

## Celsa Manufacturing (UK) Ltd Gender Pay Gap Reporting 2019-2020

Celsa Manufacturing (UK) Ltd is the largest manufacturer of steel reinforcement in the UK and one of the largest manufacturers for other long steel products. From our facilities in Cardiff, we produce around 1.2 million tonnes of steel annually, all from recycled scrap metal.

The steel industry has traditionally been one that does not attract women as readily as it does men, however at Celsa Manufacturing (UK) Ltd, we are taking steps to encourage more women into our business. We know that women are a very valuable asset to our company and recognise there is a strong link between the presence of women in leadership positions and positive company performance.

During 2019 and 2020 we have continued our “Women in Steel” campaign, celebrating women within the steel industry. In 2019 we welcomed our first female production operator and in 2020 we appointed a top female senior manager.

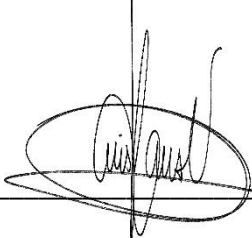
We have seen a reduction in our mean gender pay gap from 11.37% in 2019 to 6.72% in 2020 and there has been a steady increase in the proportion of women moving into the upper middle pay quartiles, increasing by 0.92% in 2019 and a further 0.5% in 2020, reflecting an increase in women in more senior positions.

The Covid pandemic has had an impact on our business during 2020; 119 employees were furloughed and approximately 37% of people worked from home to comply with Government restrictions and to allow flexibility for childcare and family responsibilities including home schooling.

Today's challenges require leaders with diverse skill sets and innovation that can only come from diverse ideas. We are committed to ensuring that we have diverse workforce and we will continue to look at ways to attract, retain and develop leaders within the organisation that align with the company values.

This report provides data for Celsa Manufacturing (UK) Ltd and measures the difference between the average earnings of male and female employees, regardless of role or grade. The data is based on a snapshot date of 5<sup>th</sup> April 2019 and 5<sup>th</sup> April 2020.

The gender pay gap is not the same as equal pay. Equal pay ensures male and female employees receive the same pay for carrying out the same or equivalent work. This is a legal requirement in the UK and has been for many years.



**Luis Sanz, General Manager**



**James Ellis, Head of Human Resources**

### **Declaration**

This statement is published in accordance with the Gender Pay Gap Reporting regulations under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. We confirm that the information and data provided in this report is accurate and in line with mandatory requirements.

