



MSD Australia: Gender Pay Gap Employer Statement 2025

At MSD, we are committed to fostering a workplace environment that promotes gender equity and empowers all individuals to thrive and succeed.

As part of our ongoing commitment to promoting diversity, we have placed significant emphasis on addressing the issue of the Gender Pay Gap. From 2015, we have conducted annual pay gap analyses, and pay equity is systematically evaluated at every stage of the employee life cycle. We have also enhanced our parental leave benefits for all caregivers regardless of gender and implemented new procedures such as assessing participation in talent development programs, while ensuring compliance with legislative reporting obligations.

We are firm believers that publishing and being transparent about our Gender Pay Gap will not only help hold ourselves accountable but also encourage other organisations and society to actively work towards creating meaningful change towards equal pay.

MSD strives to balance the scales of equality, so that everyone irrespective of gender will have an equal chance to contribute both at home and in the workplace, enhancing their individual wellbeing, and our community.

We will continue to collaborate as a community with the support of our Employee Business Resource Groups (EBRGs), core values and our integrated DE&I business strategy.

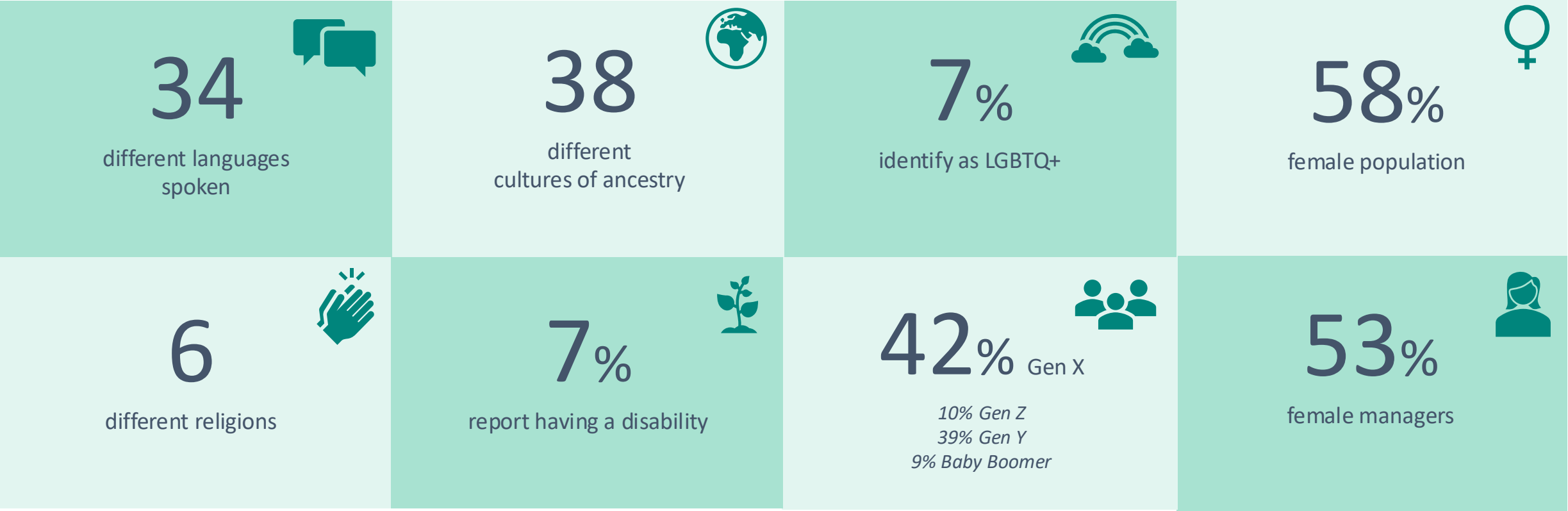
Enterprise Leadership Council

Eric Flanagan
Kristy Montague
Matthew Oram
Thuy Vo

Locky McIntosh
Lisa Onsley
Chifumi Umeda



DE&I Landscape at MSD Australia



At MSD we believe there is strength in differences. We are deeply committed to fostering an inclusive environment that embraces and values the varied skills, experiences, backgrounds and cultural perspectives of everyone.

