sharing information about our first Gender Pay Gap (GPG) report.

This report outlines our results in further detail, and is reflective of our organisation at March 2024. It also provides an overview of the measures we have in place now, and will have in the future to address these pay gaps.

We are committed to driving this change for our founders.



Our vision drives us

At Organon ANZ, we are driven by our vision of **creating a better and healthier every day for every woman**. We are fully committed to taking all necessary steps to achieve this goal. In parallel, we constantly ask ourselves what we can do to shape an inclusive and supportive environment that enables and encourage all our founders to grow and reach their full potential.

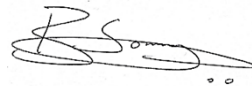
As an organisation, we have embedded Environmental, Social and Governance (ESG), priorities throughout our business and aim to achieve balanced gender representation throughout all levels of the organisation globally by 2030.

Since being established as an independent organisation in 2021, we have taken several measures to address equity in the workplace, including rolling out key initiatives, constantly engaging with our founders, evaluating our policies to ensure relevancy and conducting in-depth pay equity analyses.

These actions are detailed in this report, and demonstrate our ongoing dedication to promoting fairness and equality in compensation for all founders.

While we have seen some progress since commencing GPG analysis and reporting, we recognise there is work to be done to continue to address pay gaps within our organisation and we are committed to maintaining our sustained efforts to achieve this.

We confirm the data included in this report is accurate in accordance with the requirements of the Workplace Gender Equality Act 2012.



Bilal Somra
Country Lead, Organon ANZ



Sophie Althans
HR Director, Organon ANZ



As part of our commitment to Her Equity, we will continue to address the Gender Pay Gap and ensure fairness in compensation practices.



Understanding the calculations

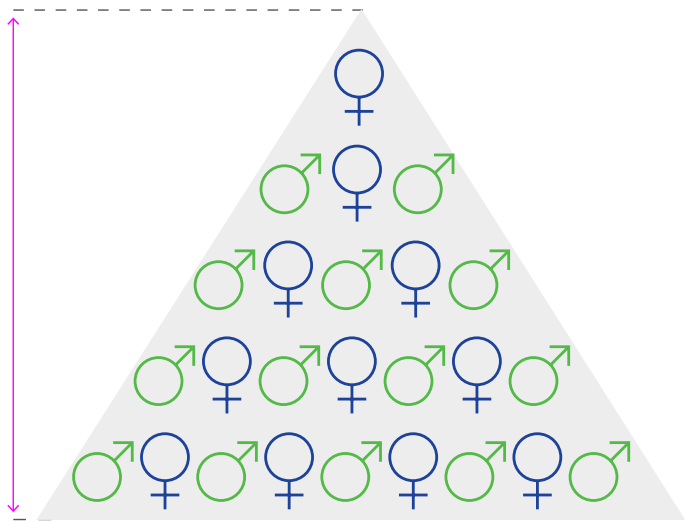
It is important to understand that **Gender Pay Gap** is not the same as **Equal Pay**.

Gender Base Pay Gap

Calculates the difference in base pay between men and women across a whole organisation.

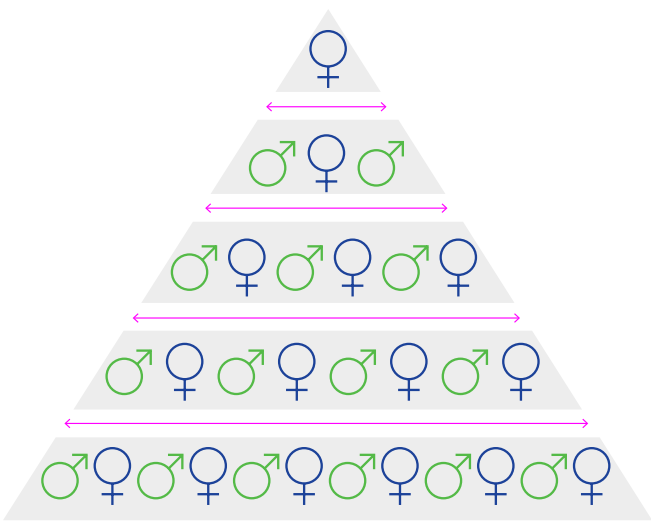
Gender Total Remuneration Pay Gap

Calculates the difference in total remuneration (base pay plus superannuation, bonuses and allowances) between men and women across a whole organisation.



Equal Pay

Ensures pay is equal for all employees carrying out the same or similar work, or work of equal value taking into account level and job type.

