

## Our 2018 Gender Pay Gap Report

During 2018, we continued with our implementation of the company mission and vision which continues to place our people at the centre of everything we do.

The core principles of our human resources policy at Tata Steel UK are: equality of opportunity, continuing personal development, fairness, mutual trust and teamwork. These principles are underpinned by the five Tata Group core values: integrity, understanding, excellence, unity and responsibility.

Whilst, our gender pay gap remains low compared to national standard (17.9%), as a business we are working hard to improve the diversity of our organisation. Compared to the previous year, female representation has increased in the business to approximately 11%, as an organisation we believe there is more we can do to further improve.

During the year we have increased our presence on social media such as Facebook and LinkedIn, to attract candidates that may not have considered Tata Steel UK as their employer of choice. We have continued to develop our leadership and first line managers, recruit future talent through apprentices and graduates and continue to review professional development and training opportunities for all our employees. I continue to be delighted at the passion of our workforce who contribute their time in promoting the industry to school children and graduates through STEM events, representing the business at the National Council for Women, participating in the Auto Council Diversity and Inclusion Working Group, and many, many other events, with the aim of promoting the opportunities within the business.

Internally, the Steel Women's Network have held a number of events promoting opportunities in our industry for employees.

I believe that having a diverse workforce can bring many benefits to our industry. We are proud of our efforts, but we know there is more to do and as a result our focus will be on developing a roadmap which focuses on increasing diversity and inclusion within the business and monitoring our progress.

I confirm that the information contained in this report is accurate.



Tor Farquhar

Executive HR Director, Tata Steel UK Limited

## Our Results

Gender Pay Gap	
Mean	0.58%
Median	5.11%

The table above shows our overall mean and median gender pay gap based on hourly rate of pay as at the snapshot date of 5 April 2018. Within Tata Steel UK Ltd, approximately 89% of our workforce are male, and 11% are female. Over half of our female employees are employed in Professional, Managerial or Technical roles compared with just over a third of our male employees.

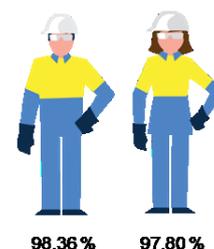
Bonus Pay Gap	
Mean	2.13%
Median	23.22%

The second table captures the mean and median difference between bonuses paid to men and women at Tata Steel UK in the 12 months ending on 5 April 2018.

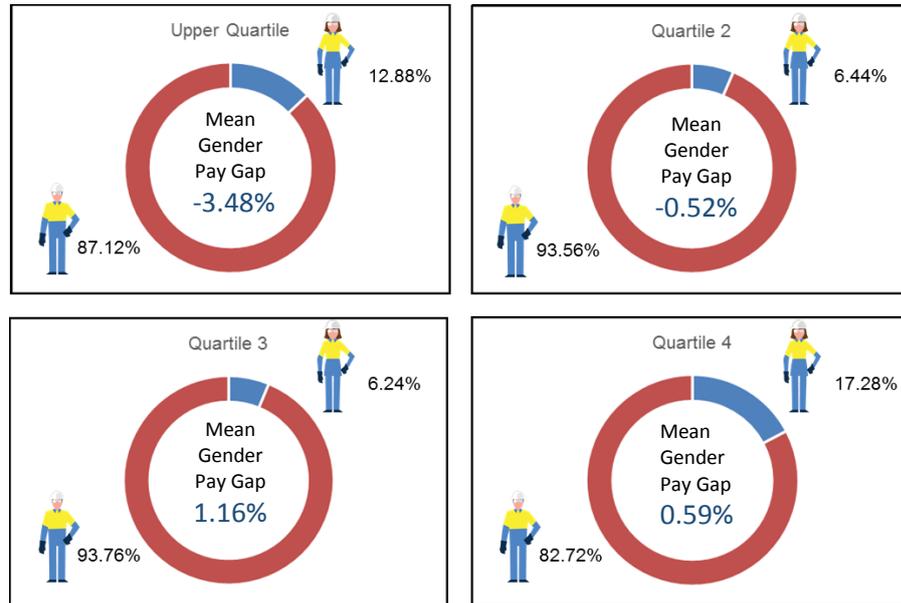
With regards to bonus pay, the majority of our workforce all receive a bonus through collectively negotiated schemes. This means that regardless of gender the same bonus percentage would be received, with the amount paid to individuals determined by their basic salary plus other allowances. Senior Managers receive a bonus payment which takes into account both company and individual performance. When considering the bonus gap results, it is worth noting that bonus payments are based on an employee's total earnings which would include overtime pay. Within Tata Steel UK Ltd, most overtime is worked in our manufacturing based roles which currently have a higher proportion of male employees.

Reviewing the proportion of males and females receiving bonus payments in the 12 months ending on 5 April 2018, there is little difference between those who received a bonus when considering gender.

**% of employees who received a bonus in 2018**



## Pay Quartiles



The quartile results demonstrate that females are represented across all of our pay quartiles. When using the same calculation to calculate the gender mean gap for each quartile, it is worth noting a gender pay gap of -3.48% (highest quartile) and -0.52% in quartile 2. Results for quartile 3 and the lowest quartile are 1.16% and 0.59% respectively.

## The Future

Going forward, our focus continues to remain on ensuring we recruit and retain a diverse workforce in the UK and to ensure that opportunities within our business to progress, develop and contribute are equally available to all employees.

This will be supported through:

- the development of the diversity and inclusion roadmap
- review and development of policies and practices to ensure that they support diversity and inclusion
- improved communication of opportunities across the business
- development of a diversity and inclusion dashboard, monitoring and action setting

Our people remain to be our key asset. Together we make the difference.