

Vitalograph (Ireland) Limited

Gender Pay Gap Report 2024



Introduction

This gender pay gap report was developed by Vitalograph (Ireland) Limited in response to the Gender Pay Gap Information Act 2021, an initiative by the Irish government requiring companies that employ more than 250 people to publish annual gender pay gap data.

The reports show the difference between the average earnings of men and women working at Vitalograph Ireland, expressed relative to men's earnings.

Although the terms "gender pay gap" and "equal pay" are often used interchangeably, they refer to two separate concepts. In Ireland, an organisation is legally required to pay both males and females equally for the same work, which is governed by the Irish Human Rights and Equality Commission.

A gender pay gap does not mean that employees in the organisation do not receive equal pay for equal work. It illustrates a gender representation gap and is a comparison of the average hourly earnings of female and male employees across an organisation, at all grades or levels. A gender pay gap does not indicate or imply there is bias, or discrimination, and it is often impacted by the distribution of employees across an organisation. Many factors can contribute to the existence of gender pay gaps. These include differences between men and women in educational attainment and qualifications, occupations, career progression, prevalence of fulltime and part-time working, and responsibility for caring roles.

In Ireland, employers are required to report on the following based on a snapshot of pay data on a date chosen by the Company in June 2024:

- **Mean gender pay gap** – the difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
- **Median gender pay gap** – the difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.
- **Median bonus gap** – the difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.
- **Mean bonus gap** – the difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.
- **Bonus proportions** – the proportions of male and female relevant employees who were paid bonus pay during the relevant period.
- **Quartile pay bands** – the proportions of male and female full-pay relevant employees in the lower, lower-middle, upper-middle, and upper quartile pay bands.

This is Vitalograph (Ireland) Limited's second Gender Pay Gap Report and accounts for all employees working at our Ireland-based locations. It provides a summary of Vitalograph Ireland's metrics, as well as details to help you understand why there is a gender pay gap – and what actions we're taking as an organisation to reduce it. It's important to note that, for the purposes of this report, gender is defined by the Irish government as binary, however Vitalograph respects and champions people of all gender identities.

Vitalograph's first Gender Pay Gap Report was published in December 2023 and revealed a mean gender pay gap of 19% and a median gender pay gap of 10%. This year, Vitalograph's mean gender pay gap is 13.5% and the median gender pay gap is 3%.

Metric	2024	2023
Mean	13.5%	19%
Median	3%	10%

Founded in 1963, Vitalograph’s mission is to improve the lives of people living with lung conditions through the development and manufacture of respiratory diagnostic solutions. As experts in pulmonary function, we also provide clinical drug trial services that enable the development of life-changing respiratory therapies. As innovators in respiratory healthcare, our success is a direct result of the passion of our people in everything that we do – from pushing the boundaries of what can be achieved by respiratory testing technology to developing sustainable business practices that create new standards in our industry. In line with our values, ‘People, Innovation, Quality and Integrity’, we are committed to equality of opportunity for all, regardless of differences, experience or education.

Vitalograph (Ireland) Limited is proud to employ a strong dynamic team of 488 employees as of 30th June 2024. This is a significant headcount increase of 270 on 30th June 2023 (i.e. an 80% increase in employee numbers in 12 months). Vitalograph (Ireland) Limited has been on a strong growth trajectory since 2022, with headcount increasing by 225% from 1st January that year, when there were 150 people employed by the Company. The rapid scaling and growth of the organisation has been supported by a series of strategic people and culture initiatives rolled out since January 2022.