## Gender Pay Gap Results 2019 and 2020

### Gender Pay Gap

Mean gender pay gap 2019: **11.37%**

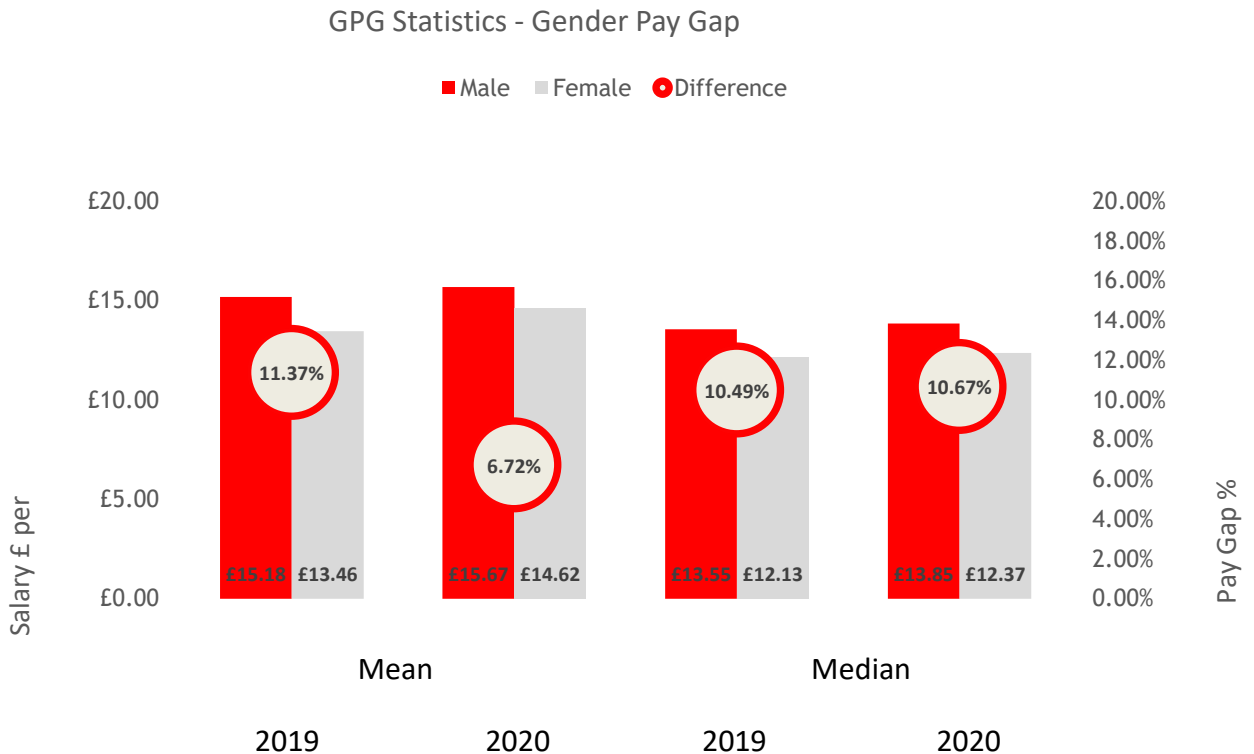
Mean gender pay gap 2020: **6.72%**

The difference in the **mean hourly pay** rate between all male and female employees is the average, which is calculated by adding up all of the numbers and then dividing it by the number in the group.

Median gender pay gap 2019: **10.49%**

Median gender pay gap 2020: **10.67%**

The difference in the **median hourly pay** rate between all male and female employees is calculated by ranking the data in the group from highest to lowest and taking the middle number between the two points.



The mean gender pay gap has reduced from 11.37% in 2019 to 6.72% in 2020; a contributing factor was that 119 employees were furloughed in this period. Of the furlough cohort, male employees (106 out of 642 relevant employees) tended to be shift workers and in receipt of higher pay rates pre furlough.

Other factors that continue to contribute to the gender pay gap include:

- Shift premiums - the hourly pay rate for each employee (as required by the legislation) includes base salary, as well as other allowances such as shift premiums. One hundred per cent of employees working shifts, which attract a premium, are male.

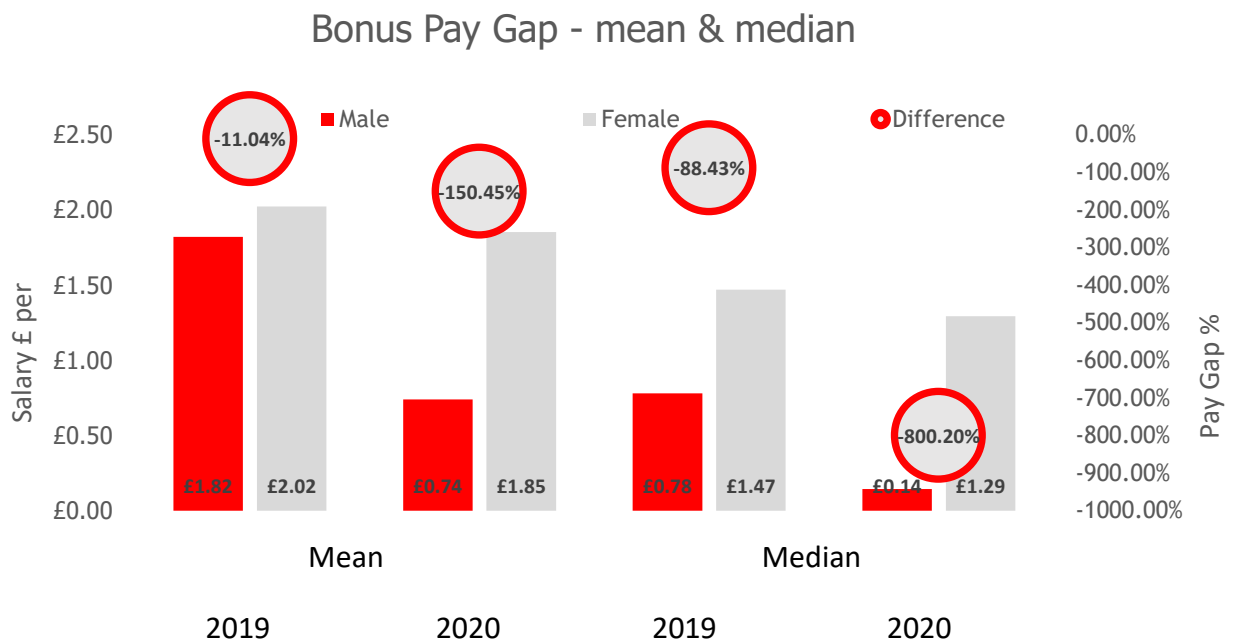
- Part-time working - One hundred percent of employees working part time are female with pro rata salary which will adversely affect the gender pay gap.

At Celsa Manufacturing (UK) Ltd we make sure that employees in similar roles are paid fairly by using a recognised job evaluation scheme (Hay).

