Cerner UK Gender Pay Gap Report for 2021

As a global health IT consultancy company, Cerner contributes to the health and care of people from all corners of the world. To be successful in our mission of relentlessly seeking breakthrough innovation that will shape tomorrow's healthcare, we need to reflect on the customers and communities we serve, and foster a work environment where associates of all cultures, backgrounds and viewpoints are able to bring their best selves to work and unleash their full potential.

What is 'gender pay gap' and is it different to equal pay?

The gender pay gap is not the same as equal pay. Equal pay deals with the pay differences between men and women who carry out the same jobs, similar jobs or work of equal value.

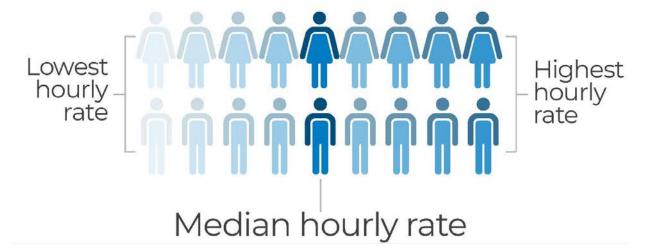
The gender pay gap shows the difference in the average pay between all men and all women, across all jobs, and at all levels within an organisation, irrespective of role or seniority. This is expressed as a percentage of men's earnings, e.g. using the national mean, women earn 14.9% less than men.

The data required for reporting purposes is based on hourly rates of pay at the 'snapshot date' of 5 April 2021. The bonus gap data is based on bonus payments for the 12 months up to 5 April 2021.

Measuring the gender pay gap

Median pay gap

The median represents the middle point of a population. If you had in a row – from the highest to the lowest – all the women's hourly rates of pay at a company and in another row, all the men's hourly rates of pay, the median pay gap is the difference between the middle female's hourly rate of pay compared to the middle male's hourly rate of pay.



Mean pay gap

The mean gender pay gap is the difference between the average hourly rate of pay for women, compared to the average hourly rate of pay for men within a company and expressed as a percentage.



Because different jobs pay differently and the number of men and women performing these jobs varies, a gender pay gap will exist.

Our pay gap

In the UK, Cerner has a mean (average) gender pay gap of 5.2% (a decreasing trend, down from 11.3% in 2019 and 8.3% in 2020), meaning that on average, our female employees' hourly rates of pay are 5.2% lower than our male employees' hourly rates of pay. This is smaller than both the national mean of 14.9% and our industry mean of 14.2%. Our median (middle) gender pay gap is 5.5% (another decreasing trend, down from 13.2% in 2019 and 9.3% in 2020). We are pleased that our mean and median gaps have reduced from the previous years, and we will continue to review our processes and policies to determine further ways to reduce this going forward.

Recruitment and retention of the best talent is critical for the success of our business, and we will continue to identify talent and nurture it in all employees so that they can reach their full potential.

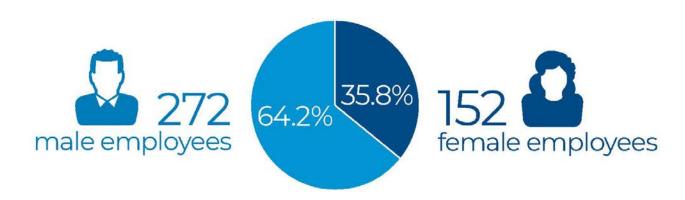
We also know that having diversity in the business, from entry level to senior positions, will achieve greater gender parity. We continue to set a positive example of this by maintaining equal representation of men and women on our UK cabinet. Our Diversity and Inclusion team remain committed to raising awareness and encouraging discussions at work, related to diversity, inclusion and equity. An enterprise-wide dedicated internal social platform called 'Women in Action' was created in July 2020 aimed at promoting a collaborative, inclusive, and respectful work environment for women and allies. This platform offers a safe space for all to share, connect, inspire and celebrate women internationally.

Gender pay gap	Mean (Average)	Median (Middle)
Cerner UK gender pay gap	5.2 %	5.5%
	Lower	Lower
UK gender pay gap (all industries and services)	14.9%	15.4%
*	Lower	Lower
Industry-specific gender pay gap	17.2%	21.9%
(Information and communication industry) *	Lower	Lower
Industry-specific gender pay gap (Computer programming, consulting & related activities) *	14.2% Lower	19.3% Lower

*Source: Office for National Statistics: Annual Survey of Hours and Earnings: 2021 provisional

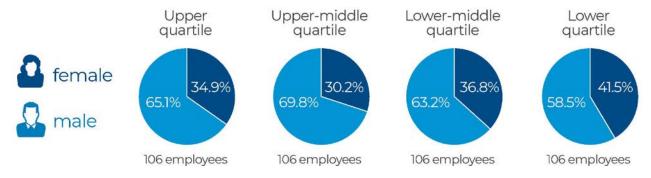
Our workforce

The total UK Cerner workforce of 424 employees at the 'snapshot date' of 5 April 2021 is illustrated in the diagrams below and is expressed as both a number and a percentage.