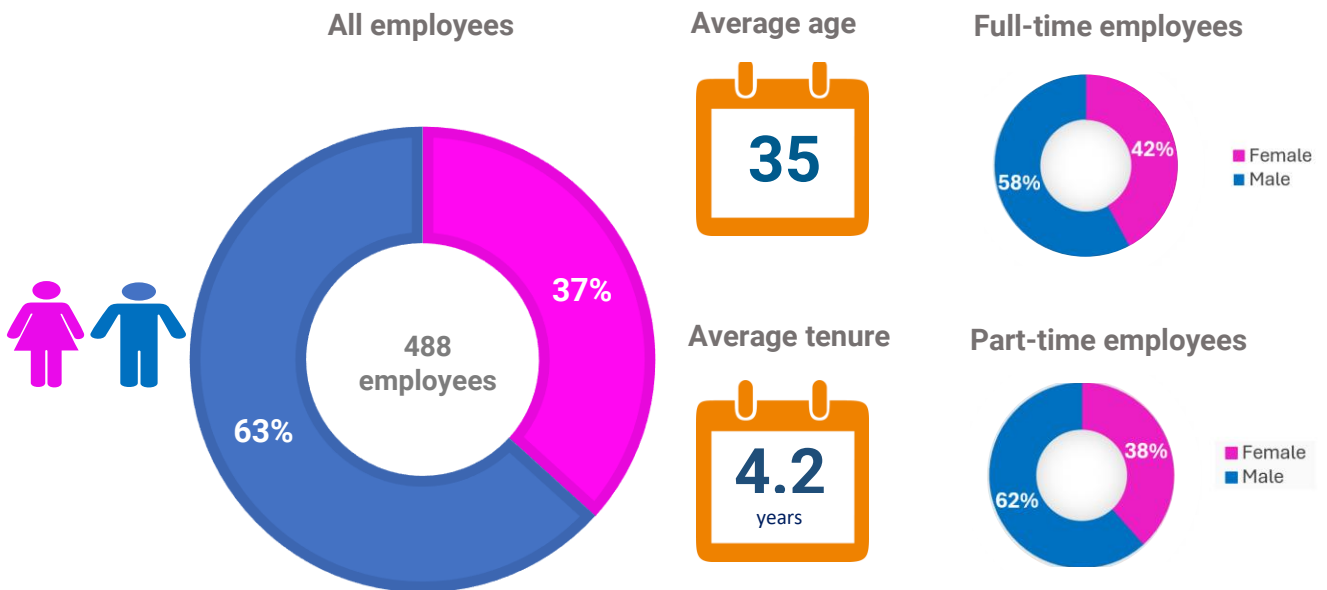
In 2022, a four-year Vitalograph business strategy – **Vitalograph 26** – was launched, setting goals for growing market share, sustainability and placing people and culture at the core of what we do.



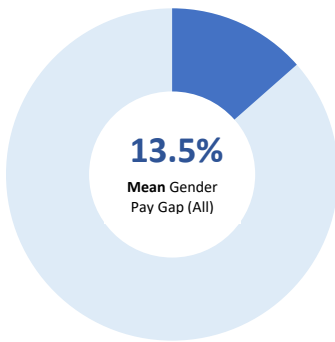
Our cultural vision is to evolve a high-performance team-based organisation where people are fully engaged, developed, and empowered to do their best work and realise their full potential. We strive to create an open, diverse and inclusive culture where employees can bring their full best selves to work. With Vitalograph’s ongoing growth, we continue implementing and evolving initiatives and programmes that foster inclusivity, diversity, equity and belonging for all team members. Our journey of culture transformation will ensure further positive changes in gender balance as we implement all aspects of our **Vitalograph 26** strategy, and beyond, as we look forward to our next four-year strategy (2027 – 2030).

What our data says about us

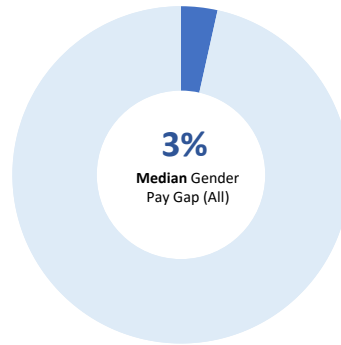
Our results are based on workforce data as of 30th June 2024:



Gender Pay Gap

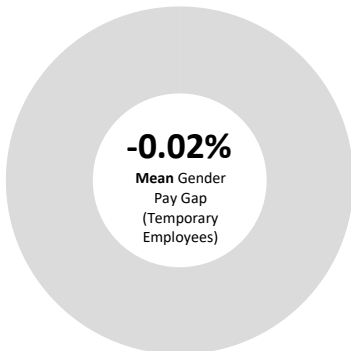


The overall mean pay gap is 13.5%, in favour of male employees. The mean gender pay gap compares the average hourly pay of females to that of males. It is calculated by adding all the hourly pay for each gender and dividing it by the number of employees grouped by that gender and expressing it as a percentage.