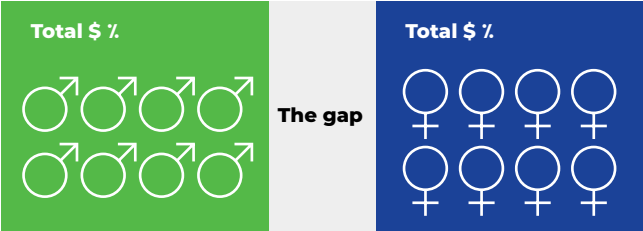


Average % GPG =
$$\frac{(\text{Average Base or Total Remuneration of Men} - \text{Average Base or Total Remuneration of Women})}{\text{Average Base or Total Remuneration of Men}} \times 100$$



Understanding the calculations

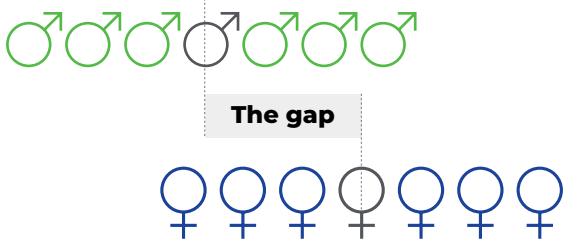
Average (or Mean) Pay



The **average (or mean)** pay is calculated by adding the pay of all employees and dividing it by the total number of employees.

This is calculated for men and women, and the averages are compared.

Median Pay

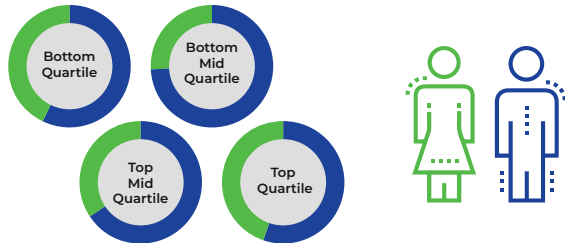


The **median** is the middle number of a ranking of pay from lowest to highest.

This is calculated for men and women, and the medians are compared.

Typically the median is less affected by those who receive lower or higher pay than the average.

Quartile Pay Band Data



The quartiles represent total remuneration pay rates across the organisation, split into four quartiles, regardless of gender.

WGEA collects information from organisations on non-binary employees on a voluntary basis. Due to this, the information about non-binary employees has not been published by WGEA across any organisation.



Organon ANZ GPG results

As at 31 March 2024

Organon ANZ has an average base pay GPG of 13.2% and an average total remuneration GPG of 15.7%.*

The median pay gaps are larger than the average pay gaps for both pay types.

The median base GPG is 18.9% and the median total remuneration GPG is 27.4%.

Within Organon ANZ, the total remuneration pay gaps are larger than the base pay gaps.

The driving factor for the GPGs is the gender representation across our workforce, including:

- 92% of bottom quartile employees are women
- 68% of bottom middle quartile employees are women.

This indicates women are more likely to be in lower paid roles than men.

Base pay – GPG

Average



+13.2%

Median



+18.9%

Total remuneration – GPG

Average



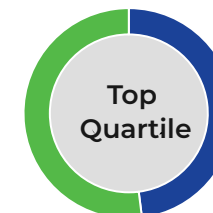
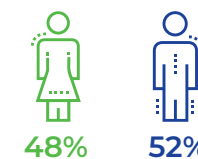
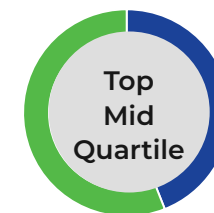
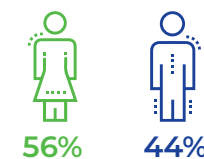
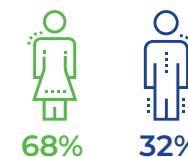
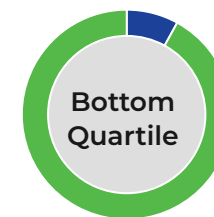
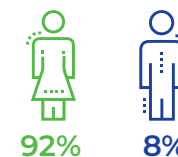
+15.7%

Median



+27.4%

Pay quartiles



*As per WGEA requirements, the results presented are specific to the Australian workforce and does not include employees located outside of Australia.

#Shows the percentage of men and women in each of the pay quartiles of the organisation.

