

Diversity, Equity & Inclusion at Takeda

Our 2024 UK Gender Pay Gap Report

March 2025



At Takeda, we strive to have a workforce as diverse as the patients we serve. We are committed to embracing differences, exploring possibilities, and developing our colleagues. In January 2025, Takeda in the UK achieved Top Employer certification for the fifth consecutive year, whilst globally, Takeda achieved Top Employer certification for the eight consecutive year, demonstrating our efforts to foster collaboration and innovation among people from all backgrounds.

Guided by our values: Integrity, Fairness, Honesty, and Perseverance, and prioritising Patient-Trust-Reputation-Business, Takeda ensures that every decision and action aligns with its core principles. Success is tied to the creation of an inclusive environment where colleagues, regardless of background factors like gender, age, nationality, race, religion, belief, disability, sexual orientation, gender identity, or lifestyle, feel welcomed, empowered, and inspired.

Takeda's cultural vision centres on providing each colleague with the opportunity to thrive and grow based on merit, potential, and aspiration. This commitment to fairness, equal opportunities and professional development is crucial in fostering an innovative environment that serves patients, customers, and communities effectively.

By emphasising the importance of individual voices and talents, Takeda is poised to contribute to the pharmaceutical industry's advancements. The organisation's holistic approach, integrating business success with ethical practices and patient-focus, sets a positive example for creating a workspace that champions diversity, equity, inclusion, and integrity.

To support this goal, we have an inclusive talent strategy which:

- Guides hiring managers to recruit talented and qualified people from all walks of life.
- Offers our people customised, creative opportunities to develop skills.
- Creates a sense of belonging, and safe-guards diversity, equity and inclusion through meaningful policies and procedures.
- Develops flexible career development options.
- Delivers equal career opportunities for all employees.

The gender pay gap provides an opportunity for us to measure our progress against our cultural ambition, specifically our ability to attract, retain and develop women at all levels within Takeda. We are pleased to have this data for the fourth time as an organisation and we will continue to use it to design initiatives and track progress to reduce our pay and bonus gaps over time.

What is a 'gender pay gap'?

A gender pay gap is a measure that shows the difference in average earnings between all women and men in an organisation, considering applicable pay and bonuses. This is different from equal pay, which looks at whether men and women doing equal work are paid the same.

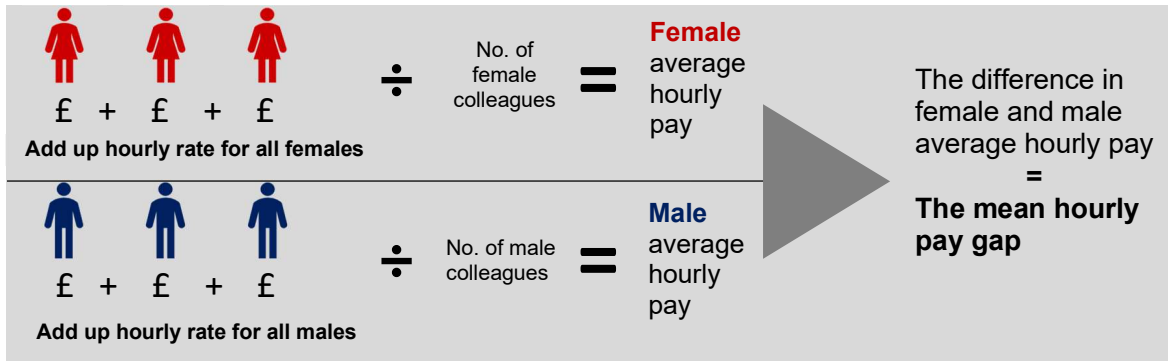
Legislation states that all UK employers (legal entities) with 250 or more 'relevant employees' (typically who ordinarily work in the UK and whose contracts are governed by UK legislation) must report on six statistics:

1. The difference in mean 'hourly rate of pay' between male and female 'full pay relevant employees'
2. The difference in median 'hourly rate of pay' between male and female 'full pay relevant employees'
3. The proportion of men and women in each hourly pay quartile
4. The difference in mean 12 month 'bonus' pay between all male and female 'relevant employees'
5. The difference in median 12 month 'bonus' pay between all male and female 'relevant employees'
6. The proportion of men and women receiving bonuses (% of total relevant employees)

Measuring Gender Pay

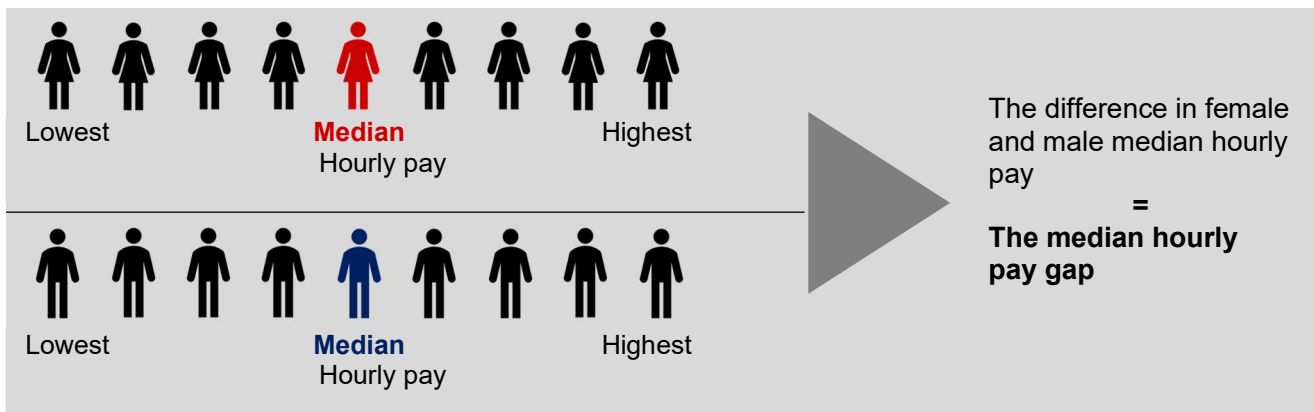
What is the mean hourly pay gap?

The mean pay gap is the difference between the average hourly rates of pay for female employees, compared to the average hourly rate of pay for male employees.



What is the median hourly pay gap?

If you lined up female and male employees from the lowest to the highest hourly paid, the median hourly pay gap represents the difference in hourly pay between the middle female employee, compared to the middle male employee.



What are pay quartiles?

Under the regulations, all companies required to report must publish the results of their gender distribution across their range of hourly pay rates. This is achieved by ranking employee pay rates from highest to lowest and dividing the range of pay into four equally sized groups that cover all employees. These groups are referred to as quartiles. Employees are then positioned in their respective pay quartile, regardless of gender.



Our 2024 UK gender pay gap results.

Pay and bonus gaps

	Takeda UK Ltd		Market	
	MEDIAN	MEAN	UK 2023 MEAN	*INDUSTRY 2023 MEAN
2024 Pay Gap	7.1%	10.5%	11.7%	14.4%
2024 Bonus Gap	26.4%	28.9%	29.5%	30.2%

*Wholesale Pharmaceutical Goods Industry

As at 04/03/2025. Figures are based on April 2023 gender pay gap reporting, as many organisations are yet to publish their April 2024 statistics. For the market data, the median of the mean has been shown.