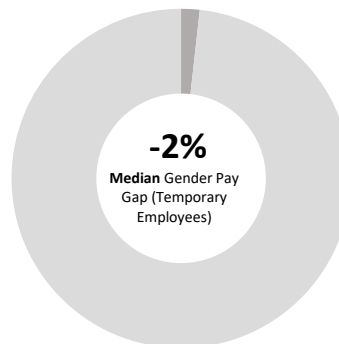


The median pay gap of 3% is the difference between the female median hourly wage (the middle-paid female) and male median hourly wage (the middle-paid male). The median hourly wage is calculated by ranking all employees, first by gender and then in ascending order by pay and taking the hourly wage of the male/female in the middle.

Temporary Employees Gender Pay Gap



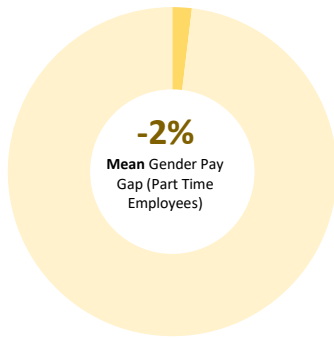
The mean gender pay gap for temporary employees is -0.02%. This indicates that the average hourly pay of temporary female employees is approximately equal to that of temporary male employees.



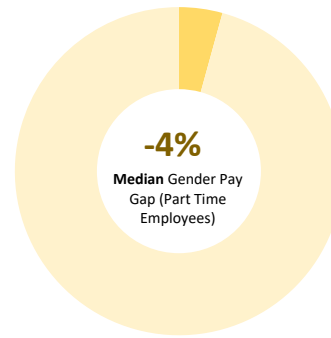
The median gender pay gap for temporary employees is -2%. This shows that the temporary female median hourly wage (the middle-paid female) is 2% greater than the temporary male median hourly wage (the middle-paid male).

Metric	2024	2023
Temporary employee (Mean)	-0.02%	-0.2%
Temporary employee (Median)	-2%	-2%

Part Time Employees Gender Pay Gap



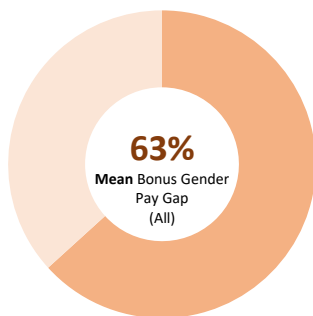
The mean gender pay gap for part time employees is -2%, showing that the average hourly pay of part-time female employees is 3% greater than part-time male employees.



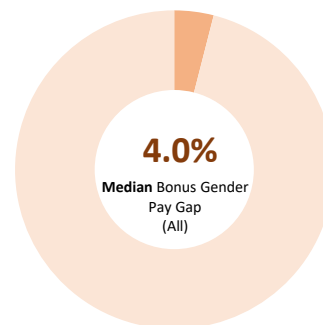
The median gender pay gap for part time employees is -4%. This shows that the part-time female median hourly wage (the middle-paid female) is 4% greater than the part-time male median hourly wage (the middle-paid male).

Metric	2024	2023
Part time employee (Mean)	-2%	-3%
Temporary employee (Median)	-4%	11%

Bonus Gender Pay Gap



The mean gender bonus pay gap of 63% shows the difference in the average bonus received by both male and female employees. This means that the average male employee in Vitalograph earned approximately 63% more than the average female employee in bonuses. This is influenced largely by historic agreements as well as discretionary bonuses applicable to specific roles. For example, employees in our production department received a time and attendance bonus, while other employees received once-off discretionary bonuses.

