

## Our 2020 Gender Pay Gap Report

The mission of the business 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, pioneering, excellence, unity and responsibility.

During 2020, as with many companies, our business was impacted by the global pandemic, which resulted in almost a quarter of our UK organisation being furloughed at its peak. Whilst, we continue to progress our diversity and inclusion roadmap our gender pay gap shows a result in favour of women, this year's gender pay result has inevitably been affected by those employees furloughed during the April period.

As a business we continue to seek ways to improve the diversity of our organisation. During the year our presence on social media such as Facebook and LinkedIn increased, to attract candidates that may not have considered Tata Steel UK as their employer of choice. To support recruitment activity, the business has recorded video content of a number of employees, which reflect our diverse organisation and support our employee value proposition. As a business, we continue to recruit future talent through apprentices and graduates and review professional development and training opportunities for all our employees. Once again, 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, the podcasts celebrating women in steel which were downloaded over 1300 times. During the year, I was pleased that one of our employees became the Chair of the Industry subgroup of the Welsh Government Women in STEM board, with the aim of promoting opportunities within STEM and the business. Internally, the Steel Women's Network engages regularly and continues to hold 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 know there is more to do and as a result our focus remains on increasing diversity and inclusion within the business, raising awareness and monitoring our progress.

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



Tor Farquhar  
Executive Director HR  
Tata Steel Europe

On behalf of Tata Steel UK

## Our Results

Gender Pay Gap	
Mean	-1.41%
Median	4.58%

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 2020, and takes into account the number of employees who were furloughed in April 2020. Within Tata Steel UK Ltd, approximately 89% of our workforce are male, and 11% are female. However, this was impacted by furlough, as a result the population considered for the report consisted of 8% females and 92% males. Over half of our female employees are employed in Professional, Managerial or Technical roles compared with just over a third of our male employees and a greater proportion of these roles were furloughed compared to other activity areas.

Gender Pay Bonus Gap	
Mean	1.39%
Median	18.22%

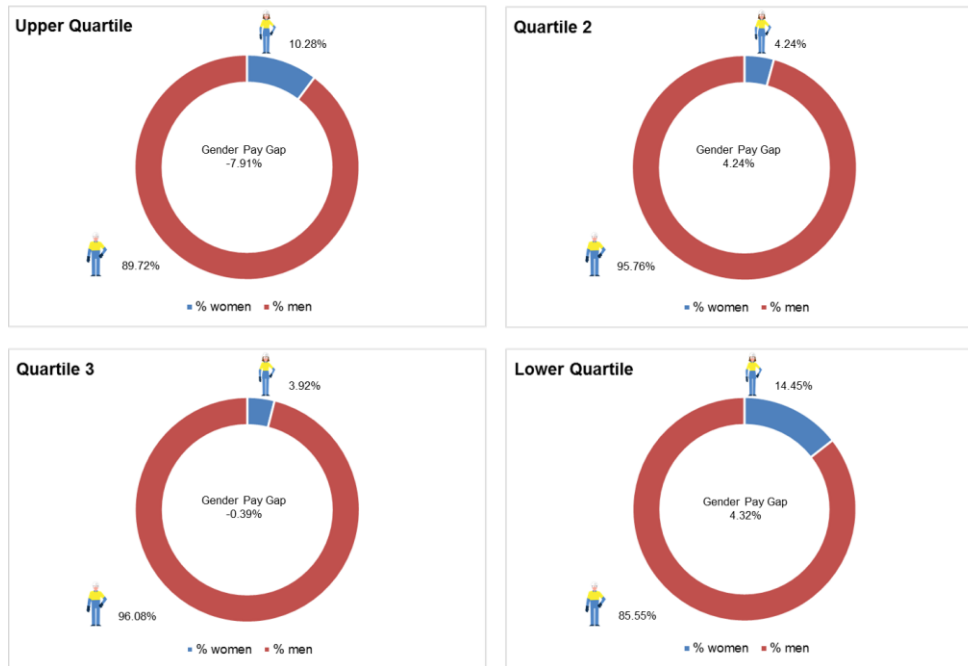
The second table captures the mean and median difference between bonuses paid to men and women at Tata Steel UK in the 12 months ending on 5 April 2020.

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 percentage of bonus payments paid to colleagues during the year prior to 2020, there is little difference between those who received a bonus when considering gender.

## 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 pay gap for each quartile, it is worth noting a gender pay mean gap of -7.91% (highest quartile) and 4.24% in quartile 2. Results for quartile 3 and the lowest quartile are -0.39% and 4.32% respectively. These figures, particularly for quartiles 2, 3 and 4, reflect the impact of furlough when compared to previous years reporting.

## 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 continued implementation of the diversity and inclusion roadmap
- the review of working practices over the last 12 months as a result of the pandemic, with the aim to introduce increased flexibility
- the review and development of policies and practices to ensure that they support diversity and inclusion
- improved communication of opportunities across the business
- continued support of STEM activity within schools and higher education

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