

Primetals Technologies UK is required by law to publish an annual gender pay gap report.

Our Data

This is our report for the snapshot date of 5th April 2019.

- The mean gender pay gap for Primetals Technologies UK is 22.7% (down from 34%)
- The median gender pay gap for Primetals Technologies UK is 18.1% (down from 34.1%)
- The mean gender bonus gap for Primetals Technologies UK is 59.9% (down from 70.7%)
- The median gender bonus gap for Primetals Technologies UK is 0%
- The proportion of both male and female employees in Primetals Technologies UK receiving a bonus is 100%.

Pay quartiles by gender

Number of individuals	Male	Female
Band A (Below LQ)	67.6%	32.4%
Band B (Between LQ and Med)	82.7%	17.3%
Band C (Between Med and UQ)	82.7%	17.3%
Band D (Above UQ)	93.7	6.3%

The figures set out above have been calculated using the standard methodologies used in the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

This data reflects the individuals employed by our UK organisation but also includes the Company’s Global Head Quarters which is based in the UK and therefore is treated as part of the same legal entity.

What are the underlying causes of Primetals Technologies UK’ gender pay gap?

Primetals Technologies UK. are committed to the principle of equal opportunities and equal treatment for all employees, regardless of sex, race, religion or belief, age, marriage or civil partnership, pregnancy/maternity, sexual orientation, gender assignment or disability. We believe in paying employees equally for the same or equivalent work, regardless of their sex (or any other characteristic set out above). As such, we:

- Carry out pay and benefits audits at regular intervals;
- Evaluate job roles and pay grades as necessary to ensure a fair structure;
- Review each individual according to performance;
- Have clearly defined recruitment programmes;
- Adopt flexible working practices;

Primetals Technologies UK are confident that our gender pay gap does not stem from paying men and women differently for the same or equivalent work. Rather, the gender pay gap is the result of the roles in which men and women work within the organisation and the salaries that these roles attract.

This can be seen above in the table depicting pay quartiles by gender. This shows Primetals Technologies UK workforce divided into four equal sized groups based on hourly pay rates, with Band A including the lowest-paid 25% of employees (the lower quartile).

Whilst women are still less well represented in the top quartile (Band D), in the last 12 months we have been active in increasing the number of women working in senior positions which can be seen in both Band C and D. We have also been active in addressing the pay for those working at lower levels within the organisation. Both these actions combined have resulted in an increase to the mean rate of pay for women by 19.5% against an increase on salaries for male employees at 2%. We remain committed to our practice of promoting candidates based on performance, behaviour, experience and ability.

Across the UK economy as a whole, men are more often in senior roles at the top of the organisation where the positions are not available on a part time basis. This affects the number of women that can fulfil these roles due to childcare commitments. At Primetals, we have a flexible working policy that applies to all employees and have seen an increase in the number of male employees requesting part time and flexible working, whether this be relating to Family Leave, with a number of our male employees taking our generous Shared Parental Leave options, or selecting to work more flexibly to spend time during the week with their families.

Industry Specific Commentary

Primetals Technologies UK operate within a specialised Industry of Project Based Design Engineering. The gender pay gap of other companies within this sector is believed to be of a similar level to those of our organisation.

The Womens Engineering Society (WES) statistics document (compiled from a number of sources revised in March 2016), suggests that only 6% of registered engineers and technicians (i.e. CEng, IEng, EngTech) are women. This is the lowest in Europe.

There is also a recognised cultural shift required within this sector and at Primetals Technologies UK, we have begun to tackle this starting at the Senior Leadership level, with a shift in mind set and behaviours as part of a wider investment in the development of our business. The Senior Leadership team are committed to continue to review and to address the leadership gap identified and the gender pay differences where possible.

The Bonus Scheme Data

Primetals Technologies UK is pleased to include participation into a bonus scheme within the terms and conditions of all of our employees. The majority of our employees are included in our "All Employee bonus scheme" where each individual receives the same bonus opportunity and results are calculated on a Company level. There is therefore complete equity within this scheme and so no gender bonus gap.

A smaller group of employees participate in the "Senior Management bonus scheme". This is a graduated scheme with the bonus opportunity increasing linked to the seniority of the position within the organisation. As there is a higher percentage of our senior managers who are male, we do see a gender bonus gap in this area however we have already seen improvements in this area and hope to continue to do so. The gap is further increased through the inclusion of our Global Headquarters team with our

reporting figures, with additional very senior positions added to the data reported in respect of our UK organisation.

What are Primetals Technologies UK doing to address its gender pay gap?

Primetals Technologies UK are committed to addressing the gender pay gap across the organisation. The figures reported have seen a significant improvement over the last 3 years. This has been a direct result of the commitment made to address the issues.

Following the first report in 2018, further investigation was undertaken to better understand the causes of our statistics. In some cases this could partly be attributed to factors such as higher levels of experience and service amongst male employees and location, with the high proportion of male employees based in our London headquarters.

Although some explanation came from the above points, it did not account for the whole picture and direct actions have been taken where concerns remained. In some cases, we have been able to immediately resolve the situations identified. In other cases, we have begun a longer term process which will address the concerns identified and believe these actions to be already be demonstrating results.

A core focus for us has always been to attract and retain talented employees, believing that our people are at the heart of our success. As such, we regularly review performance and promotion practices and have now extended this to include evidence based data to review the proportions of men and women recruited, promoted and leaving the organisation, the take up of flexible working practices and the retention of employees returning from family friendly leave and/or career breaks – options available to eligible male and female employees equally.

Primetals Technologies UK are pleased to be able to report that over the last 12 months we have continued to address the benefit levels of all our employees and have made improvements to see the Gender Pay Gap reduce by 47% to 18.1% (median). Although we continue to work to reduce any pay gaps across our organisation, we are pleased to see our efforts result in a significant reduction year on year within these first 3 reports.

I, Stephen Brown, CEO – UK Operating Companies, Primetals Technologies, confirm that the information in this statement is accurate.



Signed

Date

01.03.2020