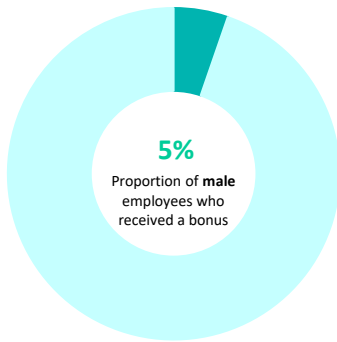


The median bonus gap of 4% shows the difference in the "middle" male's and "middle" female's bonuses. Like the median pay gap, the "middle" male or female in this case, is identified by ranking all bonuses across the organisation in ascending order and taking the amount in the middle.

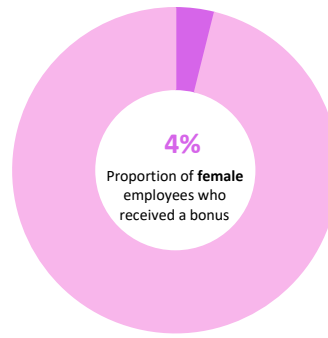
The median bonus pay gap shows that the bonus paid to the middle ranking male recipient is 4% greater than the bonus paid to the middle ranking female bonus recipient.

Metric	2024	2023
Bonus pay gap (Mean)	63%	51%
Bonus pay gap (Median)	4%	-38.9%

Proportion Paid Bonuses



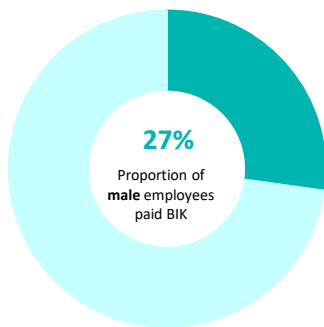
This sets out the proportion of male employees (5%) across the organisation who received any form of bonus. "Bonus" for this purpose includes once-off discretionary performance bonuses as well as historic time and attendance bonuses to employees in our production department.



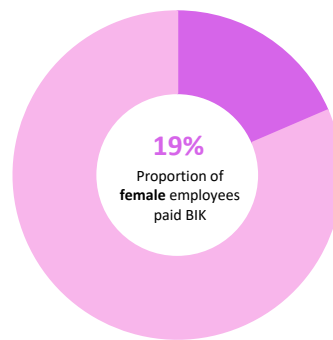
This sets out the proportion of female employees (4%) across the organisation who received any form of bonus. "Bonus" for this purpose includes once-off discretionary performance bonuses as well as historic time and attendance bonuses to employees in our production department.

Metric	2024	2023
Proportion Paid Bonuses – Male	5%	16%
Proportion Paid Bonuses – Female	4%	17%

Proportion Paid Benefit In Kind



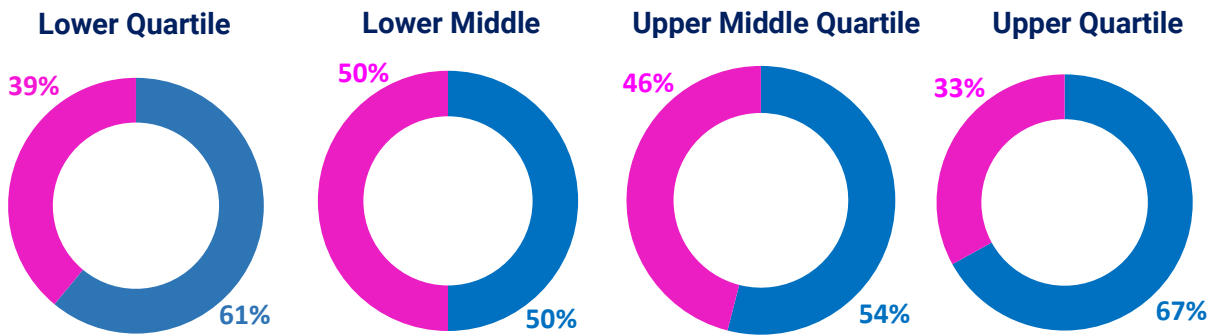
This sets out the proportion of male employees (27%) who are in receipt of non-cash, voluntary benefits of monetary value – for example, health insurance.