Changes between 2023-2024

We note that the median hourly pay gap (7.1%) has risen slightly compared to 2023 (5.4%) whilst the mean has remained consistent (10.5%). It is worth noting that although there has been an increase in the percentage of women represented in the upper quartile compared to 2023, mean pay for males has risen at a higher rate than females in the upper quartiles. Whilst the median bonus gap (26.4%) has fallen slightly compared to 2023 (28.9%) and significantly compared to earlier years: 2021 and 2022. We note there has been an increase in our mean bonus gap this year (28.9%) compared to last year (11.2%). Due to the relatively small employee population, yearly fluctuations are common as shifts in population distribution or pay levels can have a significant impact on the averages. As the bonus statistics use data from April 2023 to April 2024, these figures represent historic data and patterns and recent changes to Takeda policy or distribution may not be reflected. We note that our annual bonuses are paid in June each year, therefore may not be reflective of the increased female representation in the upper pay quartile as at April 2024.

How our numbers compare

We are pleased to report that our mean hourly pay gap continues to remain lower than the average UK hourly pay gap and the Wholesale Pharmaceutical Goods industry, and our mean bonus gap also is slightly lower than the average UK bonus pay gap, and the percentage reported for Wholesale Pharmaceutical Goods industry. This is a positive trend and indicates that we are continuing to move in the right direction.

Bonus-eligible employees

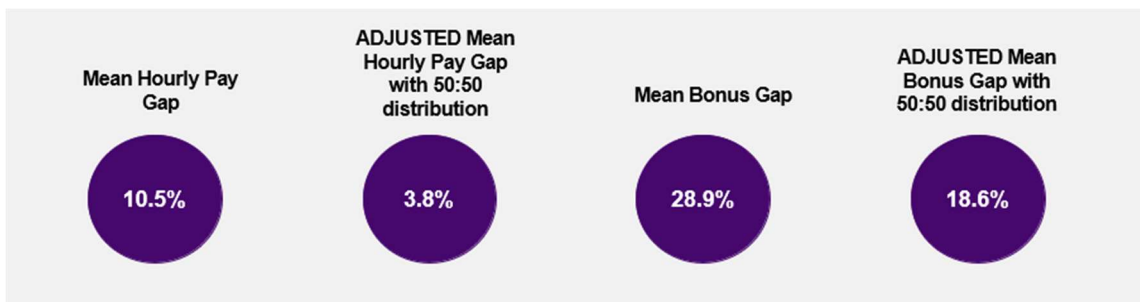
Our gender bonus gap is a measure of what employees were paid in bonus in the 12 months from 6 April 2023 to 5 April 2024. Our 2024 data shows that we have an almost equal number of male (90.1%) and female (89.7%) employees that received bonus payments.

Removing the distributional impact with 50:50

We can see the pay gap figures represented are better than the UK and industry average; however, we have chosen to run additional 50:50 analysis to better understand the drivers of these gaps. Primarily, our hourly pay gap is driven by the distribution of men and women at different levels in our organisation, rather than by pay equity issues. This distribution also influences the size of our bonus gap. If we were to remove the distributional impact by modelling having an equal proportion of men and women at each level of Takeda this would remove the portion of the gap attributable to employee distribution and reduce the mean bonus gap

The mean pay gap falls from 10.5% to 3.8% when we run this additional analysis. This confirms that distribution explains a large portion of existing pay gaps rather than any pay inequity, although this persists even after controlling the distribution.

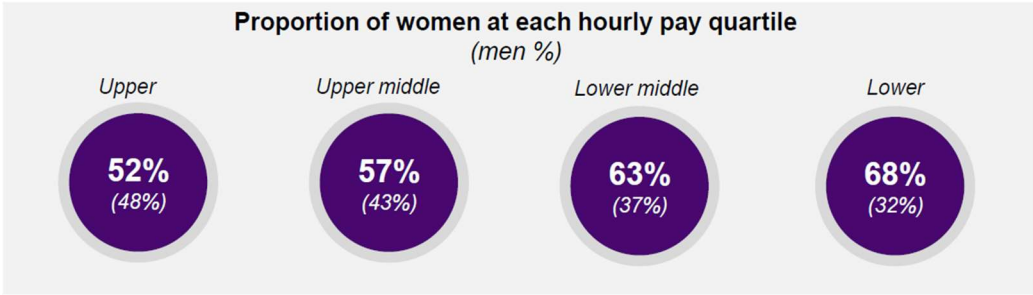
The mean bonus gap falls from 28.9% to 18.6%. This indicates that whilst distribution is responsible for part of this gap, there are other factors which also contribute to this.