Our pay quartiles

The quartiles are calculated by listing the hourly rate of pay for each employee in order of increasing value. The list is then divided into four groups, each with an equal number of employees (or nearly equal if there is an odd number).



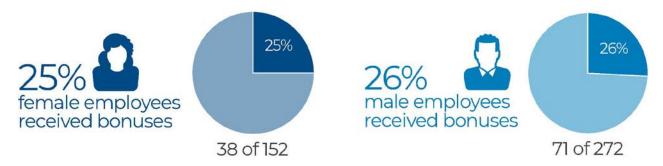
Our lower and lower-middle pay quartiles continue to have closer balance than our overall workforce gender split. Our upper quartile closely reflects that of our overall workforce, and our upper-middle quartile is where we have the biggest variance of female versus male representation. Since the previous results, our biggest shift is reflected in the upper quartile with an increase of 4.1% of female employees.

Our bonus gap

Gender bonus gap	Mean (Average)	Median (Middle)
Cerner UK gender bonus gap	32.8%	4.6%
	Lower	Lower

Our bonus scheme is only applicable to employees who hold particular jobs. Additionally, employees in senior management and leadership positions participate in a bonus scheme that includes stock options. Employees with stock options can exercise their options at any time upon vesting and this will have an impact on the bonus pay gap figure.

Proportion of employees from total workforce receiving a bonus in 2020/2021.



Our focus

2020/2021 was a challenging year for all due to the global pandemic where we saw many changes to how we live and work. During the pandemic, we came to recognise the benefits of flexible and hybrid working practices in helping to attract and retain a workforce where we trust, empower and enable our employees to perform effectively, wherever they work from. This widespread approach to flexible working supports our efforts to narrow the gender equality gap. Typically, mothers consider a reduction in hours or a gap in employment to assist more with home-family life; however, flexible hybrid working is an equal option for all and can encourage parents to plan a more balanced approach to support the family at home while working. With more women having the opportunity to remain at work and progress in their roles, we should start to see more female leaders developing their careers, which will positively influence other women at all levels within the workplace, and in turn reduce the gender pay gap.

We will also continue to focus on ways to ensure that there are equal job and career opportunities for everyone and understand the positive impact that a diverse and inclusive workforce can have in attracting, growing and retaining talent. Leveraging the Women in Action social platform to advertise our internal job opportunities is just one way to support this initiative.

A review of our jobs framework took effect in mid-2021 and we expect to see this introduce future internal movement and aligned career progression as employees gain transparency of job expectations and skillsets for success. Establishing clear pathways for growth in the individual contributor stream – as well as a managerial stream – will

be pivotal to demonstrating that there are multiple ways to advance within the company.

Our fair and consistent recruitment processes will continue to be reviewed to broaden candidate pools suitable for a hybrid working environment. We use inclusive and gender-neutral language in our job adverts, as well as promote flexible working considerations to ensure that we are inclusive in our candidate pool. We also enforce vigorous training of all interviewers and hiring managers.

We are a performance-driven company, and we reward our employees based on the results they deliver and how these are achieved. Our approach to assessing performance and awarding promotions will continue to be a thorough and in-depth process that ensures consistency and sound decision making across the organisation.

Our goal remains that Cerner in the UK reflects the people and communities we serve, not just because it is the right thing to do, but because gender balance, inclusion and diversity are critical to us becoming the highest performing organisation we can be.

We are committed to ensuring that Cerner in the UK is an employer of choice for all who share our vision of a seamless and connected world where everyone thrives.

I, the undersigned, confirm that the information reported is accurate and meets the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

Distie Profit, Managing Director,

Cerner United Kingdom.

Dista 207, W

To find out more about the gender pay gap and recent legislation, visit: https://www.gov.uk/guidance/gender-pay-gap-reporting-overview.

Previous reports

Cerner UK Gender Pay Gap Report 2017

Cerner UK Gender Pay Gap Report 2018

Cerner UK Gender Pay Gap Report 2019

Cerner UK Gender Pay Gap Report 2020