This sets out the proportion of female employees (19%) who are in receipt of non-cash, voluntary benefits of monetary value – for example, health insurance.

Metric	2024	2023
Proportion Paid Benefit in Kind – Male	27%	41%
Proportion Paid Benefit in Kind – Female	19%	27%

Quartiles



Each quartile represents a quarter of our workforce, ranked from the lowest-paid quartile to the highest-paid quartile on an hourly remuneration basis. Within each pay quartile, we set out the percentage of people who are men and the percentage who are women. Looking at the proportion of men and women in each quartile shows the gender representation at different levels of the organisation.

Our data show that 63% of the workforce in Vitalograph (Ireland) Limited is male. Additionally, more males occupy the higher paying roles in the organisation, contributing to the gender pay gap. Vitalograph (Ireland) Limited is committed to continuing making significant progress in lowering this percentage and achieving gender balance.

Percentage of employees	2024		2023	
	Men	Women	Men	Women
Lower Quartile	61%	39%	63%	37%
Lower Middle	50%	50%	46%	54%
Upper Middle Quartile	54%	46%	57%	43%
Upper Quartile	67%	33%	72%	28%

Action plan

We acknowledge that closing the gender pay gap is not something that can be achieved rapidly in one or two years. That said, Vitalograph (Ireland) Limited welcomes the fact that our mean gender pay gap has decreased by 5.5% in 2024 (from 19% to **13.5%**). The median gender pay gap decreased by 7% (from 10% to **3%**). It will take ongoing efforts to further narrow the gap by progressing our Diversity, Equity and Inclusion (DEI) initiatives along with specific people and culture policies that have been implemented over the past two years. To maintain momentum in addressing the gender pay gap, we will continue to focus on the following initiatives:

Diversity, Equity and Inclusion (DEI)

We continue in our drive and commitment to providing equality of opportunity and ensuring that no employee receives less favourable treatment. We recruit, develop, and promote across all diversity dimensions and career levels throughout Vitalograph. We aim to positively influence social, environmental, and economic conditions for our employees, and by extension the communities where we live and work. We stand up for what is right and treat everyone with integrity and respect in line with our core values.

Building on the work undertaken in 2024, our Diversity, Equity and Inclusion employee resource group continues to undertake initiatives to foster awareness of how behaviours, attitudes and values across the workforce

impact our culture and equip employees to critically think about generational differences, stereotyping, prejudice, bias and discrimination.

Our DEI calendar of events, *Caleidoscope*, highlights all initiatives that are being supported and championed by Vitalograph, including International Women's Days, Pride, Diwali, amongst others.

CALEIDOSCOPE

▲ EQUALITY ▲ INCLUSION ▲ DIVERSITY



Global People & Culture Operations

Starting without a formal HR function in 2022, Vitalograph now has a global HR team working across our locations in Ireland, UK, Germany, USA and Japan. With functional specialisms in talent acquisition, business partnering, learning and development, data and analytics, the Vitalograph HR team oversees a range of policies that accommodate flexibility, hybrid working, dignity at work, maternity leave, paternity leave and parent's leave. We have an educational assistance programme in place for all employees. We offer coaching as part of our leadership development programmes. We also have an Employee Assistance Programme in place for all employees.

As Vitalograph scaled over the past three years, the complexity of managing different HR applications for recruitment, pre-boarding, onboarding, performance, engagement, talent management, and offboarding became inefficient and costly due to lack of integration, with disparate data sources and no single repository incorporating all employee life cycle activities. This placed a heavy emphasis on manual administration, taking up a considerable amount of HR time and effort.