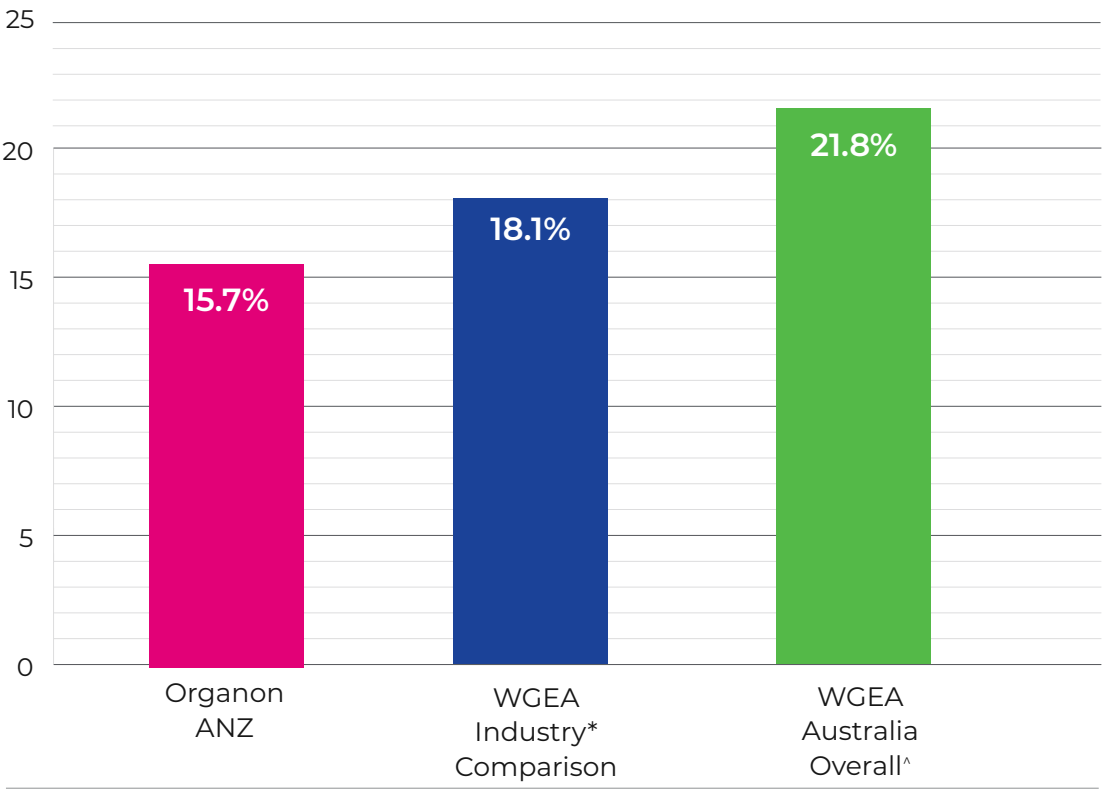
Organon ANZ’s total remuneration GPG is lower in comparison

WGEA’s total remuneration gender pay gap includes base salary, overtime, bonuses and additional payments for private sector employees.

It also includes the annualised full-time equivalent salaries of casual and part-time workers. This offers a more complete picture of the real remuneration differences between women and men in Australia.

Organon ANZ’s total remuneration gender pay gap is lower than the WGEA industry* benchmark and the overall Australian private sector benchmark.

Average Total Remuneration Gender Pay Gaps



*Workplace Gender Equality Agency (WGEA), 2024 Pharmaceutical and Toiletry Goods Wholesaling (372), <250 employees.

^Workplace Gender Equality Agency (WGEA), 2024 Australia Overall.