Gender distribution across each pay quartile

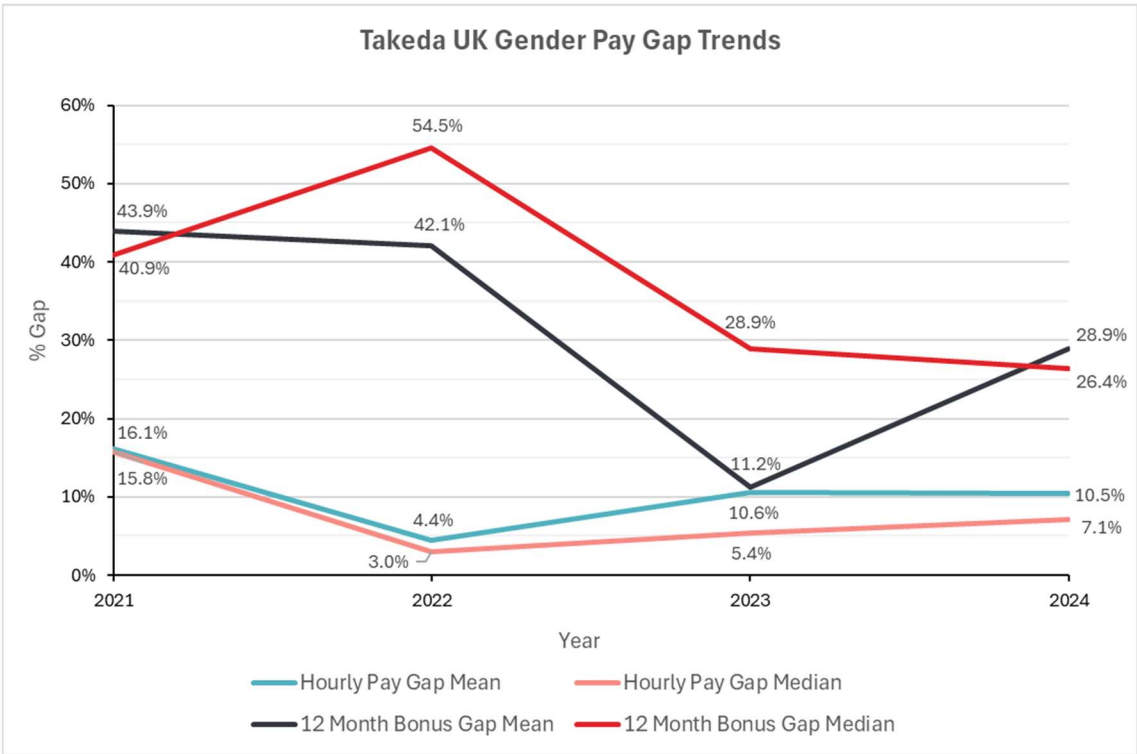
The figures presented below are four groups of equal size, ranging from the lowest to highest paid employees at in Takeda UK. These groups are called pay quartiles and the percentages displayed represent the balance of male and female employees in each pay quartile.

As shown, we have greater representation of females across each pay quartile, including the upper pay quartile, which is reflective of the female population across the entire organisation. Employees within the upper pay quartile are often individuals who hold a senior position within the organisation and have leadership responsibilities. When considering the changes from 2023-2024, there has been an increase from 49% to 52% females in the upper quartile and a fall in proportion of women in the lower quartile from 75% to 68%. We know that we have almost an equal percentage of male and female employees who receive a bonus and with a more equal distribution of male and female employees in senior positions, we can ensure any gaps are minimised for both pay and bonus, which we expect to see materialise as we continue to report our gender pay gap. We are proud with our results for 2024, but we recognise that we must maintain this level of improvement.