In January 2025, a new HR Information System is being launched. This will offer resilient, agile technology that wraps all the complexities of HR processes into a user-friendly tool linking every employee (people manager and individual contributor) across the business. From automating routine HR tasks and providing data-driven insights for strategic decision-making, Vitalograph looks forward to the following HRIS implementation benefits:

- 1. Efficiency and accuracy gains:** Automating time-consuming processes, reducing the likelihood of human errors, allowing the HR team to focus on strategic culture and engagement initiatives.
- 2. Enhanced employee experience:** Employee Self-Service feature will enable and empower employees to manage their information, promoting engagement and satisfaction.
- 3. Data-driven decision-making:** Providing analytics and reporting tools that enable data-driven decision-making in workforce planning, talent management, and performance evaluation.

This important piece of information architecture will provide critical support to people operations across Vitalograph. It will deliver an opportunity to understand more fully gender pay disparities and implement more targeted compensation and benefits practices across all areas of the business.

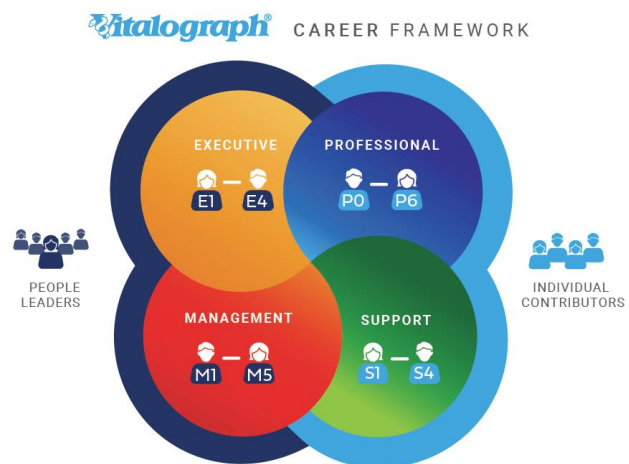
Leadership development competency model – the VITAL Way

The VITAL Way is Vitalograph’s leadership development framework. Initially introduced in 2023, the framework incorporates five core dimensions: Vision, Inspiration, Trust, Accountability and Learning. The framework emphasises the importance of building strong relationships, fostering a culture of trust and respect, and empowering team members to take ownership of their work. It’s designed to help leaders at all levels of the organisation, whether they are an individual contributor, new to leadership or experienced managers. In 2024, the Vital Way was delivered across all Vitalograph locations globally. In 2025, the Vital Way will be further refined with manager labs and team culture labs being rolled out across our workforce. The curriculum for these workshops will include segments on managing unconscious bias and promoting diversity.



Career framework

The Vitalograph career framework was launched in 2024. It’s how we categorise and classify jobs across all business functions and geographies. The career framework places jobs in career levels based on employee skills, competencies, and career attributes. The framework provides support to all our people and facilitates career conversations on progression opportunities across Vitalograph. Individual Development Plans (IDPs) are implemented based on aligning business needs and role requirements with the aspirations, capabilities and track records of our workforce.



Culture survey

Empowering our employee voice is critical to our continued business success and ensuring all our people feel a sense of belonging driven by our values and mission. Based on an organisational culture survey conducted in late 2022, Vitalograph identified key focus areas to address specific aspects of our culture. The survey data has been rich and invaluable in developing initiatives to grow our business and build relationships—not only among ourselves, but also with our customers and suppliers. The action plans arising from the survey align with our overall V26 business strategy and will continue to evolve in 2025, particularly in relation to implementing our internal communications playbook. Our recently hired internal communications executive will play a key role in information sharing and reflecting the voice of employees across the organisation. A culture survey will be launched in 2025 to reflect and measure employee sentiment over the course of **V26** – our 4-year growth journey.

Employee recruitment, development and retention

Launched in 2023, our learning experience platform – Vitalograph Centre of Learning – is used to internally create, distribute, and manage the delivery of educational content across the business. We will continue to use our learning platform to educate and raise awareness of diversity, equality, inclusion and belonging across the workforce. Our recruitment and promotion procedures are competency and merit based. We promote diversity and equality when recruiting both internally and externally. We strive to have a gender balanced interview panel for all interviews.