



Knowledge grows

Gender Pay Gap Reporting 2022



Background

Gender pay gap reporting legislation was introduced from April 2017. There is a legal requirement for employers with 250 or more employees to publish statutory calculations every year showing the pay gap between male and female employees, expressed as a % of male employees' pay.

The 'snapshot' date for this report is payroll period April 2022.

Our employee numbers reduced below the 250-employee threshold after our 2018 submission and remained below the cap until 2022. Therefore, this report is the first time since 2018 that we have been required to publish a report.

Overview of Yara Workforce

As at 5 April 2022, Yara UK had a total of 258 relevant employees, of which 163 are Male and 95 are Female employees.

16% of the female employees work part-time.

Commitment to Promoting Gender Diversity, Equal Pay and Benefits

Yara is committed to paying employees fairly, regardless of any personal beliefs, gender, or other individual characteristics.

At Yara, we believe that creating a diverse and inclusive work environment is not only the right thing to do but also a smart thing to do.

A diverse and inclusive work environment in which employees feel valued for their uniqueness and safe to speak up benefits our business.

While we have had gender diversity on our leaders' agenda for quite a few years, Diversity, Equity & Inclusion is now firmly anchored in Yara's business strategy. Strengthening our efforts in this area is one of the identified strategic actions.

Yara, we are committed to improving gender diversity and providing equal pay, benefits and development opportunities for all our employees at all levels throughout the organisation.

How we aim to integrate Diversity and Inclusion into our business:

FOCUS AREAS



Secure **equal career opportunities**, equal pay and work-life integration

Ensure a **diverse workforce and leadership**, representing the markets we sell to and operate in

Create a **collaborative and inclusive work environment** in which employees feel valued for their uniqueness and safe to be themselves

Influence our partners and become a valuable D&I discussion partner to external stakeholders

FOUNDATION

Establish the grounds for a D&I mindset to grow on

Provide transparency where we are and where we want to go in terms of ambition and commitment

Align the communication and share inspirational messages and the latest news with all employees commitment

Targeted Initiatives to close the Gender Pay Gap

- Focused recruitment of Female Leaders
- Diversity targets for gender balance
- Strong diversity focus in our people processes
- Global Pay Equity review for each country
- Global Living Wage project to ensure we aim pay a competitive package to ensure a decent living for our employees and their families.
- Training/Development all managers, HR and employees on DE&I topics including unconscious bias
- Reporting gender balance of applicants and ensuring female representation for each vacancy.
- Our Talent Pipelines prioritise female talents for succession planning and leadership programmes.

All positions are graded using a Global Grading system and salaries are benchmarked using reputable salary surveys to measure pay competitiveness.

We recognize the need to encourage more gender diversity within senior management positions, and will continue to focus on proactive measures within the business.

We are proud of our employee retention at Yara, with the UK **turnover rate of 8.65% for 2022**. This also means that our vacancies for the more senior positions do not occur so often.

Results of our Gender Pay Gap

Pay

(Basic salary, bonus payments and other pay elements including allowances, pension cash in lieu)

The **Mean** gender pay gap = 34.8%
improvement of 10.5% from 2018

The **Median** gender pay gap = 23.0%
improvement of 16.2% from 2018

Included within this calculation are employees with global positions, not working for the local UK organization, but who have a UK contract of employment.

Bonus

(Bonus + other awards to recognise performance or productivity paid between May 2021 and April 2022)

The **Mean** bonus pay gap = 42.1%
improvement of 16.0% from 2018

The **Median** bonus pay gap = 26.8%
improvement of 13.3% from 2018

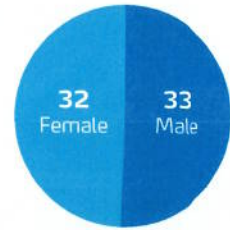
Every employee is entitled to a bonus payment based on a target %, Company performance and individual or team performance. This is pro-rata for part-time employees, new starters and long term absences, which skews the calculations and explains some of the gap.

As a gesture of thanks to employees for their continued efforts in a challenging business environment, all employees throughout Yara International were awarded an **extra ordinary bonus** in January 2022 (a similar bonus was also awarded also in January 2023 but not included in these numbers). A flat bonus of USD 1,000 was given to each employee, regardless of seniority, salary, gender or part time status.

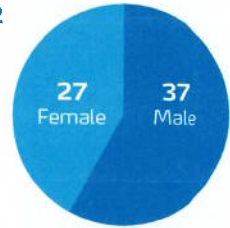
As part of our gender pay gap reporting, we are required to calculate the percentage of men and women in each pay quartile.

As at 5 April 2022, the proportion of employees within each quartile band are:

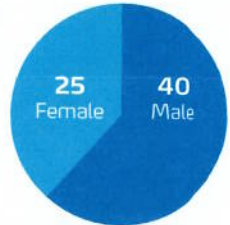
Quartile 1



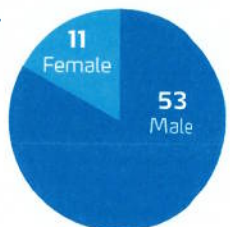
Quartile 2



Quartile 3



Quartile 4



What does the Gender Pay Gap tell us?

As indicated in the graphs above, there are higher proportions of males in more senior positions working both within and outside the UK & Ireland; the mathematical gender pay gap we see across the business is largely attributable to the gender skew in more senior positions. As discussed more fully above, there is a focus on prioritising female talent when it comes to succession planning and leadership programmes. However, with low staff turnover and fewer senior roles, we anticipate that a rebalancing of the genders for senior roles will be a gradual exercise.

As an internal metric, Yara International compares the gender pay gap between males and females based on salary (i.e. basic pay excluding performance related bonus and allowances). On this metric, the gender pay gap for employees of Yara UK Limited is significantly reduced to a workforce average of 10.2%. When comparing the gender pay gap on a job grade basis (which we believe provides a better comparator of the pay received by males and females for similar work), the pay gap reduces further and for a number of job grades there is no negative pay gap difference for females when compared to male pay.

Yara continues to be committed to work proactively on our strategic Diversity, Equity and Inclusion agenda and make positive changes and impact. This will take a period of time, but as we can see from the results above, we are continuing to make good progress to close the gap.

This report is published by
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The gender pay gap information
we have published is accurate.

Director
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