Changes across 2021-2024

The median hourly pay gap has both risen slightly compared to 2023 whilst the mean has remained consistent. Although there has been an increase in the percentage of women represented in the upper quartiles compared to 2023, mean pay for males has risen at a higher rate than females in the upper quartiles. Whilst the median bonus gap has fallen slightly compared to 2023 and significantly compared to 2021 and 2022, there was a significant increase in the mean, as explained above. Due to the relatively small population, yearly fluctuations are common as shifts in population distribution or pay levels can have a significant impact on the averages. When we look at our trending over the last four years, which is how long we have been reporting on our gender pay gap, we can see a positive trend overall, as shown here.

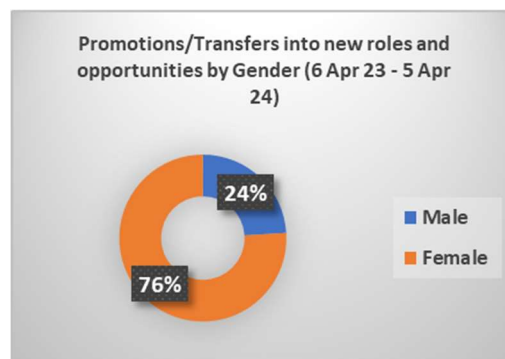


Looking forward: 2025 and beyond

Nurturing and celebrating our diverse workforce equitably through a culture of continuous learning & development, inclusivity, and wellbeing, enabling our people to grow and achieve their fullest potential is the foundation of our people strategy. The gender pay gap is one measure for how we are tracking and as such our UK leadership team is fully committed to making sustainable change. Whilst we recognise that our figures may fluctuate year to year due to our relatively low reporting numbers, we strive to take the right steps as a values-based employer to reduce our pay and bonus gaps over time. Looking at our latest set of results, we believe the way we develop talent and ensure our people have equitable access to career and progression opportunities is working well and some of the steps we've already taken as a business further demonstrate this, including:

The data indicates a positive trend for women in terms of promotions and transfers into new roles, suggesting progress towards closing the gender pay gap:

- **6 Apr 2022 - 5 Apr 2023:**
 - Females accounted for 61% of the promotions/transfers (23 out of a total of 38).
- **6 Apr 2023 - 5 Apr 2024:**
 - Females accounted for 76% of the promotions/transfers (31 out of a total of 41).



There is a marked increase in the percentage of opportunities going to females from one period to the next, rising by 15 percentage points. Also, the overall number of promotions/transfers increased by 3 from April 2022-2023 to 2023-2024. This trend highlights an improvement in gender diversity and opportunities for women within Takeda UK.

Networks and Allyship

We also want to improve diversity, equity and inclusion education and awareness throughout Takeda. To do so, we have:

- Takeda Resource Groups (TRGs). TRGs are voluntary, employee-led internal networks for individuals who share aspirations, characteristics, and life experiences, alongside allies and advocates for positive change. Examples of TRGs around the world include Gender Parity Network Takeda Resource Group and Take Pride.



- Supported membership of several national and international female networking organisations (such as the Professional Women's Network and the Healthcare Businesswomen's Association).
- Aligned with the United Nations' Sustainable Development Goals of Gender Equality and Decent Work and Economic Growth, with a pledge to increase gender equality across the world on International Women's Day.
- Introduce a female mentorship programme, through our Global Gender Parity Network once this is launched.
- Leverage our 'ConnectMe' mentoring programme, a local programme that is open to all.

Attracting, retaining, and developing female colleagues

We know that the primary driver of our data is gender distribution across Takeda. So, we have introduced a series of initiatives which aim to improve this over time, such as:

- Inclusive hiring practices.
- Inclusive performance management practices.
- A robust and fair performance management process, with checks and balances that assess our pay and bonus decisions by gender.
- "Quality Conversations", which actively encourages two-way communications between every employee and their manager to identify areas of growth and progression, as well as promoting the opportunity to deliver concise feedback.
- Access to unlimited learning and development resources to support employees in their development journey.
- Negotiation in the workplace training piloted in 2023 with a view to rolling this out further.
- Launch of our new career development framework in November 2024.