We have made steady progress since 2021

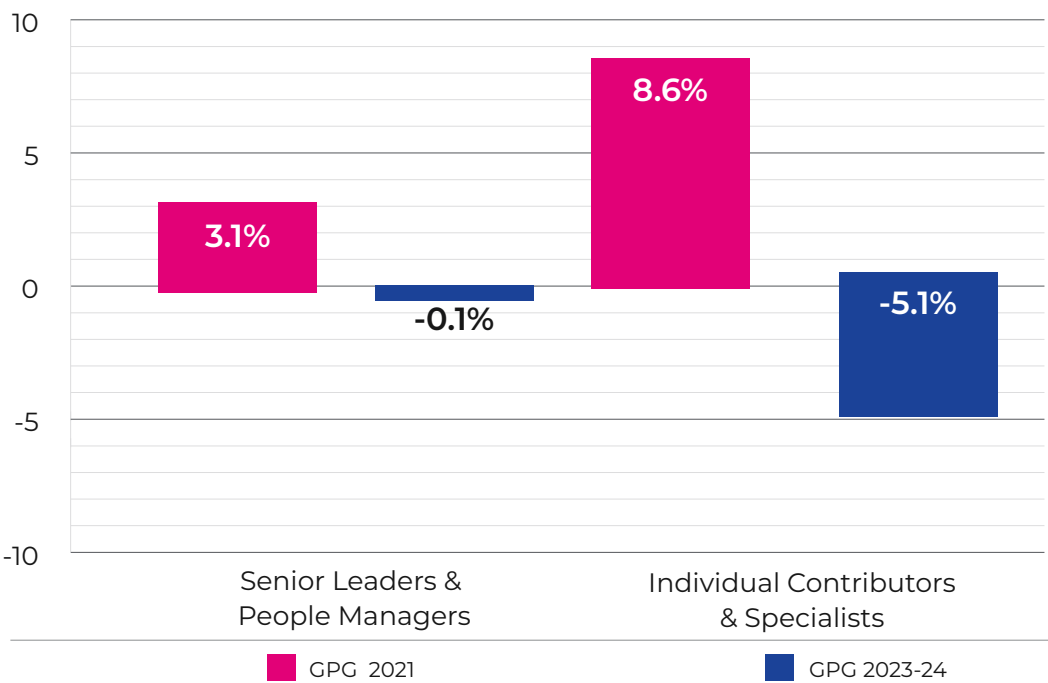
In June 2021, Organon & Co was created through the spin-off of MSD's women's health, trusted legacy brands and biosimilars businesses.

Since then, Organon ANZ has made significant progress in evolving the workforce composition, including addressing pay gaps in management and administerial levels across the organisation.

In 2021, our average total remuneration GPG was 16.7%. Now, we sit at 15.7%, demonstrating an improvement of 1%.

While more needs to be done to address these remaining gaps, this progress is testament to our commitment to create further change.

Average Total Remuneration Gender Pay Gaps^ – 2021-2024



^ A gender pay gap above 0% is in favour of men, a gender pay gap below 0% is in favour of women.

We will continue to build on the support we provide our founders

We believe reducing these gaps requires a comprehensive approach, with our Diversity, Equity, Inclusion & Belonging (DEI&B) strategy at the heart of everything we do.

Developmental Opportunities & ANZ Gig Marketplace

Our philosophy of Growing @ Organon is that every founder has the ability to grow through various avenues including on-the-job experiences, relationships with other employees (including mentoring) as well as formal training. At Organon this is known as “gig” opportunities where employees are aligned with training programs tailored to their individual development plans.

Flexi Leave

We acknowledge the diverse needs and circumstances of our founders, providing 10 additional days of flexi leave per annum, to ensure all founders have additional leave to access as they need i.e. self-care, caring for a loved one or support during a life stage (i.e. menopause leave).

Pregnancy Loss Leave

Any founder who suffers the loss of a pregnancy has up to six weeks paid leave available to them. This leave is available regardless of whether it happens directly to them, their partner or their surrogate, the nature of their loss, and their length of service. Additional support is also provided including flexible working options to ease their transition back to work.

Enhanced Parental Leave Policy

We offer industry leading parental leave of up to 18 weeks' paid leave, available from day one of employment. This parental leave is also available to families who use adoption, surrogacy and foster care to start or grow their families.

Fertility Treatment Support

Founders are offered financial support on an annual basis to support any consultations, tests, doctor's fees, appointments, hospital/ surgery costs and other treatment expenses related to (but not limited to) fertility testing, IVF, egg freezing and other Artificial Reproductive Technology (ART) treatments.

Pay Equity Analyses

We have conducted global in-depth pay equity analyses, beyond legislative requirements, to ensure founders are compensated equitably based upon their roles and experience.





Premium access to Calm

All founders are provided with free Premium access to Calm, a mental fitness app providing users with meditations, sleep stories, and music designed for all ages.

Circle In

All founders have access to Circle In, an online platform which helps organisations and managers support, grow and connect with parents and caregivers on their team by providing on-demand resources and support as they go through every stage of the parenting and caregiving journey.



Flexible Work Arrangements

All founders are provided access to flexible (or alternative) working arrangements to allow them to effectively balance their work and personal commitments. This approach is fundamental to creating a more flexible workplace and attract and retain talented employees.

Recruitment Principles

We aspire to have balanced gender representation through all levels of the company globally by 2030. To reach this goal, we strive to maintain our current global gender balance while increasing the number of women in mid - to senior leadership roles, where and to the extent, permitted by law.