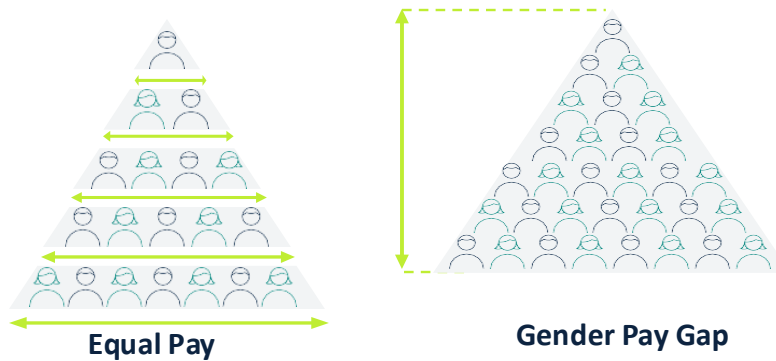
Understanding the Gender Pay Gap

Base Pay refers to the regular salary or wages that an employee earns before any additional compensation or benefits are added. It is the fixed amount paid to an employee for their work, typically expressed as an annual figure (for salaried employees) or an hourly rate (for hourly employees).

Total Remuneration (WGEA definition) includes all forms of compensation received by an employee, encompassing base pay plus any additional benefits. This can include bonuses, incentives, commissions, overtime pay, allowances, and non-financial benefits such as superannuation contributions, health insurance, and other perks.

When examining the results, it is important to understand that **equal pay is not the same as the gender pay gap**, and the two concepts should not be confused.

Equal Pay vs Gender Pay Gap

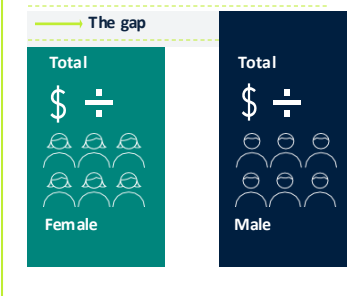


Equal pay requires that women and men carrying out the same or similar work in the same employment receive the same pay, and considers skills, qualifications, performance and other variables. At MSD we are committed to equal pay and take measures to ensure that we are paying employees fairly and equitably at every stage of the employee life cycle.

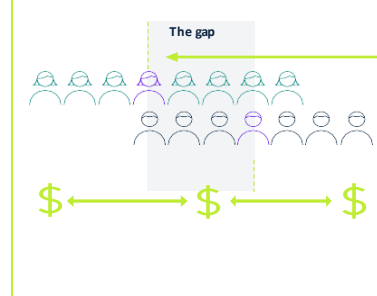
However, the **gender pay gap** measures the **difference** between the earnings of women and men across the business, regardless of the work they do. This is expressed in mean and median earnings, based on equivalent hourly rates, and is shown as a percentage of men's earnings.

Average or Mean: The average is calculated by adding up the total pay of employees and dividing by the number of employees. The calculation is completed separately for men and women and the means are compared.

Mean:



Median:



Median: The median is the middle number of a ranking of pay from lowest to highest and gives us the best view of 'typical' pay. The calculation is completed separately for men and women and the medians are compared.

Note: Gender Pay Gap legislative requirements are binary regarding gender (i.e., identifying as male or female). Whilst we are reporting our statistics in accordance with the legislation, here at MSD, we recognise and support all gender identities.



MSD Corporate Group Gender Pay Gap Results 2024

MSD Corporate Group Results

2024 Base Salary Gender Pay Gap

14.3% 8.8%
Mean Median

2024 Total Remuneration Gender Pay Gap

17.6% 7.3%*
Mean Median

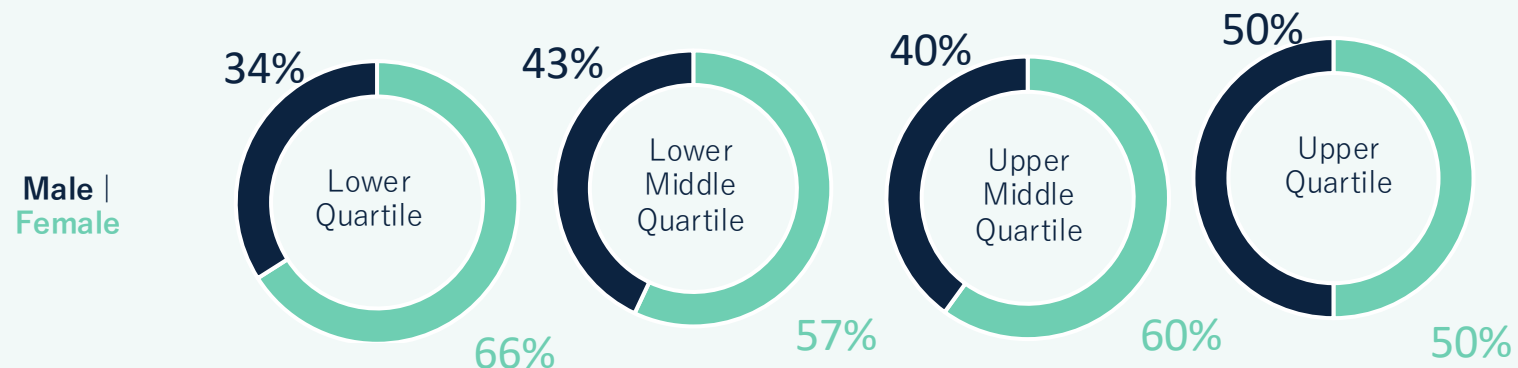
Our organisation within Australia is incredibly diverse, with our MSD Corporate Group data representing 3 separate legal entities across Human Health, Animal Health and Animal Health manufacturing, in both metropolitan and rural areas across the country.