Flexibility

Finally, we want to create a more flexible and inclusive working environment, recognising this is an evolving journey. Putting flexibility into practice can look different for every employee depending on their personality, what team they are in and their role. Because of this, we encourage employees to shape their own flexible work style. So, we offer:

- Flexible working arrangements through hybrid working, as well as providing family leave to support working parents.
- Competitive pay and benefits for maternity and adoption leave, with further family leave provisions introduced in April 2024.

Overall, Takeda is dedicated to fostering a diverse, equitable, and inclusive workplace, aligning with its core values. It has continued to achieve Top Employer certification in the UK and globally. The 2024 UK Gender Pay Gap Report shows a mean bonus gap of 28.9% and a mean pay gap of 10.5%, both below national and industry averages which strongly indicates we are moving in the right direction. Takeda is constantly and actively working to improve gender distribution and reduce pay gaps through inclusive hiring, performance management, and flexible work arrangements. The company prioritizes equal opportunities and professional development with initiatives like mentorship and career development frameworks. Despite fluctuations in pay gap figures due to a small employee population, Takeda is committed to sustainable change and continuous improvement in diversity, equity, and inclusion.

Understanding the figures

Defining gender pay gap

Gender pay gap is a measure of the difference in average earnings between all men and women in an organisation, accounting for applicable pay and bonuses received. It is a collective comparison regardless of specific roles.

Defining gender bonus gap

Gender bonus gap is a measure of the difference between the bonus pay of all men and women during the year, divided by the bonus pay of all men.

A negative gender bonus gap would reflect that the bonus pay for men is less than the bonus pay for women.

What is meant by the mean hourly gap?

The mean hourly gap is a comparison of the female and male hourly pay mean.

What is meant by the median hourly gap?

The median hourly gap is the difference in hourly pay between the middle female employee, compared to the middle male employee if you lined them up from the lowest to the highest hourly pay.

What is the mean bonus gap?

The mean bonus gap is the difference between the average bonus pay of eligible female employees and the average bonus pay of eligible male employees, expressed as a percentage.

What is the median bonus gap?

The median bonus gap is the difference in bonus pay between the middle eligible female employee, compared to the middle eligible male employee if you lined them up from the lowest to the highest.

What are quartiles and why are they used?

UK legislation requires all companies to publish the results of their gender distribution across their range of hourly pay rates. This is achieved by ranking employee pay rates from highest to lowest and dividing the range of pay into four equally sized groups that cover all employees. These groups are referred to as quartiles.

What do gender pay gap calculations include?

The gender pay gap calculations are based upon the hourly equivalent of any pay received by employees during the pay period covering 5th April 2024, inclusive of:

- Salary
- Other cash allowances
- Bonus paid during the 5th April 2024 pay period (pro-rated)

These payments are added up and then divided by the total number of hours worked during the month for each employee to determine their hourly rate of pay.

It is important to note that any employees who were being paid at a reduced rate during April 2023 to April 2024, because of being on leave (e.g., maternity leave, parental leave, or sickness leave) are not included as part of the gender pay gap calculations. They are, however, included in the gender bonus gap calculations.

What do gender bonus gap calculations include?

The gender bonus gap calculations are based on what the employees were paid in bonus in the 12 months from 6 April 2023 to 5 April 2024*. This total is inclusive of any monetary award, such as cash bonuses, vouchers or shares with the company, commission, profit sharing or referral bonus.

* For our short-term incentive plans (STIP) at Takeda, our cash bonuses are paid out in June every year, therefore the timeline for the bonuses captured in the analysis is from June 2022 to June 2023, given the reporting window only goes to April 2024, therefore we are unable to include data from June 2024.