### Gender Bonus Gap

Mean gender bonus gap 2019: **-11.04%**  
 Mean gender bonus gap 2020: **-150.45%**

Median gender bonus gap 2019: **-88.43%**  
 Median gender bonus gap 2020: **-800.20%**

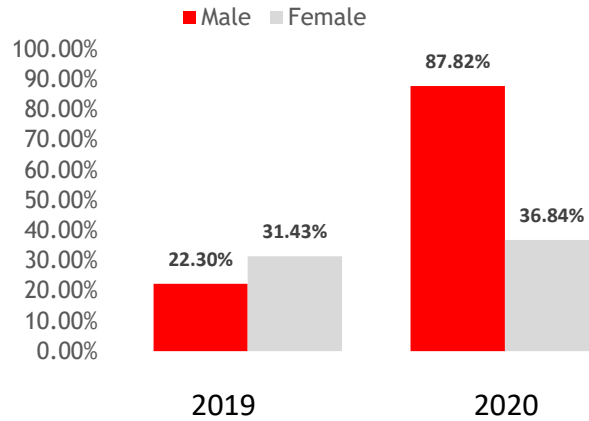


There were two types of bonus paid in the period 2019 to 2020:

- Annual bonus -based on company and individual performance against targets during the calendar year and paid in the following March.
- Collective Bargaining Agreement bonus – One off fixed sum agreed as part of the recognised union pay agreement for the period.

The negative gender bonus gap in favour of female employees reflects the fact that in 2019 and 2020 women only participated in the annual bonus scheme that is based on a percentage of salary.

## Bonus Pay Gap - proportion in receipt



Female employees in receipt of bonus 2019: 31.43%

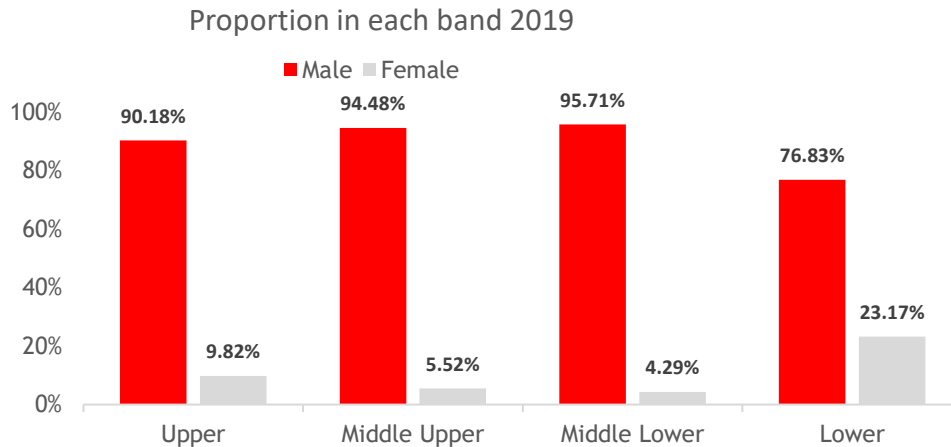
Male employees in receipt of bonus 2019: 22.30%

Female employees in receipt of bonus 2020: 36.84%

Male employees in receipt of bonus 2020: 87.82%

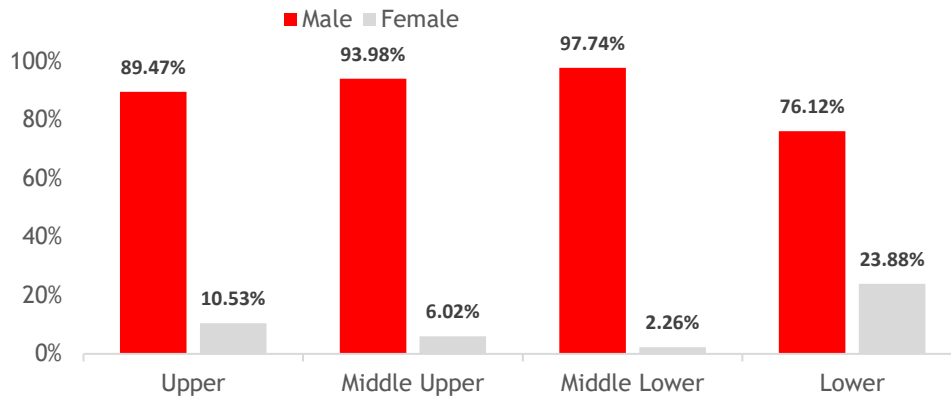
The percentage of male employees in receipt of a bonus in 2019 has increased from 22.3% to 87.8%, as the Company Collective Bargaining Agreement bonus was a one off payment made to a cohort of exclusively male employees.

### Gender in each quartile



Celsa Manufacturing (UK) Ltd employed 653 relevant full pay employees on 5<sup>th</sup> April 2019 of which 89.3% were male and 10.7% were female. The table shows the number of male and female employees in each of the four pay quartiles. The proportion of women moving into the upper quartile has decreased slightly since 2018 by 0.78% but the proportion of women moving into the upper middle quartiles has increased by 0.92%.

### Proportion in each band 2020



Celsa Manufacturing (UK) Ltd employed 533 relevant full pay employees on 5<sup>th</sup> April 2020 of which 89.3% were male and 10.7% were female. The reduction in the number of relevant full pay employees compared to 2019 is due to 119 employees being furloughed (therefore not included) on 5<sup>th</sup> April 2020. The proportion of women moving into the upper and upper middle quartiles has improved since 2019 by 0.71% and 0.5% respectively, reflecting a further increase in women in more senior positions.