*MSD's Gender Pay Gap is 7.3% compared to the Australia-wide gender gap of 18.3%.

As we reflect on the data, we know that making a meaningful impact takes both time and decisive action.

MSD is committed to being active allies by advocating for greater diversity and representation across our workforce.

Population by pay quartiles: Overall, our workforce is 58% Female and 42% Male.



What MSD is doing to make a meaningful impact

We are proud of our efforts. There is more work to do, and we are committed to closing the gender pay gap. In 2025, MSD will build on our progress with new and ongoing initiatives to amplify the voice of diversity and inclusion across our organisation.

Parental leave policy We are proud that all employees can take **12 weeks** of paid parental leave starting from their **first day of employment** for all family types.

Women in leadership In this reporting period, **two thirds of promotions** were attained by females. Our ongoing commitment to talent development is also evident with **53% of management** roles overall and **60% of senior leadership** roles being held by female employees.

Women in STEM In February 2025, representatives from our Women's Network, Next Gen Network and colleagues from across our organisation attended the inaugural **Girls to Graduates STEMM Camp** at Macquarie University. The team's presence at the industry booth provided valuable insights and fostered enthusiasm among the participants to explore exciting career opportunities in STEMM.

Family-Friendly Workplace We are proud to be a **certified Family Friendly Workplace**. This certification is a testament to our ongoing dedication to creating a workplace where all **employees feel valued, supported and empowered** to balance both their professional and personal lives.

Great Place to Work We are thrilled to be certified as a Great Place to Work[®]. This certification is as a result of feedback provided by our employees, and is testament to our strong team spirit, positive work environment, and relentless pursuit of excellence.

Gender Pay Audits We are committed to ongoing **regular assessment and analysis** of our pay structures to identify and rectify any unjust wage gaps. Pay equity is systematically evaluated at every stage of the employee life cycle, including new hires, lateral transfers, secondments & promotions. We also continuously monitor and adjust pay structures to ensure ongoing fairness and alignment with organisational values.

Employer of Choice for Gender Equality (WGEA) We are proud to have held the **Employer of Choice for Gender Equality** citation for thirteen years. This citation reflects our sustained dedication to key initiatives, including pay equity, the promotion of flexible work arrangements, and offering exceptional employee benefits.



What MSD is doing to make a meaningful impact

We are proud of our efforts. There is more work to do, and we are committed to closing the gender pay gap. In 2025, MSD will build on our progress with new and ongoing initiatives to amplify the voice of diversity and inclusion across our organisation.



Enterprise Learning Programs We continue to conduct a range of training programs to raise awareness about gender and other biases and promote an inclusive workplace culture, including unconscious bias training for all people managers.

Flexible Work Policies MSD has long had a commitment to **flexible work practices**, and we continue to **review and implement flexible work arrangements** to accommodate the diverse needs of our employee population.

Amplifying Employee Voices We are committed to **fostering a safe and supportive environment** for our employees to share and voice their concerns. Our annual engagement survey and Diversity, Equity & Inclusion surveys provides valuable insights into our employee's perspectives and helps shape our DE&I strategy.

Employee Business Resources Groups (EBRGs) In this reporting period, we launched our sixth EBRG. The capABILITY Network joined our Women's Network, Next Generation Network, Rainbow Alliance, Environmental Sustainability Team and our Interfaith Organisation. Our EBRGs are voluntary employee led groups based upon shared identities, experiences and allyship, and they play a critical role in driving an inclusive culture and supporting the career growth of employees.

Women's Network (WN) EBRG Our **Women's Network** EBRG aims to empower and support women to realise their full professional potential and achieve gender equity through all levels of the organisation. They aspire to be an engaged and influential community and business partner that unapologetically champions women, inspires them to be their authentic selves, fosters a sense of belonging, and supports their professional aspirations.